



City Budget
2013

Toronto and Region Conservation Authority (TRCA) Operating Budget Analyst Notes

The City of Toronto's budget is presented by program and service, in Analyst Note format. The City's Operating Budget pays the day-to-day operating costs for the City.

2013 Operating Budget

2013 OPERATING BUDGET ANALYST NOTES BRIEFING NOTES

BUDGET COMMITTEE, NOVEMBER 29, 2012

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PART I: RECOMMENDATIONS

2013 Recommended Operating Budget
(In \$000s)

(In \$000s)	2012		2013 Recommended Operating Budget			Change - 2013 Recommended		FY Incremental Outlook	
	Approved Budget	Projected Actual	2013 Rec. Base	2013 Rec. New/Enhanced	2013 Rec. Budget	Operating Budget v. 2012 Appvd. Budget		2014	2015
	\$	\$	\$	\$	\$	\$	%	\$	\$
GROSS EXP.	37,203.0	37,203.0	38,402.0		38,402.0	1,199.0	3.2%	599.2	611.2
REVENUE	29,726.6	29,726.6	30,735.5		30,735.5	1,008.9	3.4%	553.9	565.9
NET EXP.	7,476.4	7,476.4	7,666.5	0.0	7,666.5	190.1	2.5%	45.3	45.3
Less Toronto Water Contribution	4,270.1	4,270.1	4,377.0		4,377.0	106.9	2.5%		
Tax-Supported	3,206.3	3,206.3	3,289.5	0.0	3,289.5	83.2	2.6%	45.3	45.3
Approved Positions	399.9	399.9	399.9		399.9	0.0	0.0%		

Recommendations

The City Manager and Acting Chief Financial Officer recommend that:

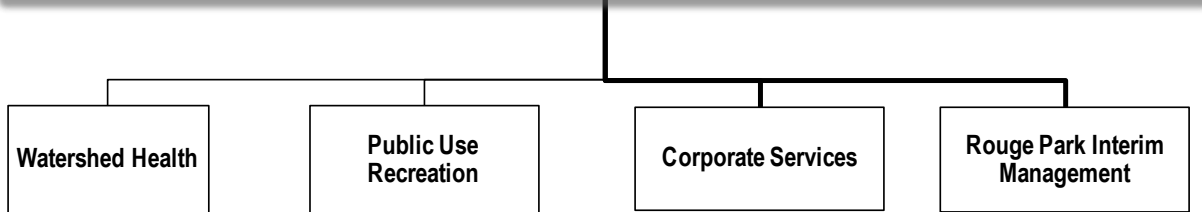
1. City Council approve the 2013 Recommended Operating Budget for Toronto and Region Conservation Authority of \$38.402 million gross and \$3.290 million net, comprised of the following services:

<u>Service:</u>	Gross <u>(\$000s)</u>	Net <u>(\$000s)</u>
Watershed Health	19,110.9	2,542.9
Public Use Interim Management	12,045.4	704.0
Corporate Services	6,579.2	4,327.7
Rouge Park Interim Management	666.5	91.9
Total Program Budget	38,402.0	7,666.5
Less: Toronto Water Contribution		4,377.0
		<u>3,289.5</u>

PART II: 2013 SERVICE OVERVIEW AND PLAN

Program Map and Service Profiles

Toronto and Region Conservation Authority
 The Toronto and Region Conservation Authority is committed to protecting, restoring and celebrating the natural environment in the Toronto region through the development and application of watershed plans, innovative environmental science and education programs.

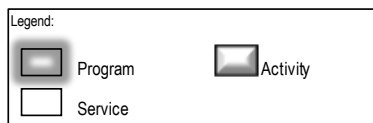


Purpose:
 TRCA activities focus on protection, management and restoration of water and land resources. This service includes Conservation Education programs at Kortright and 3 Field Centers with aim to influence people's stewardship of those resources.

Purpose:
 TRCA provides facilities for public use at 9 Conservation Areas and Black Creek Pioneer Village. In addition this service includes activities that provide high quality and well used public use programs and facilities, and activities to promote healthy, active living.

Purpose:
 Corporate management services include administrative services and support, strategic leadership, executive direction and decision making and organizational and governance requirements of the Authority.

Purpose:
 Rouge Park Interim Management services includes administrative costs for management and development of the largest urban park in North America.



2013 Recommended Service Levels

Watershed Health

TRCA activities focus on protection, management and restoration of water and land resources. This service includes Conservation Education programs at Kortright and 3 Field Centers with aim to influence people's stewardship of those resources.

This Service is comprised of the following key activities:

- Watershed Strategies
- Ecology
 - Forecasting
 - Flood Management
 - Warning
- Restoration Services including:
 - Management
 - Restoration of lands/ecosystems
 - Protection
- Planning and Development including:
 - Plan Review related to Flooding and Erosion (turnaround within 30-60 days)
- Environmental Education at the Kortright Centre to over 150,000 users annually
- Conservation Field Centers

Public Use Recreation

TRCA provides facilities for public use at 9 Conservation Areas and Black Creek Pioneer Village. In addition this service includes activities that provide high quality and well used public use programs and facilities, and activities to promote healthy, active living.

The service is comprised of the following key activities:

- Black Creek Pioneer Village (used by over 150,000 visitors from May to December) provides:
 - Conservation of heritage site
 - Educational Services
- Bathurst Glen Golf Course
- Conservation Areas (used by over 500,000 visitors)

Corporate Management

Corporate management services include administrative services and support, strategic leadership, executive direction and decision making and organizational and governance requirements of the Authority.

This Service is comprised of the following key activities:

- Corporate Management
- Corporate Secretariat
- Human Resources
- Communications
- Finance and Business

Rouge Park

Rouge Park Interim Management services includes administrative costs for management and development of the largest urban park in North America.

2013 Service Deliverables

The 2013 Recommended Operating Budget of \$38.402 million gross and \$7.667 million net provides funding to ensure the continuation of the service levels provided by TRCA, including:

- Continue to delivery and manage public use programs and facilities at 9 Conservation Areas used by over 500,000 visitors and at Black Creek Pioneer Village used by over 150,000 visitors;
- Continue to protect, manage and restore water in 9 watersheds and land resources on 44,000 acres (of which 12,000 acres are in Toronto) and encourage environmentally friendly practices and development progress on the Waterfront projects;
- Continue to deliver administrative services to meet regulatory compliance and organizational and governance requirements of the TRCA funding partners; and
- Continue the administration and development of the Rouge Park.

PART III: RECOMMENDED BASE BUDGET

**2013 Recommended Base Budget
(In \$000s)**

(In \$000s)	2012 Approved Budget	2013 Rec'd Base	Change 2013 Recommended Base vs. 2012 Appvd. Budget		FY Incremental Outlook	
			\$	%	2014	2015
	\$	\$	\$	%	\$	\$
GROSS EXP.	37,203.0	38,402.0	1,199.0	3.2%	599.2	611.2
REVENUE	29,726.6	30,735.5	1,008.9	3.4%	553.9	565.9
NET EXP.	7,476.4	7,666.5	190.1	2.5%	45.3	45.3
Less Toronto Water Contribution	4,270.1	4,377.0	106.9	2.5%		
Tax-Supported	3,206.3	3,289.5	83.2	2.6%	45.3	45.3
Approved Positions	399.9	399.9		0.0%		

2013 Recommended Base Budget

The 2013 Recommended Base Budget of \$7.667 million net is \$0.190 million or 2.5% over the 2012 Approved Budget of \$7.477 million net.

- The 2013 Recommended Base Budget of \$7.667 million net has two funding sources: \$4.377 million which is funded by a contribution from Toronto Water's rate-supported Operating Budget and the balance of \$3.290 million which is funded from property taxes.
- In 2013, the rate-supported contribution from Toronto Water has increased by \$0.107 million or 2.5% compared to the funding approved last year. Consequently, the tax-supported funding is \$0.083 million or 2.6% over the budget target of a 0% increase and tax-supported funding approved in 2012.
- The 2013 Recommended Operating Budget includes pressures of \$1.199 million. These pressures are partially offset by an increase in revenue of \$1.009 million provided by other municipality partners and as a result of user fee increases.
 - TRCA's operating budgets are also approved by other municipalities (Regions of York, Peel and Durham, Town of Mono and the Township of Adjala-Tosorontio) and the share of funding for each municipality is based on the modified current value assessment (CVA). In 2013, TRCA expects to receive \$0.186 million in additional revenue from its partner municipalities to maintain the funding ratio.
 - TRCA continued to review its fees and in order to maintain the level of service, meet the demands of partner municipalities and achieve full cost recovery. As a result, TRCA has raised planning and permitting fees which will generate additional revenue estimated at \$0.823 million.
- TRCA's total 2013 staff complement will be 399.9 positions as highlighted in the table below:

**2013 Recommended Staff Complement
Base Budget Summary**

Changes	Staff Complement
2012 Approved Complement	401.8
- 2012 In-year Adjustments	(1.9)
2012 Approved Staff Complement	399.9
2013 Recommended Staff Complement Changes	
- 2013 Temporary Complement - Capital Project Delivery	
- 2013 Operating Impacts of Completed Capital Projects	
- 2013 Service Changes	
Total 2013 Recommended Complement	399.9

- Approval of the 2013 Recommended Base Budget reflects the deletion of 1.9 positions resulting from an in-year adjustment. This in-year adjustment is required to align TRCA's budget as approved by the Toronto City Council with TRCA's final budget that was approved by the TRCA Board in April 2012, after all partner municipalities have approved their budgets.

2014 and 2015 Outlook (In \$000s)

Description	2014 - Incremental Increase					2015 - Incremental Increase					Total Net % Change from 2013
	Gross Expense	Revenue	Net Expense	% Net Change from 2013	# Positions	Gross Expense	Revenue	Net Expense	% Net Change from 2014	# Positions	
Known Impacts											
Staffing Costs	599.2		599.2	18.2		611.2		611.2	18.6		36.8
User Fees and Donations		410.2	(410.2)	(12.5)			417.9	(417.9)	(12.7)		(25.2)
Funding from Other Municipalities		143.7	(143.7)	(4.4)			148.0	(148.0)	(4.5)		(8.9)
Sub-Total - Known Additional Impacts	599.2	553.9	45.3	1.4	0.0	611.2	565.9	45.3	1.4	0.0	2.8
Total Incremental Impacts	599.2	553.9	45.3	1.4	0.0	611.2	565.9	45.3	1.4	0.0	2.8

Approval of the 2013 Recommended Base Budget for Toronto and Region Conservation Agency will result in a 2014 incremental cost increase of \$0.045 million and a 2015 incremental cost increase of \$0.045 million to maintain 2013 service levels.

Future year incremental costs are primarily attributable to the following:

Known Impacts

2014:

- *Staffing costs:* Additional funding of \$0.599 million will be required for annual increases for salaries and benefits.
- These costs will be partially offset by additional revenue of \$0.410 million generated from user fee increases and funding of \$0.144 million received from other partner municipalities.

2015:

- *Staffing costs:* Additional funding of \$0.611 million will be required for annual increases for salaries and benefits.
- These anticipated pressures will be partially offset by anticipated additional revenue of \$0.418 million from user fees and donations and additional revenue of \$0.148 million received from other partner municipalities.

PART V: ISSUES FOR DISCUSSION

2013 and Future Year Issues**2013 Issues***0% Increase Target*

- Conservation Authorities (CAs) were established by the Province of Ontario in the late 1940s. Every conservation authority is "a body corporate" (section 4 of the CA Act). As such, TRCA, established in 1957 under the Conservation Authorities Act, is a legal entity separate from the City of Toronto which operates as a non-profit organization with its own "board of directors", the Authority to which the City appoints 14 members representing 50% of the membership. The remaining 14 members are appointed by the Regions of Peel, York and Durham, the Town of Mono and Township of Adjala-Tosorontio.
- TRCA's total budget is also approved by other municipalities (Regions of York, Peel and Durham, Town of Mono and the Township of Adjala-Tosorontio), therefore the City of Toronto's share must maintain the ratio between these funding municipalities according to their share of overall TRCA property tax assessment base.
 - The method for apportioning the TRCA levy among its municipal funding partners is based on the modified current value assessment (CVA) for each municipality. The CVA formula uses property assessments to calculate the distribution of the levy. Property assessment is a factor all municipalities have in common and it changes in proportion to the value of real estate in each jurisdiction. This means that the municipality within TRCA's jurisdiction which has the highest proportion of overall assessment should pay proportionately the highest share of TRCA's generally benefiting (operating) costs.
- The TRCA's 2013 Recommended Operating Budget of \$7.667 million net, will be funded by a rate-supported contribution from Toronto Water of \$4.377 million and tax-supported funding of \$3.290 million, and does not include any recommended service changes.
 - Since the TRCA's total budget is approved by other municipalities after it is approved by the City of Toronto, the 2013 Recommended Operating Budget includes projected revenue increases from other partner municipalities of \$0.186 million and user fee increases of \$0.823 million for a total of \$1.009 million. This additional revenue is allocated to annual compensation increments and step increases, OMERS increases and other economic factor increases to offset budget pressures of \$1.199 million.
- For 2013, the Toronto Water contribution has been increased by \$0.107 million or 2.5% to account for inflation resulting in the tax-supported funding increase of \$0.083 million or 2.6% to meet TRCA's service costs in 2013. Consequently, the 2013 Recommended Operating Budget is over the 0% budget target by the increased tax funding of \$0.083 million or 2.6%.
- Any major reductions to the City's support to TRCA's budget will require proportional reductions in funding from other municipalities and thus, further reductions in services are not recommended.

- TRCA's Board approves its Operating Budget once the budgets for all municipalities have been confirmed and approved by respective Councils.

Future Year Issues

Rouge Park

- The Federal government announced during the May 4, 2011 Throne Speech that Rouge Park is to become Canada's first national urban park.
- On May 25, 2012, the Honourable Peter Kent, Canada's Environment Minister and Minister responsible for Parks Canada, and the Honourable Jim Flaherty, Minister of Finance and Minister responsible for the Greater Toronto Area (GTA), announced funding from Canada's Economic Action Plan 2012 towards the establishment of Rouge National Urban Park and presented the proposed Study Area for the park, during a meeting with Aboriginal and community partners, and a broad range of stakeholders.
- The Federal Government will be providing \$143.7 million over the next 10 years and over \$7.5 million ongoing to bring to fruition the "people's park" in the GTA.
- The study area under consideration by Parks Canada spans 5,600 hectares including 2,040 hectares in the City of Toronto. In order to establish the park, publicly owned lands within the study area will need to be transferred to Parks Canada.
- Most of the lands within the City of Toronto that will become part of the proposed park are owned by TRCA, however a few small parcels of land are owned by the City. The Province of Ontario will be approving the lands to be transferred to Parks Canada.
- Negotiations are currently in process and are expected to continue into 2014; therefore no financial implications are anticipated for 2013.
- Through its Board, TRCA will be providing regular updates on the progress of negotiations and transfer of lands, as well as outlining any resulting financial implications.

Issues Referred to the 2013 Operating Budget Process

Ratio of Toronto Water Contribution

- In September 2006, City Council adopted a report "Toronto and Region Conservation Authority Capital and Operating Budgets Funding from Water Reserves" (Report 7, Clause 65) from Toronto Water and the Financial Planning Division in consultation with TRCA. The report established a policy that 55% of the funding allocated to TRCA will be funded from water reserves.
- As a result, the 2013 Recommended Operating Budget for TRCA will be partially funded by a contribution of \$4.377 million from Toronto Water. This equates to an increase of \$0.107 million or 2.5% over the 2012 contribution of \$4.270 million to account for inflationary impacts.

- The proportion of funding from Toronto Water to TRCA will change from 57.11% in 2012 to 57.09% in 2013. As this change in proportion is minimal it remains consistent with the designated proportion of City funding sources and maintains the ratio of approximately 55%.

Core Service Review and Efficiency Study Implementation – Status Update

Black Creek Urban Farm

- On September 26 and 27, 2011 City Council adopted a report called 'Core Service Review – Final Report to Executive Committee' from the City Manager, which has service and service level changes based on the detailed Core Service Review conducted by KPMG. City Council approved the following specific recommendation that impacts TRCA:
 - Parks, Forestry and Recreation – Authorize the General Manager to negotiate the transfer of the operation of Black Creek urban farm from the City of Toronto to the Toronto and Region Conservation Authority (TRCA) on such terms as may be agreed.
- The transfer was successfully completed in 2012 with no additional costs to the City.

Appendix 1

2012 Performance

2012 Key Accomplishments

In 2012, TRCA achieved the following results:

- ✓ A new revenue stream was created at Black Creek Pioneer Village, where visitors can enjoy a summer meal and a refreshing pint of ale from the Black Creek Historic Brewery at the newly constructed patio at the Half Way House restaurant.
- ✓ Wild Wetland Splash at Heart Lake has been chosen as the best kids' water park in the "Best of the City" article in Toronto Life magazine, as endorsed by David Suzuki.
- ✓ Black Creek Pioneer Village continues to welcome about 150,000 visitors annually and other public user facilities experienced best levels of attendance in years.
- ✓ Processed over 4,900 development permits and applications, as well as 1,700 active permits that required compliance inspections; generating over \$4.3 million in planning fees and moving towards 100% development cost recovery.
- ✓ TRCA supported the City's urban farm initiative on lands adjacent to Black Creek Pioneer Village (BCPV) and through BCPV's relationship with local schools in the Jane/Finch area.
- ✓ TRCA continues to be a leader in volunteer development, mentorship and training programs aimed at new Canadians.
- ✓ Purchased the AGRESSO financial package which will provide greater efficiency, accuracy and timely reporting for enhanced financial management and budgeting and controls.

2012 Performance

- TRCA is a separate agency and does not follow City's standards for performance measures.
- TRCA's performance measures are based on volume, customer service quality and community impact.
- Overall, TRCA met its performance measure targets for 2012.
- The following should be noted while considering TRCA's performance measures:
 - Number of development violations can vary year to year depending on the volume of development occurring across TRCA's area of jurisdiction and how successful TRCA enforcement officers are in finding violations.
 - In 2011, the number of trees planted was higher as a result of special funding from community groups and charities.
 - Attendance at Conservation Areas is usually affected by weather and tourism levels.

Major Activity	Type	Performance Measure Description	2010 Actuals	2011 Actuals	2012 Projected Actual	2013 Target	2014 Target
Promote healthy rivers, valleys, shorelines	V	Number of development permits and applications processed	4,903	4,672	4,931	4,900	4,900
	V	Number of active permits requiring compliance inspections	2,080	1,997	1,700	1,700	1,700
	V	Number of violations issued	112	77	104	100	100
	V	% of baseline science / monitoring completed and updated	78%	79.0%	80.0%	81.0%	82.0%
Greenspace and Regional Biodiversity	V	Number of native trees / shrubs planted	252,113	396,853	300,000	300,000	300,000
	V	Number of native trees / shrubs produced	232,343	267,463	230,000	230,000	230,000
	V	Acres of land on ownership	41,449	43,993	44,500	44,700	44,900
	V	% of Land Master Plan achieved	53.7%	57.0%	57.6%	57.9%	58.2%
Education for Sustainable Living	V	Attendance numbers for Kortright Centre for Conservation	101,583	170,000	191,000	193,000	196,000
	V	Number of program days at Conservation Field Centres utilized by GTA students	22,405	26,274	26,028	26,000	26,000
	CQ	Visitor satisfaction survey results (out of possible 5)	4.6	4.6	4.6	4.8	4.8
High quality, well used public use programs	V	Attendance numbers at Conservation Areas	441,641	398,000	444,000	444,000	444,000
	V	Attendance numbers at Black Creek Pioneer Village	135,108	130,898	141,000	141,000	141,000
Corporate Services	CI	Cost of TRCA Operating funding per Toronto resident (2011 census from Stats Can)	\$2.82	\$2.82	\$2.86	\$2.93	\$2.97
	V	Volume: number of payroll, invoices, purchase card transactions	46,291	45,618	47,000	47,000	47,000

Keys

V - Volume

CQ - Customer Service Quality

2012 Budget Variance Analysis**2012 Budget Variance Review
(In \$000s)**

(In \$000s)	2010 Actuals	2011 Actuals	2012 Approved Budget	2012 Projected Actuals*	2012 Approved Budget vs Projected Actual Variance	
	\$	\$	\$	\$	\$	%
Gross Expenditures	34,974.7	35,788.0	37,203.0	37,203.0	-	-
Revenues	31,705.3	32,581.6	33,996.7	33,996.7	-	-
Net Expenditures	3,269.4	3,206.4	3,206.3	3,206.3	-	-
Approved Positions	380.2	393.4	399.9	399.9	-	-

* Based on the 3rd Quarter Operating Budget Variance Report.

2012 Experience

- TRCA's third quarter projection for year-end indicates that TRCA is tracking to be on budget on both a gross and net expenditure basis. The TRCA's year-end projection of \$3.206 million net matches its 2012 Council Approved Tax-Supported Operating Budget.

Impact of 2012 Operating Variance on the 2013 Recommended Budget

- There are no impacts from the 2012 Operating Variance on the 2013 Recommended Operating Budget.

Appendix 2

2013 Recommended Operating Budget by Expenditure Category and Key Cost Driver

Program Summary by Expenditure Category (In \$000s)

Category of Expense	2010	2011	2012	2012	2013	2013 Change from		2014	2015
	Actual	Actual	Budget	Projected Actual	Recommended Budget	2012 Approved Budget	%	Outlook	Outlook
	\$	\$	\$	\$	\$	\$	%	\$	\$
Salaries and Benefits	26,154.0	26,968.4	28,879.5	28,879.5	29,959.5	1,080.0	3.7%	30,558.7	31,169.9
Materials and Supplies	3,971.2	4,000.0	4,263.2	4,263.2	4,307.2	44.0	1.0%	4,307.2	4,307.2
Equipment	869.2	635.4	723.7	723.7	723.7		0.0%	723.7	723.7
Services & Rents	3,980.3	3,411.0	3,336.6	3,336.6	3,411.6	75.0	2.2%	3,411.6	3,411.6
TOTAL GROSS EXPENDITURES	34,974.7	35,014.8	37,203.0	37,203.0	38,402.0	1,199.0	3.4%	39,001.2	39,612.4
Interdivisional Recoveries									
Provincial Subsidies	1,639.2	1,740.0	1,989.0	1,989.0	1,989.0		0.0%	1,989.0	1,989.0
User Fees & Donations	21,524.9	21,412.8	23,132.1	23,132.1	23,955.0	822.9	3.6%	24,365.2	24,783.1
Contribution from Reserve Funds	4,207.1	4,270.1	4,270.1	4,270.1	4,377.0	106.9	2.5%	4,377.0	4,377.0
Sundry Revenues	4,334.1	4,385.4	4,605.4	4,605.4	4,791.5	186.1	4.0%	4,935.2	5,083.2
TOTAL REVENUE	31,705.3	31,808.3	33,996.6	33,996.6	35,112.5	1,115.9	3.5%	35,666.4	36,232.3
TOTAL NET EXPENDITURES	3,269.4	3,206.5	3,206.4	3,206.4	3,289.5	83.1	2.6%	3,334.8	3,380.1
APPROVED POSITIONS	380.2	380.2	399.9	399.9	399.9		0.0%	399.9	399.9

2013 Key Cost Drivers

Salaries and Benefits are the largest expenditure category and account for 78% of the total expenditures, followed by Materials and Supplies at 12%, Services and Rents at 8%, and Equipment at 2%.

Salaries and Benefits

- The 2013 expenses for salaries and benefits are increasing by \$1.080 million mainly as a result of:
 - Step increases, which account for a pressure of \$0.125 million;
 - Annual increases require additional funding of \$0.365 million;
 - 0.9% OMERS increase, which results in additional pressures of \$0.240 million; and
 - Annualized impacts of 2012 annual increases requiring an additional \$0.350 million.
- The 2011 expenses for salaries and benefits are higher from 2010 as a result of additional positions required to process increased volume of development applications. These costs were offset by revenue earned from processing of development applications.

Materials and Supplies

- The 2013 expenses for materials and supplies will increase by \$0.044 million or 1% to account for inflationary pressures, similarly as in 2012 and 2011.

Equipment

- In 2010, the actual expenses for equipment were higher due to the required replacement of vehicles and equipment.
- The 2013 expenses for equipment remain at the 2012 approved level.

User Fees and Donations are the largest revenue category and account for 68% of the total revenues, followed by Sundry Revenues at 14%, Contributions from Reserve Funds at 12%, and Provincial Subsidies at 6%.

User Fees and Donations

- The 2013 budgeted revenue for user fees and donations reflect an increase of \$0.823 million as a result of increases to planning and permitting fees in order to maintain the level of service, meet the demands of partner municipalities and achieve full cost recovery.

Contribution from Reserve Funds

- To maintain the funding contribution from Toronto Water at approximately 55%, the contribution (appears as "Contribution from Reserve Funds" in the table) has been flatlined at \$4.270 million since 2011 and will increase by \$0.107 million to \$4.377 million in 2013.

Sundry Revenues

- Sundry revenues represent the operating levy for TRCA's other partner municipalities: Regions of York, Peel and Durham, Town of Mono and the Township of Adjala-Tosorontio.
- The 2013 revenue for sundry revenues reflects an increase of \$0.186 million or 4% from these municipalities required to maintain the established funding ratio.

Position Changes

- In 2011, the approved staff complement increased from 380.2 to 395.0 as a result of additional positions required for the Immigrant Professional Mentoring Program created to integrate new immigrants with a professional degree into Canadian workforce. This program was initiated and 100% funded by the Province.
- The 2012 staff complement required an increase of 6.8 positions for the re-opening of Petticoat Creek Pool that was closed for rebuilding in 2011.
- The 2013 Recommended Operating Budget for TRCA will not result in any staffing changes.

The 2013 Recommended Base Budget provides funding for the following:

Prior Year Impacts

- Annualized impacts of 2012 annual increases for salaries account for \$0.350 million in budget pressures.

Economic Factors

- Estimated step increases result in additional pressures of \$0.125 million.
- The OMERS 0.9% increase for 2013 accounts for \$0.240 million in budget pressures.
- Annual compensation increase of 2% and inflation costs for supplies and rents account for the additional pressure of \$0.484 million.

Revenue Changes

- The budget pressures mentioned above are partially offset by additional revenue of \$0.823 million due to increased planning and permitting fees and \$0.186 million in additional revenue received from TRCA's partner municipalities.