

2023 Budget Notes

Toronto and Region Conservation Authority

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Description

Since 1957 Toronto and Region Conservation Authority (TRCA), as enabled through the provincial *Conservation Authorities Act* (CA Act), has taken action to enhance our region’s natural environment and protect our land, water and communities from the impacts of flooding and increasingly extreme weather events – Ontario’s leading cause of public emergencies. As the region’s first line of defense against natural hazards, TRCA maintains vital infrastructure and provides programs and services that promote public health and safety, protecting people and property.

TRCA mobilizes a science-based approach to provide sound policy advice, leveraging its position as a not-for-profit operating in the broader public sector to achieve collective impacts within our communities and across all levels of government. TRCA’s jurisdiction includes nine watersheds and their Lake Ontario shorelines, spanning six upper-tier and fifteen lower-tier municipalities and representing almost five million people, approximately 10% of Canada’s population.

TRCA is not an agency of the City of Toronto. TRCA is a registered charity under the *Income Tax Act* (Canada) and the Ministry of Natural Resources and Forestry (MNR) has been designated by the Province as the Ministry responsible for administering the CA Act. The City of Toronto appoints 14 of 28 Board Members to TRCA’s Board of Directors (Board Authority), in accordance with the CA Act. TRCA is the largest landowner of over 16,000 hectares in the Greater Toronto Area (GTA), 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.

Why We Do It

TRCA, in conjunction with its partner municipalities including the regions of Peel, York and Durham, Town of Mono, and the Township of Adjala-Tosorontio and other key stakeholders, 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

Service 1 Watershed Health

Who We Serve: Government Agencies, Local Municipalities, and Residents & Families.

What We Deliver: Flood and erosion risk management, watershed monitoring, restoration of Toronto’s land and water resources, climate science research programs

How Much Resources (gross 2023 operating budget): \$7.9M

Service 2 Planning and Sustainable Communities

Who We Serve: Government Agencies, local Municipalities, Businesses & Associations, Residents and Community Groups.

What We Deliver: Review of federal, provincial and municipal legislation and initiatives from an integrated watershed management perspective, sustainability and resilience development programs

How Much Resources (gross 2023 operating budget): \$1.7M

Service 3 Education and Recreation

Who We Serve: Schools & Students, Residents, New Immigrants

What We Deliver: Access to conservation areas offering affordable family-oriented programming and recreation opportunities, pre-kindergarten to university level environmental education programs

How Much Resources (gross 2023 operating budget): \$1.5M

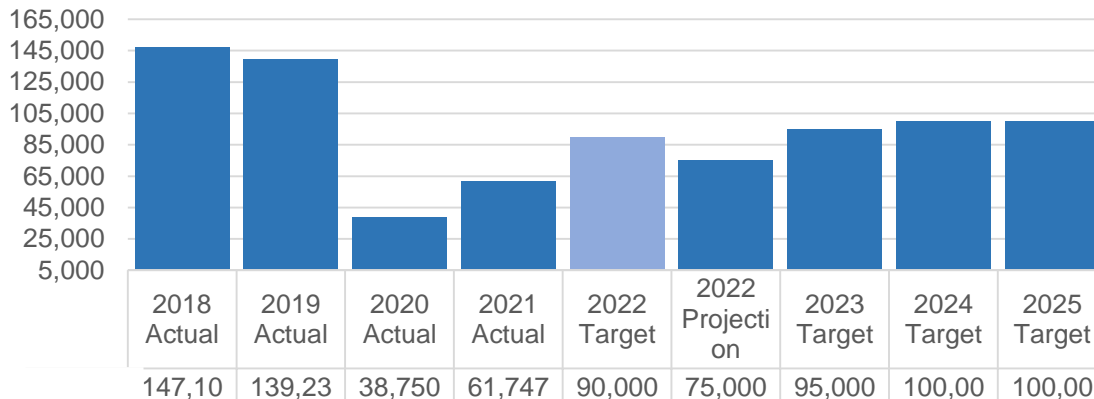
Budget at a Glance*

2023 OPERATING BUDGET				2023 - 2032 10-YEAR CAPITAL PLAN			
<u>\$Million</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>\$Million</u>	<u>2023</u>	<u>2024-2032</u>	<u>Total</u>
Revenues	\$ 5.6	\$ 5.7	\$ 5.9	Gross Expenditures	\$ 30.6	\$ 194.5	\$ 225.1
Gross Expenditures	\$ 11.1	\$ 11.4	\$ 11.6	Debt	\$ 10.6	\$ 48.8	\$ 59.4
Net Expenditures	\$ 5.5	\$ 5.7	\$ 5.7	Note: Includes 2022 carry forward funding			

* Toronto & Region Conservation Authority'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 an annual contribution by Toronto Water (Revenues) and the City of Toronto’s property tax base (Net Expenditures).

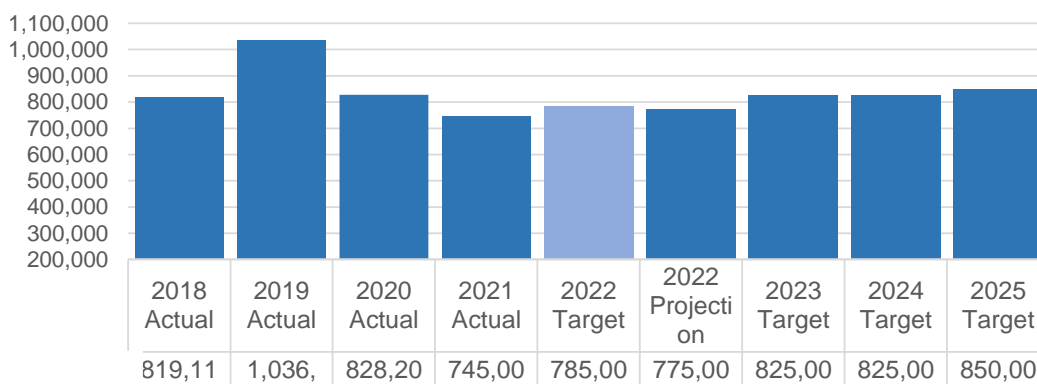
How Well We Are Doing – Behind the Numbers

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 low in 2019 due to labour disruptions in the education sector. Attendance in 2020 and 2021 was impacted significantly by COVID-19 gathering restrictions. TRCA partnered with the Canadian Tire Christmas Trail event organizers by providing a safe drive-thru event which brought 20,000 – 25,000 people annually to the Village in support of the site’s heritage operations during the pandemic. This demonstrated that TRCA continued to pursue opportunities to mitigate revenue loss resulting from closures.
- Recovery from COVID-19 has been slower than anticipated and reduction in marketing budget has resulted in fewer visitors in 2022.
- Projected attendance increase at Black Creek Pioneer Village for 2023 is the result of continued recovery from COVID-19, expanded programming partnerships and enhanced marketing activities.

of Paid Visits to TRCA Conservation Areas



- Attendance numbers for 2022 in parks are up for picnics and events as government COVID-19 regulations once again permit these long-missed gatherings. Trail use is steady from last year in the parks as people enjoy time with friends and family for leisurely walks and small hikes. Overall day visits in parks are somewhat down from 2021 as more options for public events and travel opened.
- Overall public appreciation for use of TRCA’s conservation parks and lands remains high and continued use into the shoulder seasons of spring and fall are expected to continue growing as public seek easy access to trails and open space.

How Well We Are Doing

Service	Measure	2020 Actual	2021 Actual	2022 Target	2022 Projection	Status	2023 Target	2024 Target
Outcome Measures								
Watershed Health	% of flood plain mapping that meets TRCA's service delivery standards	94	99	100	99	●	100	100
Watershed Health	% of erosion hazard control sites inspected (2,717 sites)	100	100	100	100	●	100	100
Watershed Health	# of Acres of land ownership	49,141	40,220	49,500	40,024	●	40,418	40,616
Watershed Health	% of conservation lands management planning achieved	60	65	70	70	●	75	75
Education and Recreation	Attendance numbers at Black Creek Pioneer Village	38,750	61,747	100,000	90,000	●	95,000	100,000
Education and Recreation	% increase in traffic on TRCA-managed trails	10%	10%	10%	10%	●	10%	10%

2022 Projection to 2022 Target Comparison
 ● 80% - 100% ● 64 - 79% ● 63% and Under

EXPERIENCES, CHALLENGES AND PRIORITIES

Our Experience and Success

- Inspected 4,168 hazard sites or erosion control structure, 591 metres of valley and shoreline have been stabilized at 5 high priority sites across TRCA's jurisdiction.
- Expertise in shoreline management has positioned TRCA as a key partner in planning, design and project implementation across the Toronto waterfront. Partnership initiatives like the Scarborough Waterfront Project and the Ashbridges Bay Landform are examples of a TRCA led, multi-faceted shoreline works providing protection of natural and cultural features while supporting the enhancement of public access to greenspace. Waterfront Secretariat has partnered with TRCA to kick-off a jointly led Wider Waterfront Coordination Table which will lead the advancement of waterfront revitalization projects outside the central waterfront as directed by Council in July 2022 ([EX34.10](#)). The Council-approved renewed vision for the Next Phase of Waterfront Revitalization expands the geographic scope of waterfront revitalization to the 43-kilometer waterfront, from Etobicoke Creek to the Rouge River.
- TRCA continues to increase fee-for-service work in water risk management for work addressing partner municipality strategic objectives in 2023 and beyond.

Key Challenges and Risks

- Regarding Provincial changes to the *Conservation Authority Act*, *Planning Act* and changes to the 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 *Conservation Authority Act* working group to influence the regulations.
- 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.
- TRCA is taking various immediate actions to increase recruitment success but more strategically, TRCA is undertaking a compensation review to streamline and coordinate job descriptions and update our compensation structure. This process is important for staff recruitment and retention but may have budget implications in the future.
- As part of increasing employee recruitment and retention, as well as finding efficiencies, TRCA has also commenced modernization of our Human Resources systems, which included a Performance Development Program and Learning and Development Program.
- Supply chain issues are still being managed as we observe increased pricing for aggregate and other materials that make up a large percentage of project costs
- These issues and initiatives may create pressures on both our operating and capital budgets and will be raised at the earliest opportunity in the 2024 budget process. In the meantime, TRCA is making every effort to mitigate financial and operational impacts

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 City staff to ensure the financial sustainability of Black Creek Pioneer Village.
- 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.
- Advancing the Scarborough Waterfront Project 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.

TABLED BUDGET

The City Manager and Chief Financial Officer and Treasurer have tabled:

1. The 2023 Operating Budget for Toronto and Region Conservation Authority of \$11.148 million gross, \$5.603 million revenue and \$5.545 million net for the following services:

Service:

	Gross Expenditures (\$000s)	Revenue (\$000s)	Net Expenditures (\$000s)
Toronto & Region Conservation Authority	11,148.3	5,602.8	5,545.5
Total Program Budget	11,148.3	5,602.8	5,545.5

2. The 2023 Capital Budget for Toronto & Region Conservation Authority with cash flows and future year commitments totaling \$32.279 million as detailed by project in [Appendix 6a](#).
3. The 2024-2032 Capital Plan for Toronto & Region Conservation Authority totalling \$192.828 million in project estimates as detailed by project in [Appendix 6b](#).

2023 OPERATING BUDGET

2023 OPERATING BUDGET OVERVIEW

Table 1: 2023 Operating Budget by Service

(In \$000s)	2021 Actual	2022 Budget	2022 Projection*	2023 Base Budget	2023 New / Enhanced	2023 Budget	Change v. 2022 Projection	
By Service	\$	\$	\$	\$	\$	\$	\$	%
Revenues								
Toronto and Region Conservation Authority	5,332.9	5,466.2	5,466.2	5,602.8		5,602.8	136.7	2.5%
Total Revenues	5,332.9	5,466.2	5,466.2	5,602.8		5,602.8	136.7	2.5%
Expenditures								
Toronto and Region Conservation Authority	10,197.9	10,925.4	10,925.4	11,148.3		11,148.3	222.9	2.0%
Total Gross Expenditures	10,197.9	10,925.4	10,925.4	11,148.3		11,148.3	222.9	2.0%
Net Expenditures (including COVID-19)	4,865.0	5,459.3	5,459.3	5,545.5		5,545.5	86.2	1.6%
Required COVID-19 Support	N/A	N/A	N/A	N/A		N/A	N/A	N/A
Net Budget (excluding COVID-19 supports)	4,865.0	5,459.3	5,459.3	5,545.5		5,545.5	86.2	1.6%
Approved Positions**	N/A	N/A	N/A	N/A		N/A	N/A	N/A

* 2022 Projection based on 9 Month Variance

**YoY comparison based on approved positions

KEY COST DRIVERS – FUNDING PRIORITIES

Total 2023 Budget expenditures of \$11.148 million gross reflecting an increase of \$0.223 million in spending above 2022 projected year-end actuals, predominantly arising from:

- 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 62.1% of the TRCA's 2023 Operating Levy.
- TRCA's budget addresses several organization pressures including wage costs in excess of cost-of-living adjustments, such as employee benefit expenditure which routinely exceed inflation and changes to TRCA's project and program funding models that may result from modifications to the Conservation Authorities Act. TRCA's budget does not include pressures for an organizational compensation review that is anticipated to be completed in Q1 of 2023 and will work with City staff to adjust within the 2024 budget process.
- The 2023 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 2023 Operating Budget do not have any significant equity impacts.

2023 OPERATING BUDGET KEY DRIVERS

The 2023 Operating Budget for Toronto & Region Conservation Authority of \$11.148 million gross is \$0.223 million or 2.0% higher than the 2022 Projected Actuals. Table 2 below summarizes the key cost drivers for the 2023 Budget.

Table 2: 2023 Operating Budget by Revenue / Expenditure Category

Category (In \$000s)	2020 Actual	2021 Actual	2022 Budget	2022 Projection*	2023 Budget	2023 Change from 2022 Projection	
	\$	\$	\$	\$	\$	\$	%
Contribution from Toronto Water	5,202.8	5,332.9	5,466.2	5,466.2	5,602.8	136.7	2.5%
Total Revenues	5,202.8	5,332.9	5,466.2	5,466.2	5,602.8	136.7	2.5%
City of Toronto Contribution to TRCA	9,470.4	10,197.9	10,925.4	10,925.4	11,148.3	222.9	2.0%
Total Gross Expenditures	9,470.4	10,197.9	10,925.4	10,925.4	11,148.3	222.9	2.0%
Net Expenditures	4,267.6	4,865.0	5,459.3	5,459.3	5,545.5	86.2	1.6%

*Projection based on 9 Month Variance

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 2022 projected actuals align with the 2022 Council Approved Operating Budget.

The increase of \$0.223 million in gross expenditures over the 2022 projected actual is attributable to an annual increase of 2.0% associated with cost of living adjustment. Under the *CA Act*, TRCA has authority to levy for their costs to the benefitting partner municipalities.

Other Revenue Changes:

As presented in the table above, the 2023 Operating Budget for TRCA will require a water revenue contribution of approximately 50.3% or \$5.603 million. This represents increased contributions from Toronto Water of \$0.137 million or 2.5% from 2022. The remaining portion \$5.545 million will be funded from the property tax base.

Offsets and Efficiencies:

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, and obtaining funding support from senior levels of government (e.g., Disaster Mitigation and Adaption Fund).

2024 & 2025 OUTLOOKS**Table 3: 2024 and 2025 Outlooks**

(\$000s)	2023 Budget	2024 Incremental Outlook	2025 Incremental Outlook
Revenues			
Toronto Water's contribution to the TRCA		140.1	143.6
Total Revenues	5,602.8	140.1	143.6
Gross Expenditures			
Inflationary Impacts		245.3	250.7
Total Gross Expenditures	11,148.3	245.3	250.7
Net Expenditures	5,545.5	105.2	107.1

Key drivers

The 2024 Outlook with total gross expenditures of \$11.394 million reflects an anticipated \$0.245 million or 2.2% increase in gross expenditures above the 2023 Operating Budget; The 2025 Outlooks expects a further increase of \$0.251 million or 2.2% above 2024 gross expenditures.

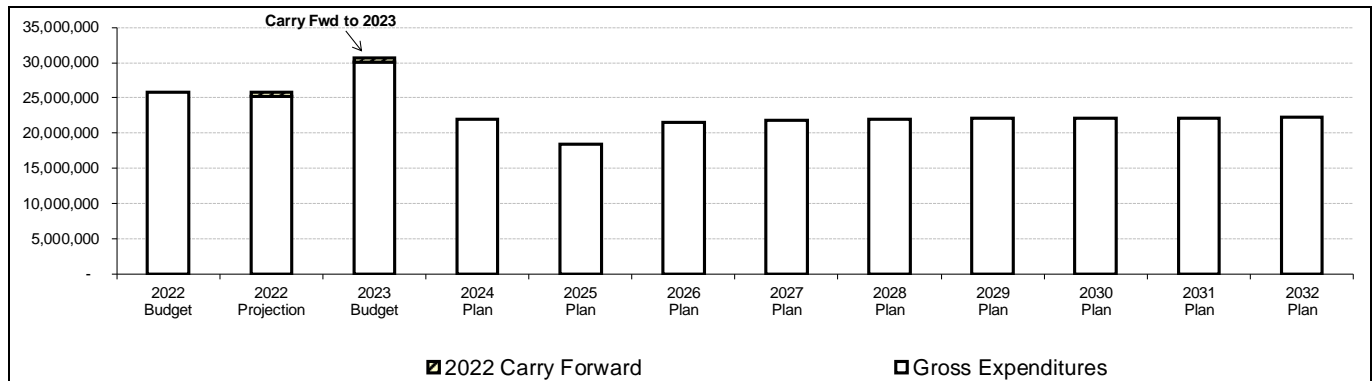
These changes arise from the following:

- **Inflationary Impact :**
 - In 2024 and 2025, increases in incremental contribution is 2.2% for both years, resulting in an increased base budget contribution of \$0.245 million gross in 2024 and \$0.2451 million gross in 2025.
 - **Revenue Changes:**
 - Consistent with previous years, Toronto Water's contribution to the Toronto & Region Conservation Authority is anticipated to increase by 2.5% per annum, resulting in incremental revenue increase of \$0.140 million in 2024 and \$0.144 million in 2025.
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**2023 – 2032
CAPITAL BUDGET AND PLAN**

2023 2032 CAPITAL BUDGET & PLAN OVERVIEW

Chart 1: 10-Year Capital Plan Overview



In \$000's	2022		2023 Capital Budget and 2024 - 2032 Capital Plan										
	Budget	Projected Actual	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	Total 10 Year Plan
	Gross Expenditures by Project Category:												
Health & Safety & Legislated	5,231	5,231	5,230										5,230
SOGR	18,407	18,407	22,510	19,243	15,952	19,788	20,033	20,174	20,306	20,313	20,318	20,340	198,975
Service Improvement & Growth	2,222	1,628	2,870	2,703	2,530	1,786	1,800	1,815	1,830	1,845	1,861	1,861	20,902
Total by Project Category	25,860	25,266	30,610	21,946	18,482	21,574	21,833	21,989	22,136	22,158	22,179	22,201	225,107
Financing:													
Debt	9,436	9,436	10,586	5,370	5,384	5,398	5,412	5,427	5,442	5,457	5,473	5,473	59,422
Reserves/Reserve Funds	17	17	17	17	17								50
Other Revenue	16,407	15,813	20,007	16,559	13,081	16,176	16,421	16,562	16,694	16,701	16,706	16,728	165,635
Total Financing	25,860	25,266	30,610	21,946	18,482	21,574	21,833	21,989	22,136	22,158	22,179	22,201	225,107

Changes to Existing Projects
(\$0.0 Million)

The 2023-2032 Capital Budget and Plan for TRCA reflects no changes to existing planned projects within its 10-Year Capital Plan.

New Projects
(\$0.0 Million)

The 2023-2032 Capital Budget and Plan for TRCA includes no new projects.

Capital Needs Constraints
(\$189.9 Million)





TRCA has a number of key unmet projects over the 10-year planning horizon as follows:

- \$163.6 for million projects that support the implementation of Council approved priorities including the *Scarborough Waterfront* as well as *Tommy Thompson Park Master Plan*.
- \$13.4 million for Meadoway Multi-Use Trail to transform an underutilized hydro corridor primarily between Don River ravine and Rouge National Urban Park TRCA has recently secured funding until the end of 2025 which alleviates this budget pressure.
- \$12.9 million for various Health & Safety or SOGR projects

Note:

For additional information, please refer to [Appendix 6](#) for a more detailed listing of the 2023 and 2024-2032 Capital Budget & Plan by project; [Appendix 7](#) for Reporting on Major Capital Projects – Status Update; [Appendix 8](#) for Capacity to Spend Review; and [Appendix 9](#) for Capital Needs Constraints, respectively.

2023 – 2032 CAPITAL BUDGET AND PLAN**\$225.1 Million 10-Year Gross Capital Program**

			
Critical Erosion Control and Floodworks	Waterfront Development	Infrastructure	Watershed Management
\$133M 59%	\$27.5M 14%	\$23.6M 10%	\$41M 17%
Valley Erosion Hazards <input checked="" type="checkbox"/> Major Maintenance of Erosion Control Infrastructure <input checked="" type="checkbox"/> Waterfront Major Maintenance & Remedial <input checked="" type="checkbox"/>	Scarborough Waterfront Project <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 2023-2032 Capital Budget and Plan cash flows. Does not break out the climate component costs separately.

TRCA has the following challenges in delivery of its capital program:

- Maintaining a competitive pool of consultants, especially specialized coastal/geotechnical engineers, has been problematic leading to less bids, increased prices, and longer than average schedules.
- Reduced number of bidders on construction related contracts (15-20 bidders at the site visit historically compared to an average of 5 now).
- The cost to supply and deliver aggregate such as large armour stone has increased substantially with inflation and increased cost of fuel.
- The cost to mobilize and demobilize for dredging operations continues to be high relative to the annual budget prompting a need to consider alternative approaches.

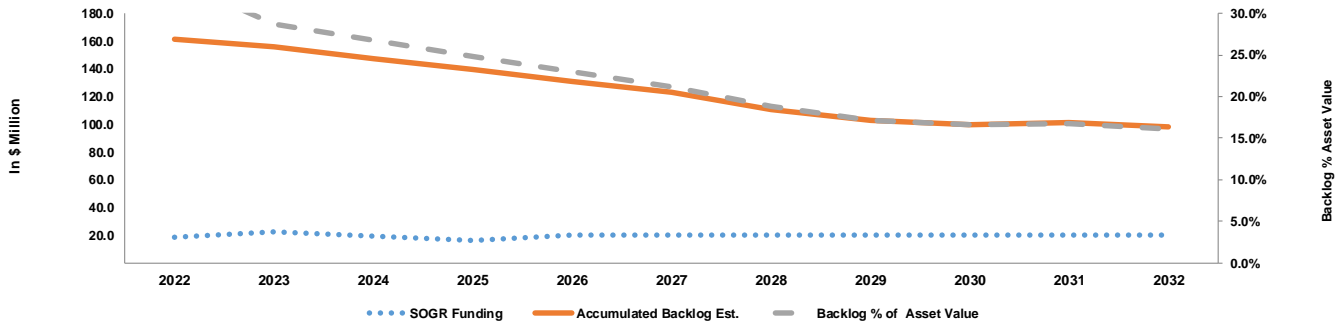
How the Capital Program is Funded

City of Toronto		Provincial Funding	Federal Funding
\$225.1 M 100%		\$000 M 0%	\$000 M 0%
Debt	\$ 59.4 M		
Reserve / Reserve Fund	\$ 0.05 M		
Other Revenue – Toronto Water Contribution	\$ 165.6 M		

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 2: Total SOGR Funding & Backlog



\$ Million	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
SOGR Funding	18.4	22.5	19.2	16.0	19.8	20.0	20.2	20.3	20.3	20.3	20.3
Accumulated Backlog Est.	161.5	156.2	147.7	139.4	131.2	123.1	110.9	103.0	100.0	101.1	98.2
Backlog % of Asset Value	34.1%	28.8%	26.7%	24.8%	22.9%	21.2%	18.8%	17.2%	16.6%	16.7%	16.1%
Total Asset Value	473.6	543.2	552.7	562.2	571.8	581.3	590.8	600.3	603.1	605.9	608.6

- The 10-Year Capital Plan to the SOGR program includes construction cost escalations, high priority SOGR needs identified by new condition assessments, feasibility studies, and timing of potential Infrastructure/Stimulus projects.
- The accumulated backlog is anticipated to decrease from \$161.5 million in 2022 to \$98.2 million in 2032, representing 16.1% of the total replacement value estimated to be \$608.6 million by 2032.
- The decrease in SOGR over the next 10 years is mainly driven by anticipated grants from Infrastructure Canada under the Disaster Mitigation & Adaptation Fund (DMAF) as well as other external funding. Funding will address maintenance work at multiple erosion control assets. This work started over the last two years and is carrying on until 2028 allowing TRCA to address some of the backlog with a particular emphasis on our waterfront structures.
- Total SOGR backlog reflects the anticipated funding over the next 10 years and the shortfalls driven by existing TRCA assets. The backlog is inevitably impacted by additional assets acquired through completed capital projects or new parks secured through development.

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.
- Waterfront Secretariat, Toronto Water, Parks, Forestry and Recreation, TRCA, and Waterfront Toronto are collaborating to prepare a report to City Council in 2023 that will outline in more detail estimated operating costs associated with capital projects being advanced as part of the *Portlands Flood Protection* and *Eastern Broadview Flood Protection* projects including the Sediment Debris Management Area, Keating Channel Dredging and others linked with East Harbour Transit Hub and Waterfront Toronto revitalization projects.

APPENDICES

Appendix 1

COVID-19 Impact and Recovery

N/A

Appendix 2

2023 Affordability Measures

N/A

Appendix 3

Summary of 2023 Service Changes

N/A

Appendix 4

Summary of 2023 New / Enhanced Service Priorities Included in Budget

N/A

Appendix 5

Summary of 2023 New / Enhanced Service Priorities Not Included in Budget

N/A

Appendix 6

2023 Capital Budget; 2024 - 2032 Capital Plan Including Carry Forward Funding

Project Code	(In \$000s)		2023 Budget	2024 Plan	2025 Plan	2026 Plan	2027 Plan	2028 Plan	2029 Plan	2030 Plan	2031 Plan	2032 Plan	2023 - 2032 Total	Health & Safety & Legislated	SOGR	Growth & Improved Service
TRCA01	Greenspace Land Acquisition	☑	64	64	64	64	64	64	64	64	64	64	640		640	
TRCA02	Waterfront & Valley Erosion Control	☑	2,420	2,420	2,420	2,420	2,420	2,420	2,420	2,420	2,420	2,420	24,200		24,200	
TRCA03	Black Creek Pioneer Village Retrofit	☑	371	371	371	371	371	371	371	371	371	371	3,710		3,710	
TRCA04	Living City Action Plan	☑	3,539	3,672	3,781	3,917	4,062	4,203	4,335	4,342	4,347	4,369	40,567		40,567	
TRCA05	Waterfront Development	☑	1,153	1,153	1,153	1,153	1,153	1,153	1,153	1,153	1,153	1,153	11,530		11,530	
TRCA06	TRCA Information Technology		321	321	321	321	321	321	321	321	321	321	3,210		3,210	
TRCA07	TRCA Major Facilities Retrofit Program	☑	642	642	642	642	642	642	642	642	642	642	6,418		6,418	
TRCA08	Critical Erosion #2 Water Funded Enhancements	☑	14,000	10,600	7,200	10,900	11,000	11,000	11,000	11,000	11,000	11,000	108,700		108,700	
TRCA09	Tommy Thompson Park Management Program	☑	781	795	809	823	837	852	867	882	898	898	8,442			8,442
TRCA10	TRCA Long Term Accommodation - 5 Shoreham Drive	☑	963	963	963	963	963	963	963	963	963	963	9,632			9,632
TRCA11	Toronto Wildlife Centre Site Restoration	☑	17	17	17								50			50
TRCA12	TRCA Asset & Infrastructure Management Plan	☑	6,339	928	741								8,008	5,230		2,778
Total Expenditures (including carry forward from 2022)			30,610	21,946	18,482	21,574	21,833	21,989	22,136	22,158	22,179	22,201	225,107	5,230	198,975	20,902

☑ - 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 2023-2032 Capital Budget and Plan cash flows. Does not break out the climate component costs separately

Appendix 6a

2023 Cash Flow and Future Year Commitments Including Carry Forward Funding

Project Code	(In \$000s)	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	Total 2023 Cash Flow & FY Commits	Previously Approved	Change in Scope	New w/ Future Year
TRCA01	Greenspace Land Acquisition	64										64			64
TRCA02	Waterfront & Valley Erosion Control	2,420										2,420			2,420
TRCA03	Black Creek Pioneer Village Retrofit	371										371			371
TRCA04	Living City Action Plan	3,539										3,539			3,539
TRCA05	Waterfront Development	1,153										1,153			1,153
TRCA06	TRCA Information Technology	321										321			321
TRCA07	TRCA Major Facilities Retrofit Program	642										642			642
TRCA08	Critical Erosion #2 Water Funded Enhancements	14,000										14,000			14,000
TRCA09	Tommy Thompson Park Management Program	781										781			781
TRCA10	TRCA Long Term Accommodation - 5 Shoreham D	963										963			963
TRCA11	Toronto Wildlife Centre Site Restoration	17										17			17
TRCA12	TRCA Asset & Infrastructure Management Plan	6,339	928	741								8,008	8,008		
Total Expenditure (including carry forward from 2022)		30,610	928	741								32,279	8,008		24,271

Appendix 6b

2024 - 2032 Capital Plan

Project Code	(In \$000s)	2024 Plan	2025 Plan	2026 Plan	2027 Plan	2028 Plan	2029 Plan	2030 Plan	2031 Plan	2032 Plan	2024 - 2032 Total	Health & Safety & Legislated	SOGR	Growth & Improved Service
TRCA01	Greenspace Land Acquisition	64	64	64	64	64	64	64	64	64	576		576	
TRCA02	Waterfront & Valley Erosion Control	2,420	2,420	2,420	2,420	2,420	2,420	2,420	2,420	2,420	21,780		21,780	
TRCA03	Black Creek Pioneer Village Retrofit	371	371	371	371	371	371	371	371	371	3,339		3,339	
TRCA04	Living City Action Plan	3,672	3,781	3,917	4,062	4,203	4,335	4,342	4,347	4,369	37,028		37,028	
TRCA05	Waterfront Development	1,153	1,153	1,153	1,153	1,153	1,153	1,153	1,153	1,153	10,377		10,377	
TRCA06	TRCA Information Technology	321	321	321	321	321	321	321	321	321	2,889		2,889	
TRCA07	TRCA Major Facilities Retrofit Program	642	642	642	642	642	642	642	642	642	5,776		5,776	
TRCA08	Critical Erosion #2 Water Funded Enhancements	10,600	7,200	10,900	11,000	11,000	11,000	11,000	11,000	11,000	94,700		94,700	
TRCA09	Tommy Thompson Park Management Program	795	809	823	837	852	867	882	898	898	7,661			7,661
TRCA10	TRCA Long Term Accommodation - 5 Shoreham Drive	963	963	963	963	963	963	963	963	963	8,669			8,669
TRCA12	TRCA Asset & Infrastructure Management Plan	17	17								33			33
Total Expenditures		21,018	17,741	21,574	21,833	21,989	22,136	22,158	22,179	22,201	192,828		176,465	16,363

Appendix 7

Reporting on Major Capital Projects: Status Update

(\$000s)

Life to Date
↓ ↓

Division/Project name	2022 Cash Flow			Total Project		Status	Start Date	End Date		On Budget	On Time
	Appr.	YTD Spend	YE Projec Spend	Appr. Budget	Life to Date			Planned	Revised		
ADMINISTRATIVE INFRASTRUCTURE PROJECT											
LONG TERM ACCOMODATION - 5 SHOREHAM & INTEREST (CRC103-03)	963	803	963	38,617	7,074	Significant Delay	Jan-20	Dec-21	Jun-23	Ⓞ	Ⓞ
Comments:	1. Construction began January 2020 with the substantial performance expected May 2023. 2. Mass timber installation completed in Q1 of 2022. Envelope proceeding from Q1 2022 with building watertight by Q4 2022. 3. Lease agreement was adopted through City of Toronto's Etobicoke York Community Counsel on June 27th,2022.										
Explanation for Delay:	The delay is the result of three factors: 1. Mass timber trade and construction manager under performing 2. Various union labour strikes and supply chain issues related to COVID19 3. Glazing fabrication, supply and delivery delays										

- 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**

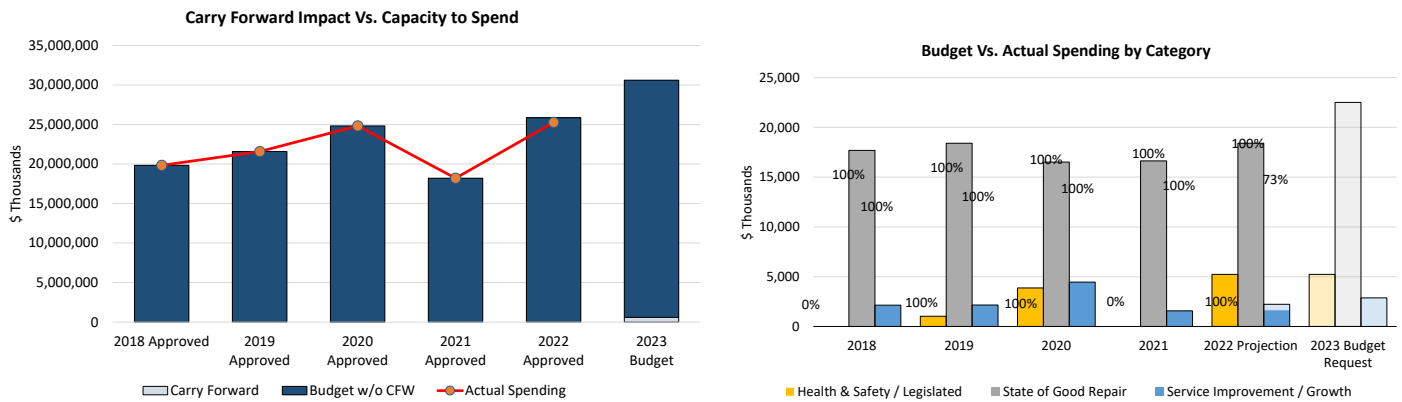
Appendix 8

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 Toronto & Region Conservation Authority 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 3 below) as well as the level of projected 2022 underspending that will be carried forward into 2023 to complete capital work.

Chart 3 – Capacity to Spend



Capacity to Spend Review Impact on the 10-Year Plan

The majority of the Toronto & Region Conservation Authority'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. Toronto & Region Conservation Authority typically receives 100% of its annual Capital Budget in any given year and does not require funding to be carried forward into future years due to incomplete projects.

Scarborough Bluffs West Individual Environmental Assessment (EA) is projected to be \$0.594 million underspend by the end of 2022, and the balance is included as a carry forward to 2023 budget. The underspending is attributed to a delay in the public launch of the project. TRCA is working with key City divisions to advance the launch the EA in early 2023.

Appendix 9

Summary of Capital Needs Constraints

Project Description	Total Project	Non-Debt	Debt Required	(In \$ Millions)										
				Cash Flow (In \$ Millions)										
				2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	
NOT INCLUDED														
<i>Scarborough Waterfront Project</i>	125.7		125.7		15.9	22.9	20.0	16.8	7.2	8.5	0.4	16.8	17.2	
<i>Tommy Thompson Park Master Plan Implementation</i>	17.2		17.2	1.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	1.5	0.7	
<i>Tommy Thompson Park Operations</i>	3.0		3.0	0.0	0.3	0.3	0.3	0.3	0.3	0.3	0.4	0.4	0.4	
<i>Meadoway Multi-Use Trail</i>	13.4		13.4	2.5	0.4	0.3	1.5	1.5	3.7	3.7				
<i>Erosion Control</i>														
<i>West Hill Bank Stabilization Project</i>	0.6		0.6	0.1	0.6									
<i>Asset & Infrastructure Needs</i>														
<i>Black Creek Pioneer Village - Accessibility & Infrastructure Improvement</i>	1.2		1.2	0.3	0.2	0.3	0.3	0.1						
<i>Black Creek Pioneer Village (BCPV) - Upgrading Water Service Lines</i>	2.0		2.0	2.0										
<i>Claireville Dam Gate Maintenance Project</i>	2.3		2.3			0.2	2.0							
<i>Claireville Dam Major Maintenance (wing wall and spillway)</i>	5.0		5.0	0.3	0.8	1.0	0.8	0.8	0.8	0.8				
<i>Black Creek Dam Spillway Modification</i>	1.0		1.0				0.1	0.9						
<i>G. Ross Lord Dam Operations Optimization (process update)</i>	0.8		0.8		0.4	0.4								
<i>Other Studies and Initiatives</i>														
<i>Rat's Spit Shoreline Restoration</i>	0.6		0.6	0.1	0.5									
<i>Morningside Creek Dissipater Stream Restoration Project</i>	2.5		2.5	2.5										
<i>Ravine Strategy Implementation</i>	2.1		2.1	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.3	0.3	0.3	
<i>Trail Strategy Implementation - Toronto</i>	2.0		2.0	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	
<i>Sustainable Neighbourhood Climate Action - Toronto</i>	2.0		2.0	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	
<i>Restoration Projects Targeting Climate Change Action - Toronto</i>	1.1		1.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	
<i>Etobicoke Creek Barrier Mitigation</i>	0.5		0.5	0.5										
<i>Watershed Planning and Reporting</i>	7.0		7.0	0.7	0.6	0.7	0.7	0.7	0.7	0.7	0.8	0.8	0.8	
Total Needs Constraints (Not Included)	189.9		189.9	10.6	22.2	28.7	28.3	23.7	15.3	16.7	4.3	20.3	19.8	

In addition to the 10-Year Capital Plan TRCA staff has also identified \$189.9 million in capital needs constraints for 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.

At the direction of Toronto Council, TRCA has worked with the City to report back on how to advance the Waterfront Vision for areas outside of the Designated Waterfront Area. TRCA have included funds for this and would like to continue work with staff to help meet expectations and to potentially advance EA approved shovel ready Waterfront projects.

Key projects include:

Scarborough Waterfront Project (\$125.7 million)

In partnership with the City of Toronto, TRCA undertook an Individual Environmental Assessment (EA) for the *Scarborough Waterfront Project* between 2014 and 2019. The purpose of the Project is to provide safe public access and an enjoyable waterfront experience, while also protecting and enhancing the natural environment along an 11-kilometre stretch of shoreline between Bluffer's Park and East Point Park. Design and implementation of the project has been phased. Current funded priorities are the detailed design and implementation of the *Brimley Road Multi-use Trail* and the detailed design of the Western Segment shoreline. At City Council directive, TRCA is also advancing a similar EA for the shoreline from Bluffer's Park west to R.C Harris Water Treatment Plant. Funding needs for future design and implementation for both shoreline study areas are phased as unmet needs requests will be refined annually to reflect known project, budget and timeline factors.

Tommy Thompson Park Master Plan Implementation (\$17.2 million)

Tommy Thompson Park (TTP) is approximately 500 ha in size and is the largest park and most significant greenspace on the Toronto waterfront. Currently, 249 ha of land is under TRCA ownership and jointly managed by TRCA and the City of Toronto. The remaining 250 ha is under lease to Ports Toronto from the Ministry of Natural Resources and Forestry. This remain land is scheduled for transfer to TRCA in 2024 and will be incorporated into the City of Toronto and TRCA Joint Management Plan as recommended by Toronto City Council on June 8, 2021.

<https://www.toronto.ca/legdocs/mmis/2021/ie/bgrd/backgroundfile-166869.pdf>

The park currently supports over 300,000 park users a year which is expected to grow after incorporation of the remaining lands and once public access expands to seven days a week. Significant investment is required in five key areas including shoreline protection and maintenance; park infrastructure and trails; parks programming and visitor experience; public safety and operations, and finally natural area enhancement and restoration.

Meadoway Multi-Use Trail (\$13.4 million)

The Meadoway is an innovative city building initiative that will provide a naturalized link and multi-use trail connection between Rouge National Urban Park and downtown Toronto, stitching together over 15 parks/greenspaces, seven watercourses, employment centres, and transportation hubs across Scarborough. TRCA is awaiting the final confirmation of \$5.0 million in Natural Infrastructure Funding through the City of Toronto for 2023- 2025 which will alleviate the budget pressures for this project until 2026.

Black Creek Pioneer Village Revitalization and Reimaging (\$3.2 million)

In order to sustain Black Creek Pioneer Village into the future and enable a new vision that integrates perspectives of indigenous communities and the broader multicultural fabric and stories of Toronto residents, dedicated government funding is essential. As a significant cultural heritage attraction and museum within the City of Toronto, TRCA requires enhanced funding to modernize, revitalize and restore Black Creek Pioneer Village to maintain its prominence and place within the tourism attraction sector, with over 140,000 visitors annually, and as a key catalyst of economic development and storytelling within the University Heights and Black Creek Neighbourhood Improvement Areas. As per City of Toronto Council Motions [MM42.36](#) and [EC31.23](#) (as amended) City of Toronto and TRCA staff have been directed to explore means to provide ongoing operational and capital support for Black Creek Pioneer Village, including convening a stakeholder table of City of Toronto Divisions. TRCA staff are to report to TRCA's Board of Directors in first quarter of 2023 on progress related to ongoing discussions with City of Toronto in this matter.

Appendix 10

Inflows and Outflows to/from Reserves and Reserve Funds 2023 – 2032 Capital Budget and Plan

Program Specific Reserve / Reserve Funds

Reserve / Reserve Fund Name (In \$000s)	Project / Sub Project Name and Number	Contributions / (Withdrawals)									
		2023 Budget	2024 Plan	2025 Plan	2026 Plan	2027 Plan	2028 Plan	2029 Plan	2030 Plan	2031 Plan	2032 Plan
XR1220 Tree Canopy Reserve Fund	Beginning Balance	22,831	22,519	19,109	15,135	11,307	7,618	4,401	2,215	723	452
	<i>Withdrawals (-)</i>										
	<i>Toronto Wild Centre Site Restoration</i>	(17)	(17)	(17)							
	Total Withdrawals	(17)	(17)	(17)	-	-	-	-	-	-	-
	<i>Contributions (+)</i>										
	<i>Interest Income</i>	438	402	331	255	183	116	64	28	11	8
	Total Contributions	438	402	331	255	183	116	64	28	11	8
	Other Program/Agency Net Withdrawals	(733)	(3,795)	(4,288)	(4,083)	(3,872)	(3,333)	(2,250)	(1,520)	(282)	(38)
Balance at Year-End	22,519	19,109	15,135	11,307	7,618	4,401	2,215	723	452	423	

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 Service Priorities: 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).