

2022 Budget Notes

Toronto and Region Conservation Authority

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Description

We protect, conserve, and restore natural resources and develop resilient communities through education, the application of science, community engagement, service excellence and collaboration with our partners. Toronto and Region Conservation Authority (TRCA) provides the following services:

- Watershed Studies & Strategies
- Water Risk Management
- Regional Biodiversity
- Greenspace Securement & Management
- Tourism & Recreation
- Planning & Development
- Education & Outreach
- Sustainable Communities
- Corporate Services

TRCA is the largest landowner (almost 18,000 hectares) in the Greater Toronto Area (GTA) region, and it makes its lands available to the community for outdoor and conservation education, recreation, and historic site purposes. TRCA's area of jurisdiction includes 3,467 square kilometres: 2,506 on land and 961 water-based.

TRCA is not an agency of the City of Toronto. TRCA is a stand-alone legal entity established in 1957 under the Conservation Authorities Act (CA Act), which sets out the mandate, governance, authorities and other provisions for Conservation Authorities (CA) in Ontario.

TRCA's 28-member Board of Directors sets strategic policy and supervises the management of the business and affairs of the TRCA. City Council appoints 14 members which currently includes seven public members, appointed through the City's Public Appointments process, and seven City Council members. The City of Toronto does not exercise control over TRCA or consolidate TRCA's operations into its financial statements.

Why We Do It

TRCA is one of 36 CA's Ontario undertaking watershed-based programs that protect people and property from flooding and other natural hazards while conserving natural resources to achieve economic, social and environmental benefits.

TRCA, in partnership with its partner municipalities is committed to a model that supports the traditional conservation authority mandate, and works to alleviate some of the most pressing challenges facing our Region including:

- Preventing, eliminating or reducing the risk to life and property from flooding, erosion and slope instability;
- Advising on urban (re)development and continued economic growth in the GTA;
- Supporting, maintaining & enhancing existing biodiversity and ecological functions of the Region's natural heritage system; and
- Fostering sustainable citizenship and offering residents opportunities for outdoor recreation.

The City of Toronto aims to deliver these outcomes equitably, efficiently and with excellent customer service to help improve the lives of Torontonians and work to earn their trust and confidence.

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What Service We Provide

<p><u>Watershed Management and Flood and Erosion Risk Management</u> Who We Serve: Government Agencies, Local Municipalities, and Residents & Families. What We Deliver: Flood & erosion risk management, watershed planning & reporting, environmental monitoring, trail planning development & management, terrestrial ecosystem planning, watershed restoration, forest management How Much Resources (gross 2022 operating budget): \$7.6 Million</p>
<p><u>Greenspace Management and Regulation of Planning and Development</u> Who We Serve: Government Agencies, Local Municipalities, Businesses & Associations, Residents and Community Groups. What We Deliver: Greenspace securement and management, policy development & review, development planning & regulation permitting, environmental assessment planning and permitting How Much Resources (gross 2022 operating budget): \$1.2 Million</p>
<p><u>Recreation & Education</u> Who We Serve: Residents, New Immigrants, Schools & Students What We Deliver: School programs, family & community programs, access to greenspace & conservation parks, sustainable community programs How Much Resources (gross 2022 operating budget): \$2.1 Million</p>

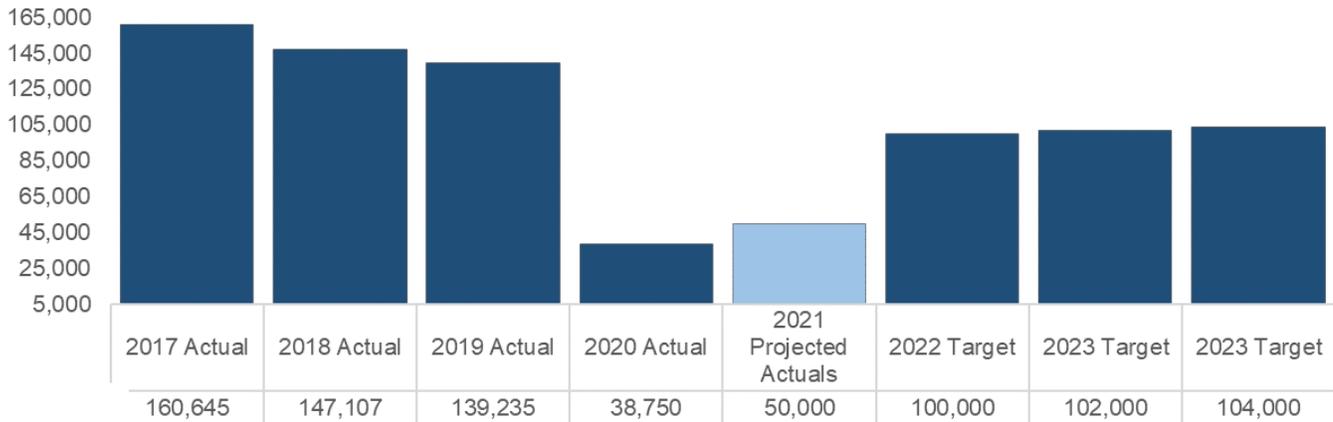
Budget at a Glance*

2022 OPERATING BUDGET				2022 - 2031 10-YEAR CAPITAL PLAN			
\$Million	2022	2023	2024	\$Million	2022	2023-2031	Total
Revenues	\$ 5.5	\$ 5.6	\$ 5.7	Gross Expenditures	\$25.860	\$202.324	\$228.184
Gross Expenditures	\$10.9	\$11.1	\$11.4	Debt	\$ 9.478	\$ 53.962	\$ 63.440
Net Expenditures*	\$ 5.5	\$ 5.7	\$5.7	Note: Includes 2021 carry forward funding			

*TRCA's budgetary requirement, shown above as Gross Expenditures, represents the apportionment pertinent to the City of Toronto under the Conservation Authorities Act. These expenditures are funded from the contribution by Toronto Water (Revenues) and the City of Toronto's property tax base (Net Expenditures).

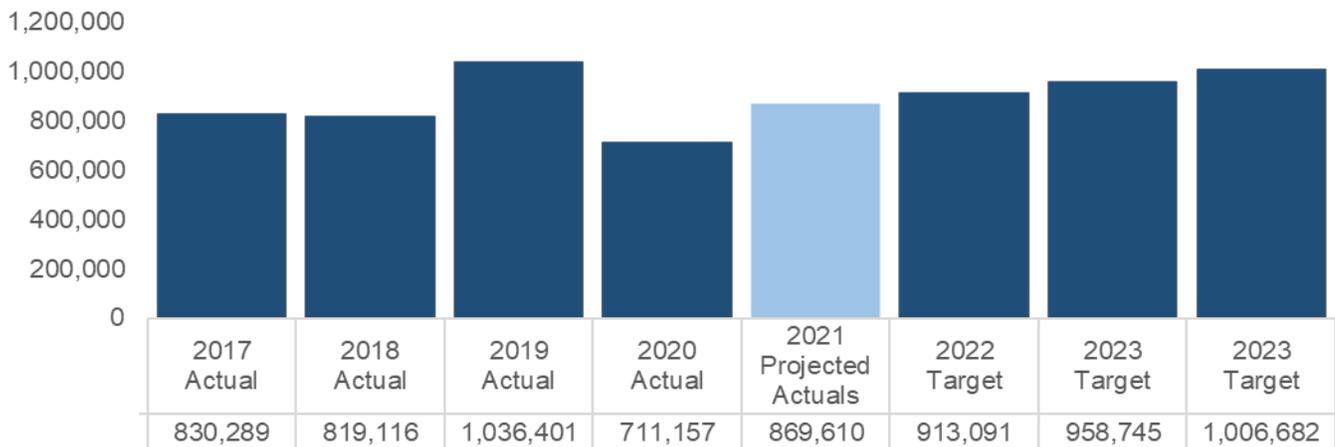
How Well We Are Doing – Behind the Numbers

of Paid Visits to Black Creek Pioneer Village



- Attendance at Black Creek Pioneer Village is subject to many factors including weather conditions and seasonal fluctuations.
- The number of visits to Black Creek Pioneer Village was high in 2017 due to special Canada 150 programming and was low in 2019 due to labour disruptions in the education sector.
- Attendance targets have been revised for 2020 onwards to be reflective of operating in compliance with anticipated COVID-19 restrictions. The 2021 plan includes virtual field trip visits.

of Paid Visits to TRCA Conservation Areas



- The 2020 decrease in the number of visits to TRCA Conservation Areas is as a result of the COVID-19 related facility closures and restrictions which reduced program & event opportunities.
- Overall, we are seeing a significant increase in users accessing parks via active transportation means, and through alternate entrances, compared to gate entrances.

How Well We Are Doing

Service	Measure	2019 Actual	2020 Actual	2021 Target	2021 Projection	Status	2022 Target	2023 Target
Outcome Measures								
Watershed Health	% of conservation lands management planning achieved	60	60	65	65	●	70	75
Planning and Sustainable Communities	% of environmental assessment and permit reviews meeting 10-30 business day service level standard	85	86	86	86	●	86	86
Education and Recreation	Attendance numbers at Conservation Areas	1,036,401	828,200**	711,157	745,000	●	785,000	825,000
Service Level Measures								
Watershed Health	# of Acres of land ownership	40,031	49,141	40,360	49,141	●	49,500	49,750
Planning and Sustainable Communities	# of Planning and Permit Applications Received	1,944	1,702	2,100	2,100	●	2,100	2,100
Other Measures								
Education and Recreation	% of online ratings that are ranked 4 or higher at Black Creek Pioneer Village	92	100	100	100	●	100	100

COVID-19 IMPACT AND RECOVERY

2022 Impact and Recovery

Operating Budget Impact

- The COVID-19 pandemic and provincially declared emergency resulted in closures of TRCA facilities as well as the cancellation of TRCA events and regularly scheduled programming. These restrictions have dramatically impacted TRCA's business models and associated revenues, primarily in the Education and Training and Parks and Culture Divisions.
- TRCA's self-generated revenue was significantly impacted as a result of COVID-19 response. Operating expenditures have been reduced in order to mitigate net financial losses to the organization. The City of Toronto's contribution to TRCA's Operating Budget was not impacted as a result of the COVID-19 pandemic.

Service Level Changes

- Introduction of sanitation procedures, social distancing compliance measures, and fee adjustments, to allow for gradual re-opening of facilities in accordance with approved protocols.
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EXPERIENCES, CHALLENGES AND PRIORITIES

Our Experience and Success

- Inspected 4,678 hazard sites or erosion control structure, 2,088 metres of valley and shoreline have been stabilized at 16 high priority sites across TRCA's jurisdiction.
- TRCA, in partnership with Toronto Water is undertaking the Ashbridges Bay Treatment Plant Landform Project, which is located on the north shore of Lake Ontario, east of Tommy Thompson Park. The purpose of the project is to protect infrastructure and to address the existing navigation risk caused by sediment accumulation at the harbour entrance of Coatsworth Cut while considering approved projects and waterfront planning initiatives in the area, manage shoreline erosion along the northeast shore of Tommy Thompson Park, and provide enhancements to aquatic habitat.
- TRCA continues to increase fee-for-service work in water risk management with \$39.1 million of work addressing partner municipality strategic objectives in 2020. Major projects include the Ashbridges Bay Treatment Plant Landform Project in addition to Phases I and II of the East Don Trail project.

Key Challenges and Risks

- Provincial changes to the Conservation Authority Act (CA Act), Planning Act, and regulations.
 - TRCA will continue working with all stakeholders to address natural resource management challenges facing our rapidly growing region. Additionally, TRCA will continue to contribute as a member of the CA Act working group to influence the regulations.
- TRCA's expansive jurisdiction will continue to face significant pressures resulting from urbanization, aging infrastructure, extreme weather impacts, climate change effects, invasive species, and other emerging threats.
 - TRCA will strive to diversify its revenue sources to enhance long-term financial resilience. As part of this effort, Master Service Agreements and Fee-for-Service Agreements with the City of Toronto will be updated and developed to help achieve shared sustainability objectives.
- The COVID-19 pandemic, provincially declared emergency and subsequent closure of TRCA facilities as well as the cancellation of TRCA events and regularly scheduled programming continue to impact TRCA's business models.
 - TRCA continues to offer adapted and virtual programming whenever possible and anticipates that these adaptations will continue into 2022. Operating expenditures are being monitored and adjusted in order to mitigate net financial losses to the organization.

Priority Actions

- TRCA will continue to invest in aging infrastructure across TRCA's Conservation Areas and public spaces in order to provide safe, accessible, and functional facilities to the public. TRCA will continue to develop an Asset Management Strategy.
- TRCA will continue to work with partner municipalities to develop Memorandums of Understanding and Service Level Agreements to maintain service delivery of shared partner priorities.
- TRCA will continue to monitor the financial health of the organization and reduce operating expenditures as required to mitigate net financial losses related to the COVID-19 pandemic.
- Advancing the *Scarborough Waterfront Project*, *Scarborough Bluffs West Individual EA*, and other projects that seek to renew City and TRCA shared infrastructure.
- Modernization of Corporate Services Information Systems which will allow TRCA to streamline policies and procedures and realize efficiencies including reduced partner or client expense, service time, uncertainty, and/or financial risk.
- Measuring our impact with a series of key performance indicators relevant to our work will give the ability to align Conservation Authority initiatives to our partner municipality priorities.

RECOMMENDATIONS

The City Manager and Chief Financial Officer and Treasurer recommend that:

1. City Council approve the 2022 Operating Budget for Toronto and Region Conservation Authority of \$10.925 million gross, \$5.466 million revenue and \$5.459 million net for the following services:

Service:

	Gross Expenditures (\$000s)	Revenue (\$000s)	Net Expenditures (\$000s)
Toronto & Region Conservation Authority	10,925.4	5,466.2	5,459.2
Total Program Budget	10,925.4	5,466.2	5,459.2

2. City Council approve the 2022 Capital Budget for Toronto and Region Conservation Authority with cash flows and future year commitments totaling \$33.274 million as detailed by project in [Appendix 6a](#).
3. City Council approve the 2023-2031 Capital Plan for Toronto and Region Conservation Authority totalling \$194.910 million in project estimates as detailed by project in [Appendix 6b](#).

2022 OPERATING BUDGET

2022 OPERATING BUDGET OVERVIEW

Table 1: 2022 Operating Budget by Service

(In \$000s)	2020 Actual	2021 Budget	2021 Projection*	2022 Base Budget	2022 New / Enhanced	2022 Budget	Change v. 2021 Projection	
By Service	\$	\$	\$	\$	\$	\$	\$	%
Revenues								
Toronto and Region Conservation Authority	5,202.8	5,332.9	5,332.9	5,466.2		5,466.2	133.3	2.5%
Total Revenues	5,202.8	5,332.9	5,332.9	5,466.2		5,466.2	133.3	2.5%
Expenditures								
Toronto and Region Conservation Authority	9,470.4	10,197.9	10,197.9	10,925.4		10,925.4	727.5	7.1%
Total Gross Expenditures	9,470.4	10,197.9	10,197.9	10,925.4		10,925.4	727.5	7.1%
Net Expenditures	4,267.6	4,865.0	4,865.0	5,459.2		5,459.2	594.2	12.2%

*2021 Projection based on Q3 Variance Report

COSTS TO MAINTAIN EXISTING SERVICES

Total 2022 Base Budget expenditures of \$10.925 million gross reflecting an increase of \$0.728 million in spending above 2021 projected year-end actuals, which is attributable to the City of Toronto's phased in CVA payment adjustments approved during the 2020 Budget process.

- Consistent with prior years, the method for apportioning TRCA's operating levy between the City of Toronto and TRCA's other partner municipalities, including the regions of Peel, York and Durham, Town of Mono and the Township of Adjala-Tosorontio, is guided by provincial legislation and is based on a modified current value assessment (CVA) calculation for property situation in each participating municipality. The City of Toronto has the highest proportion of overall assessment and is responsible for 64.2% of the TRCA's 2022 Operating Levy.
- TRCA experiences budget pressures including increased salary costs in excess of cost of living adjustments, such as employee benefit expenditures which routinely exceed inflation. The impact of these pressures has not been included in the 2022 Operating Budget for TRCA.
- The 2022 Operating Budget provides the administrative framework and resources for TRCA programs that provide critical services to the City of Toronto and its residents. These services maintain and improve the region's lands and waters; contribute to public safety from flooding and erosion; and enhance the quality and variety of life in the community by providing lands for inter-regional outdoor recreation, heritage preservation, and conservation education.
- TRCA's Operating Budget consists primarily of levy and self-generated revenues, including development review and permitting fees, user fees at TRCA sites, and a variety of additional fees charged to TRCA stakeholders.

EQUITY IMPACTS OF BUDGET CHANGES

No significant equity impacts: The changes in Toronto & Region Conservation Authority's 2022 Operating Budget do not have any significant equity impacts.

2022 OPERATING BUDGET KEY DRIVERS

The 2022 Operating Budget for Toronto & Region Conservation Authority is \$10.925 million gross, representing an increase of \$0.728 million or 7.1% higher than the 2021 Projected Actuals. Table 2a below summarizes the changes by revenue and expenditure category for the 2022 Operating Budget.

Table 2a: 2022 Operating Budget by Revenue / Expenditure Category

Category (In \$000s)	2019 Actual	2020 Actual	2021 Budget	2021 Projection*	2022 Budget	2022 Change from 2021 Projection	
	\$	\$	\$	\$	\$	\$	%
Contribution from Toronto Water	5,075.9	5,202.8	5,332.9	5,332.9	5,466.2	133.3	2.5%
Total Revenues	5,075.9	5,202.8	5,332.9	5,332.9	5,466.2	133.3	2.5%
City of Toronto Contribution to TRCA	8,908.7	9,470.4	10,197.9	10,197.9	10,925.4	727.5	7.1%
Total Gross Expenditures	8,908.7	9,470.4	10,197.9	10,197.9	10,925.4	727.5	7.1%
Net Expenditures	3,832.8	4,267.6	4,865.0	4,865.0	5,459.2	594.2	12.2%

*2021 Projection based on Q3 Variance Report

Key Base Drivers:**Grants and Transfers:**

Each year, TRCA receives the full funding amount as approved by Council, resulting in no year-end variance. The 2021 projected actuals align with the 2021 Council Approved Operating Budget of \$10.198 million gross, \$4.865 million net.

The increase of \$0.728 million in gross expenditures over the 2021 projected actual is attributable to the CVA payment adjustment, approved during the 2020 Budget process. Under the *CA Act*, TRCA has authority to levy for their maintenance and administrative costs to the benefitting partner municipalities.

Other Revenue Changes:

As presented in the table above, the 2022 Operating Budget for TRCA will require a water revenue contribution of approximately 50% or \$5.466 million. This represents increased contributions from Toronto Water of \$0.133 million or 2.5% from 2021. The remaining portion \$5.459 million will be funded from the property tax base.

Offsets and Efficiencies:

The 2022 operating levy for the City of Toronto amounts to \$10.925 million which includes 0% cost of living adjustment. In addition, inflationary increases to utilities and contracts have not been applied. The impact of these pressures is not included in the 2022 operating levy for the City of Toronto or the other partner municipalities.

TRCA continues to address budget pressures by implementing efficiencies where possible, including reducing full time staff complement of approved but not funded positions, improved coordination with partner municipalities, obtaining funding support from senior levels of government (e.g., NDMP, DMAF). However long-term efficiencies may be offset temporarily by increased upfront costs. For example, TRCA has moved to Office365 from Lotus Notes and is transitioning to a comprehensive Human Resource Information System.

2023 & 2024 OUTLOOKS**Table 3: 2023 and 2024 Outlooks**

(\$000s)	2021 Projection *	2022 Budget	2023 Outlook	2024 Outlook
Revenues	5,332.9	5,466.2	5,602.8	5,742.9
Gross Expenditures	10,197.9	10,925.4	11,148.3	11,393.6
Net Expenditures	4,865.0	5,459.2	5,545.4	5,650.6

*2021 Projection based on Q3 Variance Report

Key drivers

- **Inflationary Impact**
 - Inflationary increases have been removed from the 2022 budget request while the City is making CVA catch-up contributions. In 2023, increases to the base contribution follow the City's current CPI factors: 2.04% in 2023, resulting in an increased base budget contribution of \$0.223 million gross and 2.2% in 2024, resulting in an increased base budget contribution of \$0.246 million gross.
- **Revenue Changes**
 - Consistent with previous years, Toronto Water's contribution to the TRCA is anticipated to increase by 2.5% per annum, resulting in total revenues to TRCA of \$5.603 million in 2023 and \$5.743 million in 2024.

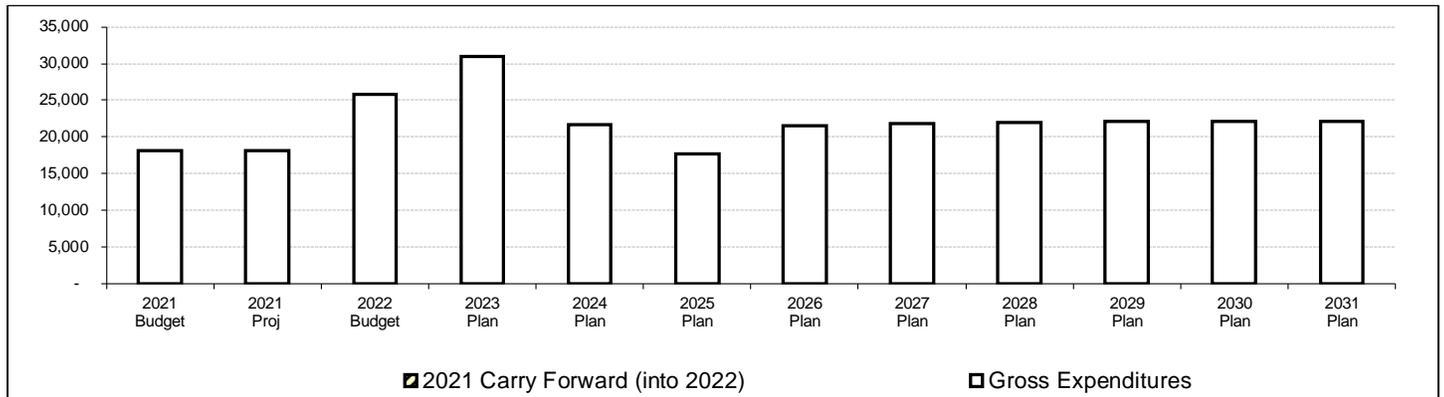
Note

A shift in general levy funding towards the delivery of programs and services related to Conservation Authority core mandate will occur during the 2023 fiscal year as required by the *CA Act* regulations.

2022 – 2031 CAPITAL BUDGET AND PLAN

2022 – 2031 CAPITAL BUDGET & PLAN OVERVIEW

Chart 1: 10-Year Capital Plan Overview
(\$'000)



In \$'000's	2021		2022 Capital Budget and 2023 - 2031 Capital Plan										Total 10 Year Plan
	Budget	Projected Actual	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	
	Gross Expenditures by Project Category:												
Health & Safety & Legislated	-	-	5,231	5,230									10,461
SOGR	16,627	16,627	18,407	22,511	19,244	15,953	19,789	20,034	20,175	20,307	20,314	20,319	197,055
Service Improvement & Growth	1,570	1,570	2,222	3,217	2,503	1,789	1,786	1,800	1,815	1,830	1,845	1,861	20,668
Total by Project Category	18,197	18,197	25,860	30,958	21,747	17,742	21,575	21,834	21,990	22,137	22,159	22,180	228,184
Financing:													
Debt	3,961	3,961	9,478	10,587	5,371	5,385	5,399	5,413	5,428	5,443	5,458	5,474	63,440
Reserves/Reserve Funds	17	17	17	17	17	17	17						66
Other Revenue	14,219	14,219	16,365	20,354	16,359	12,340	16,176	16,421	16,562	16,694	16,701	16,706	164,678
Total Financing	18,197	18,197	25,860	30,958	21,747	17,742	21,575	21,834	21,990	22,137	22,159	22,180	228,184

Changes to Existing Projects
(\$16.4 Million)

The 2022-2031 Capital Budget and Plan reflects the following changes to existing projects over the nine common years (2022-2030):

- \$3.9M for *Scarborough Waterfront - Brimley Road Design* to address ongoing design challenges related to geographic and infrastructure constraints, coupled with on-going difficult discussions with private landowners which have escalated the cost of the design exercise beyond the last cost estimate.
- \$6.6M for *Scarborough Waterfront - Brimley Road Construction* to provide safe pedestrian and cyclist access to Bluffer's Park, in advance of *SWP West Segment Shoreline and Multi-Use Trail Project* implementation.
- \$5.9M arising from Council direction to establish a *Tommy Thompson Park (TTP)* joint management committee for the purpose of integrated management of the three existing property components that comprise Leslie Street Spit. Funding is required to support increased staff presence at TTP to include weekday evenings and extended evening hours on weekends and holidays. Additionally,

New Projects
(\$2.91 Million)

The 2022-2031 Capital Budget and Plan includes a brand new project as follows:

- \$2.91 million for *Scarborough Bluffs West Individual Environmental Assessment* as a priority restoration project with cash flow funding over three years, fully funded by Toronto Water's contribution.

Capital Needs Constraints
(\$368.4 Million)

Consistent with prior years, TRCA has the following unmet projects over the 10-year planning horizon:

- \$179.5M for Health & Safety or SOGR projects to avoid service disruption or legal claims including the design and construction of the *Scarborough Waterfront*.
- \$154.8M for projects that support the implementation of Council approved priorities including the *Scarborough Bluffs* as well as *Tommy Thompson Park Master Plan*.
- \$13.4M *Meadoway Multi-Use Trail* to transform an underutilized hydro corridor primarily between Don River ravine and Rouge National Urban Park.

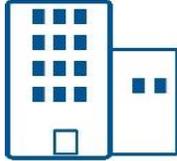
funding will help to support invasive species, wetland management and wildlife management & monitoring at TTP including beaver management, wildlife conflict and wildlife protection.		
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Note:

For additional information, refer to [Appendix 6](#) for a more detailed listing of the 2022 and 2023-2031 Capital Budget & Plan by project; [Appendix 7](#) for Reporting on Major Capital Projects – Status Update; and [Appendix 8](#) for Capital Needs Constraints, respectively.

2022 – 2031 CAPITAL BUDGET AND PLAN

\$228.2 Million 10-Year Gross Capital Program

			
Critical Erosion Control and Floodworks	Waterfront Development	Infrastructure	Watershed Management
\$131.9 M 58%	\$32.9 M 14%	\$23.0 M 10%	\$40.4 M 18%
Valley Erosion Hazards <input checked="" type="checkbox"/> Major Maintenance of Erosion Control Infrastructure <input checked="" type="checkbox"/> Waterfront Major Maintenance & Remedial Works <input checked="" type="checkbox"/>	Scarborough Waterfront Project <input checked="" type="checkbox"/> Scarborough Bluffs West Individual Environment Assessment <input checked="" type="checkbox"/> Keating Channel Dredging <input checked="" type="checkbox"/> Tommy Thompson Park Management Program <input checked="" type="checkbox"/>	TRCA Administrative Office Building <input checked="" type="checkbox"/> Asset & Infrastructure Management Plan <input checked="" type="checkbox"/> Information Technology Management	Regional Watershed Monitoring Program <input checked="" type="checkbox"/> Greenspace Land Acquisition <input checked="" type="checkbox"/> Stewardship Projects and Programs <input checked="" type="checkbox"/>

- Project supports Climate Resiliency and / or Greenhouse Gas (GHG) Reduction*

- Project includes workforce development requirements as outlined in the City's Social Procurement Program

*Information above includes full project / sub-project 2022-2031 Capital Budget and Plan cash flows. Does not break out the climate component costs separately.

How the Capital Program is Funded

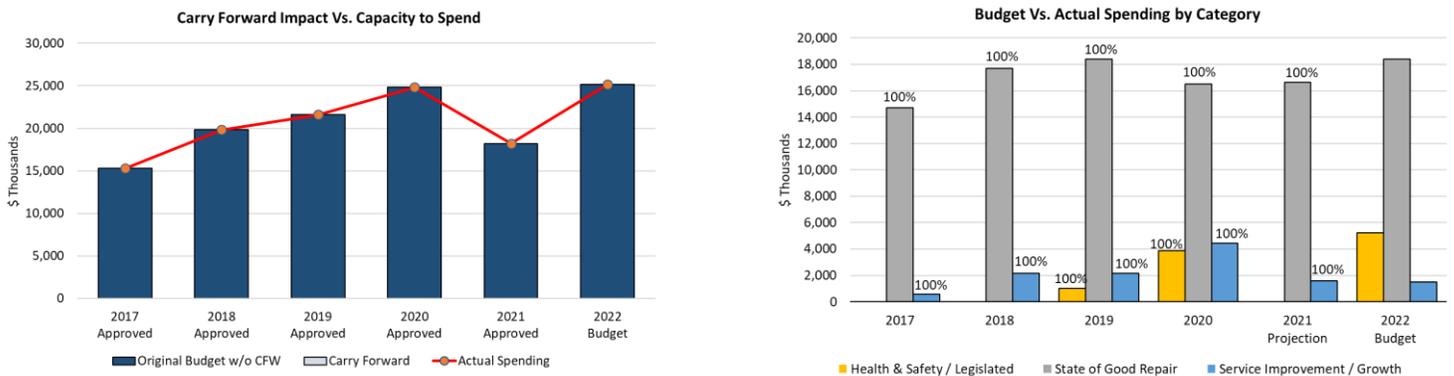
City of Toronto		Provincial Funding	Federal Funding
\$228.2 M 100%		\$000 M 00%	\$000 M 00%
Debt	\$ 63.4 M		
Reserve / Reserve Fund	\$ 0.07 M		
Other Revenue – Toronto Water Contribution	\$ 164.7 M		

CAPACITY TO SPEND REVIEW

The 10-Year Capital Plan has been developed with consideration of historical demonstrated ability to spend within any given year of the ten-year capital plan. A review was undertaken to ensure budgets align with TRCA's ability to spend and the markets capacity to deliver.

A key component in determining an appropriate level of annual cash flows includes historical capacity to spend reviews by project categories (Chart 2 below) as well as the level of projected 2021 underspending that will be carried forward into 2022 to complete capital work.

Chart 2 – Capacity to Spend



Capacity to Spend Review Impact on the 10-Year Plan

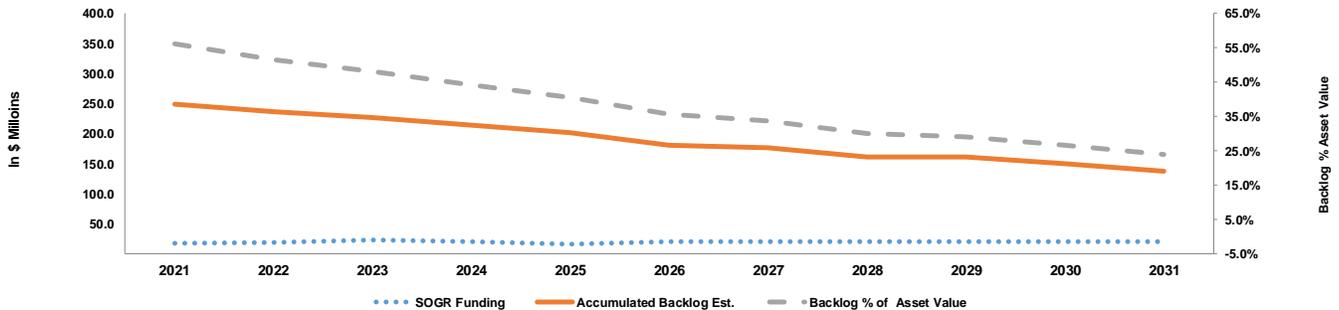
- The majority of the TRCA's capital projects are ongoing or phased projects which arise from multi-year planning. Feasibility studies or needs assessments have been completed and engineering estimates form the basis of costs. TRCA typically receives 100% of its Capital Budget in any given year and does not require funding to be carried forward into future years due to incomplete projects.

STATE OF GOOD REPAIR (SOGR) FUNDING & BACKLOG

The chart below depicts the SOGR funding and accumulated backlog estimates for key asset classes in TRCA: watershed and infrastructure.

Chart 3: Total SOGR Funding & Backlog

State of Good Repair (SOGR) Funding & Backlog



\$ Million	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
SOGR Funding	16.6	18.4	22.5	19.2	16.0	19.8	20.0	20.2	20.3	20.3	20.3
Accumulated Backlog Est.	249.1	236.1	225.9	213.4	200.8	181.1	175.8	161.4	160.9	150.2	137.8
Backlog % of Asset Value	56.1%	51.6%	48.2%	44.2%	40.5%	35.6%	33.6%	30.0%	29.1%	26.6%	23.9%
Total Asset Value	444.0	457.9	468.9	482.3	495.7	509.1	522.4	537.7	552.9	564.4	577.8

- TRCA has stewardship of assets which are comprised of land, land improvements, buildings, infrastructure with a total estimated replacement value at \$444 million and capital work-in-progress in the Don, Rouge, Highland, Etobicoke, Mimico and Humber watersheds, as well as along the waterfront.
- The 10-Year Capital Plan for TRCA includes a total of \$197.0 million for SOGR projects, funded by \$161.8 million from Toronto Water contributions and \$35.2 million in debt funding.
- In recent years, issues related to erosion and damage from high intensity, localized storms have increased. Additionally, the Erosion Control Major Maintenance backlog increased \$5.5 million over the past year due to an influx of assets adopted along the Humber River.
- Overall, the estimated SOGR backlog has shown a slight increase when compared to the 2021 Budget. TRCA currently has an estimated SOGR backlog of \$249.1 million in 2021, which is anticipated to decrease to \$137.8 million by the end of the 10-Year Capital Plan.

OPERATING IMPACT OF COMPLETED CAPITAL PROJECTS

- TRCA typically absorbs the operating impact of its completed capital projects, except in cases where it transfers an asset arising from a completed project to the City of Toronto to manage on an ongoing basis.
- For example, upon completion of TRCA's capital work on ravine parkland, TRCA transfers over the operation of the park to Parks, Forestry and Recreation (PF&R) under the existing agreement between TRCA and the City. This increased operational responsibility would impact the Operating Budget for PF&R.
- TRCA staff will work closely with City Programs including PF&R, Municipal Licensing Services, Transportation Services, Toronto Water and Financial Planning to ensure that future year budget submissions identify any operating impacts of capital projects in the TRCA's 10-Year Capital Plan.

APPENDICES

Appendix 1

COVID-19 Impact and Recovery

N/A

Appendix 2

2022 Balancing Actions

N/A

Appendix 3

Summary of 2022 Service Changes

N/A

Appendix 4

Summary of 2022 New / Enhanced Service Priorities Included in Budget

N/A

Appendix 5

Summary of 2022 New / Enhanced Service Priorities Not Included in Budget

N/A

Appendix 6

2022 Capital Budget; 2023 - 2031 Capital Plan Including Carry Forward Funding

(In \$000s)	2022 Budget	2023 Plan	2024 Plan	2025 Plan	2026 Plan	2027 Plan	2028 Plan	2029 Plan	2030 Plan	2031 Plan	2022 - 2031 Total	Health & Safety & Legislated	SOGR	Growth & Improved Service
<i>Greenspace Land Acquisition</i>	64	64	64	64	64	64	64	64	64	64	640		640	
<i>Waterfront & Valley Erosion Control</i>	1,600	2,420	2,420	2,420	2,420	2,420	2,420	2,420	2,420	2,420	23,380		23,380	
<i>Black Creek Pioneer Village Retrofit</i>	371	371	371	371	371	371	371	371	371	371	3,710		3,710	
<i>Living City Action Plan</i>	3,520	3,539	3,672	3,781	3,917	4,062	4,203	4,335	4,342	4,347	39,718		39,718	
<i>Waterfront Development</i>	1,153	1,153	1,153	1,153	1,153	1,153	1,153	1,153	1,153	1,153	11,530		11,530	
<i>TRCA Information Technology</i>	257	322	322	322	322	322	322	322	322	322	3,155		3,155	
<i>TRCA Administrative Infrastructure Project</i>	642	642	642	642	642	642	642	642	642	642	6,422		6,422	
<i>Critical Erosion #2 Water Funded Enhancements</i>	10,800	14,000	10,600	7,200	10,900	11,000	11,000	11,000	11,000	11,000	108,500		108,500	
<i>Waterfront Development</i>	514	781	795	809	823	837	852	867	882	898	8,058			8,058
<i>TRCA Administrative Infrastructure Project</i>	963	963	963	963	963	963	963	963	963	963	9,632			9,632
<i>Toronto Wildlife Centre Site Restoration</i>	17	17	17	17	-	-	-	-	-	-	66			66
<i>TRCA - Asset & Infrastructure Management Plan</i>	5,959	6,686	728	-	-	-	-	-	-	-	13,373	10,461		2,912
Total Expenditures (including carry forward from 2021)	25,860	30,958	21,747	17,742	21,575	21,834	21,990	22,137	22,159	22,180	228,184	10,461	197,055	20,668

☑ - Project supports Climate Resiliency and / or Greenhouse Gas (GHG) Reduction*

☑ - Project includes workforce development requirements as outlined in the City's Social Procurement Program

*Information above includes full project / sub-project 2022-2031 Capital Budget and Plan cash flows. Does not break out the climate component costs separately.

Appendix 6a

2022 Cash Flow and Future Year Commitments Including Carry Forward Funding

(In \$000s)	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	Total 2022 Cash Flow & FY Commits	Previously Approved	Change in Scope	New w/ Future Year
<i>Greenspace Land Acquisition</i> ✓	64	-	-	-	-	-	-	-	-	-	64	64		
<i>Waterfront & Valley Erosion Control</i> ✓	1,600	-	-	-	-	-	-	-	-	-	1,600	1,600		
<i>Black Creek Pioneer Village Retrofit</i> ✓	371	-	-	-	-	-	-	-	-	-	371	371		
<i>Living City Action Plan</i> ✓	3,520	-	-	-	-	-	-	-	-	-	3,520	2,977	543	
<i>Waterfront Development</i> ✓	1,667	-	-	-	-	-	-	-	-	-	1,667	(3,691)	5,358	
<i>TRCA Information Technology</i>	257	-	-	-	-	-	-	-	-	-	257	257		
<i>TRCA Administrative Infrastructure Project</i> ✓	1,605	-	-	-	-	-	-	-	-	-	1,605	1,605		
<i>Critical Erosion #2 Water Funded Enhancements</i> ✓	10,800	-	-	-	-	-	-	-	-	-	10,800	10,800		
<i>Toronto Wildlife Centre Site Restoration</i>	17	-	-	-	-	-	-	-	-	-	17	17		
<i>TRCA - Asset & Infrastructure Management Plan</i> ✓	5,959	6,686	728	-	-	-	-	-	-	-	13,373		10,461	2,912
Total Expenditure (including carry forward from 2021)	25,860	6,686	728	-	33,274	14,000	16,362	2,912						

✓ - Project supports Climate Resiliency and / or Greenhouse Gas (GHG) Reduction*

Appendix 6b

2023 - 2031 Capital Plan

(In \$000s)	2023 Plan	2024 Plan	2025 Plan	2026 Plan	2027 Plan	2028 Plan	2029 Plan	2030 Plan	2031 Plan	2023 - 2031 Total	Health & Safety & Legislated	SOGR	Growth & Improved Service
<i>Greenspace Land Acquisition</i>	64	64	64	64	64	64	64	64	64	576		576	
<i>Waterfront & Valley Erosion Control</i>	2,420	2,420	2,420	2,420	2,420	2,420	2,420	2,420	2,420	21,780		21,780	
<i>Black Creek Pioneer Village Retrofit</i>	371	371	371	371	371	371	371	371	371	3,339		3,339	
<i>Living City Action Plan</i>	3,539	3,672	3,781	3,917	4,062	4,203	4,335	4,342	4,347	36,198		36,198	
<i>Waterfront Development</i>	1,153	1,153	1,153	1,153	1,153	1,153	1,153	1,153	1,153	10,377		10,377	
<i>TRCA Information Technology</i>	322	322	322	322	322	322	322	322	322	2,898		2,898	
<i>TRCA Administrative Infrastructure Project</i>	642	642	642	642	642	642	642	642	642	5,780		5,780	
<i>Critical Erosion #2 Water Funded Enhancements</i>	14,000	10,600	7,200	10,900	11,000	11,000	11,000	11,000	11,000	97,700		97,700	
<i>Waterfront Development</i>	781	795	809	823	837	852	867	882	898	7,544			7,544
<i>TRCA Administrative Infrastructure Project</i>	963	963	963	963	963	963	963	963	963	8,669			8,669
<i>Toronto Wildlife Centre Site Restoration</i>	17	17	17	-	-	-	-	-	-	50			50
<i>TRCA - Asset & Infrastructure Management Plan</i>										-			
Total Expenditures	24,272	21,019	17,742	21,575	21,834	21,990	22,137	22,159	22,180	194,910	-	178,648	16,263

Appendix 7

Reporting on Major Capital Projects: Status Update

(\$000s)

Life to Date
↓ ↓

Division/Project name	2021 Cash Flow			Total Project		Status	Start Date	End Date		On Budget	On Time
	Appr.	YTD Spend	YE Proj. Spend	Appr. Budget	Life to Date			Planned	Revised		
ADMINISTRATIVE INFRASTRUCTURE PROJECT											
LONG TERM ACCOMODATION - 5 SHOREHAM & INTEREST (CRC103-03 and CRC103-04)	1,283	962	1,283	31,860	5,576	Significant Delay	Jan-20	Dec-21	Nov-22	Ⓞ	Ⓞ
Comments:	1. Construction began January 2020 with the substantial performance expected November 2022. 2. Site services and mass timber installation in Q2 to Q4 2021. Envelope proceeding from Q4 2021 with building watertight by Q1 2022. 3. Completed approvals for building permit and SPA. Shared use agreement with Tennis Canada is executed with the City of Toronto lease agreement for use of western portion of Murray Ross Pkwy ROW pending. Once lease agreement is executed City will issue draft of Site Plan Agreement. TRCA will request full building permit when draft SPA issued. Construction to proceed with conditional permits.										
Explanation for Delay:	The delay is the result of three factors: 1. Delay to SPA and building permit due to Tennis Canada and City of Toronto negotiating position on shared access at ROW. 2. COVID 19. 3. Mass timber trade and construction manager under performing.										

On/Ahead of Schedule	Ⓞ	>70% of Approved Project Cost
Minor Delay < 6 months	Ⓞ	Between 50% and 70%
Significant Delay > 6 months	Ⓞ	< 50% or > 100% of Approved

Appendix 8

Summary of Capital Needs Constraints

(In \$ Millions)

Project Description	Total Project	Non-Debt	Debt Required	Cash Flow (In \$ Millions)										
				2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	
Scarborough Waterfront														
<i>Scarborough Waterfront Central Construction</i>	28.46		28.46			13.88	5.75	2.80	4.47	0.74	0.83			
<i>Scarborough Waterfront Central Design</i>	1.58		1.58		1.58									
<i>Scarborough Waterfront East Construction</i>	72.14		72.14								10.69	17.02	44.43	
<i>Scarborough Waterfront East Design</i>	3.71		3.71							1.30	2.41			
<i>Scarborough Waterfront Monitoring</i>	3.23		3.23	0.13	0.13	0.13	0.13	0.13	0.13	0.13	0.13	0.13	0.13	2.04
<i>Scarborough Waterfront West Segment Construction</i>	67.72		67.72	15.77	21.19	5.99	10.88	4.89	3.92	2.31	2.78			
<i>Scarborough Waterfront Brimley Rd SMUT</i>	0.00		0.00	0.00										
<i>Scarborough Waterfront West Segment Design Phase 2</i>	2.62		2.62	2.62										
Other Projects														
<i>Scarborough Bluff East EA</i>	134.72		134.72	15.91	22.90	20.00	16.76	7.18	8.52	0.45	16.83	17.15	9.01	
<i>Tommy Thompson Park Master Plan Implementation</i>	17.20		17.20	1.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	1.50	0.70	
<i>Meadoway Multi-Use Trail</i>	13.40		13.40	2.50	0.35	0.25	1.50	1.50	3.65	3.65				
Erosion Control														
<i>West Hill Bank Stabilization Project</i>	0.63		0.63	0.08	0.55									
Asset & Infrastructure Needs														
<i>Black Creek Pioneer Village - Accessibility & Infrastructure Improvements</i>	1.24		1.24	0.30	0.20	0.30	0.30	0.14						
<i>Black Creek Pioneer Village (BCPV) - Upgrading Water Service Lines</i>	2.00		2.00	2.00										
<i>Claireville Dam Gate Maintenance Project</i>	2.25		2.25			0.23	2.03							
<i>Claireville Dam Major Maintenance (wing wall and spillway)</i>	5.00		5.00	0.25	0.75	1.00	0.75	0.75	0.75	0.75				
<i>Black Creek Dam Spillway Modification</i>	1.00		1.00				0.10	0.90						
<i>G. Ross Lord Dam Operations Optimization (process update)</i>	0.75		0.75		0.38	0.38								
Other Studies and Initiatives														
<i>Rat's Spit Shoreline Restoration</i>	0.60		0.60	0.10	0.50									
<i>Morningside Creek Dissipater Stream Restoration Project</i>	2.50		2.50	2.50										
<i>Ravine Strategy Implementation</i>	2.05		2.05	0.15	0.15	0.20	0.20	0.20	0.20	0.20	0.25	0.25	0.25	
<i>Trail Strategy Implementation - Toronto</i>	2.00		2.00	0.20	0.20	0.20	0.20	0.20	0.20	0.20	0.20	0.20	0.20	
<i>Sustainable Neighbourhood Climate Action - Toronto</i>	2.00		2.00	0.20	0.20	0.20	0.20	0.20	0.20	0.20	0.20	0.20	0.20	
<i>Restoration Projects Targeting Climate Change Action - Toronto</i>	1.09		1.09	0.10	0.10	0.10	0.10	0.11	0.11	0.11	0.12	0.12	0.12	
<i>Etobicoke Creek Barrier Mitigation</i>	0.50		0.50	0.50										
Total Needs Constraints (Not Included)	368.38		368.38	44.30	51.18	44.86	40.90	20.99	24.15	12.04	36.44	36.57	56.95	

In addition to the 10-Year Capital Plan of \$225.3 million, TRCA staff has also identified \$368.4 million in capital needs constraints for Toronto and Region Conservation Authority as reflected in the table above. The capital needs constraints are substantial in scope and require significant funding. The list will continue to grow as TRCA's infrastructure continues to age. Some of the projects are ready to proceed and others require further analysis. Key projects include:

Scarborough Waterfront Project (\$179.5 million):

- At its meeting on March 7, 2019 City Council requested the Chief Executive Officer, Toronto and Region Conservation Authority, together with the General Manager, Toronto Water, the General Manager, Transportation Services, the General Manager, Parks, Forestry and Recreation and the Executive Director, Financial Planning, to report back on the results of the Ministry of the Environment, Conservation and Parks (MECP) review of the Environmental Assessment for the *Scarborough Waterfront Project* and to provide updated project cost estimates, annual cash flow funding requirements, and project timelines based on the outcome of the Ministry review for consideration as part of the 2020 Budget Process.
- On November 5, 2019, the *Scarborough Waterfront Project* received final approval from the MECP. Cash flow funding requirements and project timelines for 2022 and 2023 have been added into the 10-Year Capital Plan.
- The remaining project cost for the *Scarborough Waterfront Project* of \$179.5 million is on the Capital Needs Constraints list and will be subject to the completion of each stage for future funding approval through future year budget processes.

Scarborough Bluffs East Project (\$134.7 million):

- The *Scarborough Bluff East Project* will provide safe public access and an enjoyable waterfront experience, while also protecting and enhancing the natural environment, along an 11-km stretch of shoreline between Bluffer's Park and East Point Park in Toronto.

Appendix 9

2022 User Fee Changes

(Excludes User Fees Adjusted for Inflation)

N/A

Appendix 10

Inflows and Outflows to/from Reserves and Reserve Funds

2022 – 2031 Capital Budget and Plan

Program Specific Reserve / Reserve Funds

Reserve / Reserve Fund Name	Project / Sub Project Name and Number	Contributions / (Withdrawals)									
		2022 Budget	2023 Plan	2024 Plan	2025 Plan	2026 Plan	2027 Plan	2028 Plan	2029 Plan	2030 Plan	2031 Plan
XR1220 Tree Canopy Reserve Fund	Beginning Balance *	8,897	4,463	2,132	1,316	670	210	(77)	(177)	(86)	203
	<i>Withdrawals (-)</i>										
	<i>Toronto Wildlife Centre Site Restoration</i>	(17)	(17)	(17)	(17)						
	Total Withdrawals	(17)	(17)	(17)	(17)	-	-	-	-	-	-
	<i>Contributions (+)</i>										
	<i>Interest Income</i>	14	24	14	13	7	-	-	-	1	7
	Total Contributions	14	24	14	13	7	-	-	-	1	7
	Other Program/Agency Net Withdrawals	(4,431)	(2,338)	(813)	(643)	(467)	(287)	(100)	91	289	492
	Balance at Year-End	4,463	2,132	1,316	670	210	(77)	(177)	(86)	203	703

* Based on 9-month 2021 Reserve Fund Variance Report

Appendix 11

Glossary

Approved Position: Permanent or temporary positions that support the delivery of City services and service levels as approved by Council.

Actuals: An actual financial amount paid (or received) for the delivery of City services (these exclude any commitments to be paid in the future).

Capacity to Spend: Ability to spend money along with the capacity to deliver projects as demonstrated by historic spending patterns and approved contractual obligations.

Capital Budget: A Capital Budget is the City's plan to acquire / build assets or extend the useful life of existing assets; an example of a capital expenditure is the construction of a new community centre.

Capital Needs Constraints: The capital needs that cannot be accommodated within the capital plan that the Division or Agency have the capacity to deliver.

Complement: Positions that support the delivery of City services and service levels as approved by Council.

Efficiencies: Reductions in the cost of delivering a service without a reduction in service level.

New / Enhanced: New and enhanced service changes resulting in an increase in service levels from what was previously approved by Council.

Operating Budget: An Operating Budget is the City's annual plan to provide services to the residents of Toronto; the budget includes all revenues and expenses needed to provided services; an example of an operating cost would be the cost to run the TTC subways.

Operating Impact of Completed Capital Projects: The additional expense (or savings) and positions needed to operate or maintain a new asset; an example would be the additional expense and staff needed to operate a recently completed community centre.

Rate Supported Budget: Budget fully funded by user fees such as Solid Waste, Toronto Water and Toronto Parking Authority

State of Good Repair (SOGR): The cost of maintaining assets to ensure they are able to support the delivery of City services and meet service outcomes

Tax Supported Budget: Budget funded by property taxes.

User Fees: Program generated fee and rental revenue for the use of its services (such as the TTC fare, ice rental fees and various City permits).