

# 2024 Budget Notes

## Toronto and Region Conservation Authority

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### Description

Since 1957 the Toronto and Region Conservation Authority (TRCA), as enabled through the provincial Conservation Authorities Act (CA Act), has taken action to protect, conserve, and restore natural resources and develop resilient communities through education, the application of science, community engagement, service excellence and collaboration with its partners. 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.

As the largest of the 36 Provincial Conservation Authorities, TRCA's jurisdiction spans nine watersheds, including those within the City of Toronto and areas in the regional municipalities of Durham, Peel and York, the Township of Adjala-Tosorontio and Town of Mono, representing over five million residents.

TRCA is not an agency of the City of Toronto; it is incorporated under the CA Act and is a registered charity under the Income Tax Act (Canada). 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 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 kilometers: 2,506 on land and 961 water-based.

### Why We Do It

TRCA, in conjunction with its partner municipalities 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

**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 2024 operating budget):** \$8.0M**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 2024 operating budget):** \$1.9M**Education and Recreation****Who We Serve:** Schools & Students, Residents and 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 2024 operating budget):** \$1.4M**Budget at a Glance\*****2024 OPERATING BUDGET**

<u>\$Million</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>
Revenues	\$5.7	\$5.9	\$6.03
Gross Expenditures	\$11.4	\$11.6	\$11.9
Net Expenditures	\$5.7	\$5.8	\$5.9
Approved Positions			

**2024 - 2033 10-YEAR CAPITAL PLAN**

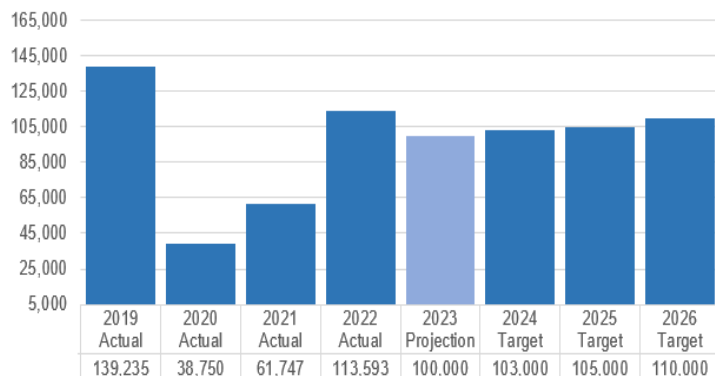
<u>\$Million</u>	<u>2024</u>	<u>2025-2033</u>	<u>Total</u>
Gross Expenditures	\$21.9	\$194.7	\$216.7
Debt	\$5.4	\$48.9	\$54.3

Note: Includes 2023 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 the contribution by Toronto Water (Revenues) and the City of Toronto's property tax base (Net Expenditures). The final budget will receive TRCA Board approval in Q1 2024, once all of TRCA's partner municipalities have approved their respective budgets, which includes TRCA's municipal levy apportionment.

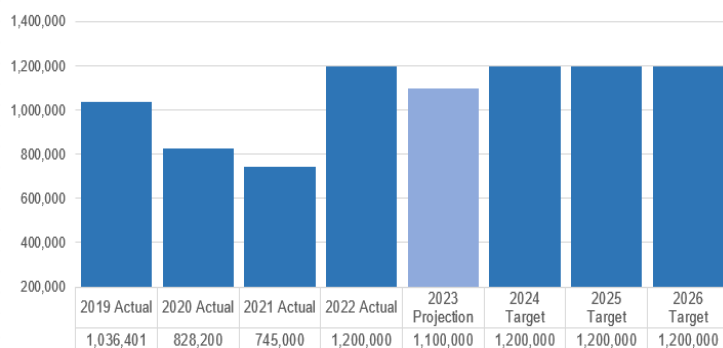
## How Well We Are Doing – Behind the Numbers

# of 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 2018 and 2019 and low in 2020 and 2021 as it was impacted significantly by COVID-19 gathering restrictions.
- Recovery from COVID-19 has been slower than anticipated with fewer visitors in 2022 than in 2019. Visitation in 2023 is higher month-over-month than 2022 but has not returned yet to 2019 levels. Leisure dollar spending and tourism are impacted and influenced by economic climate and recreation patterns.
- Lack of dedicated municipal or government funding for exhibit renewal and program delivery have resulted in service and programming reductions, including a reduction in marketing activities, leading to a long-term drop in attendance.

# of Visits to TRCA Conservation Areas



- Attendance numbers for 2023 in parks are up for picnics and events. 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 up from 2022 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	2021 Actual	2022 Actual	2023 Target	2023 Projection	Status	2024 Target	2025 Target
Outcome Measures								
Watershed Health	% of flood plain mapping that meets TRCA's service delivery standards	99	99	100	100	●	100	100
Watershed Health	% of erosion hazard control sites inspected	100	100	100	100	●	100	100
Watershed Health	# of Acres of land ownership	40,220	40,220	40,418	40,418	●	40,618	40,618
Watershed Health	% of conservation lands management planning achieved	65	65	75	70	●	75	75
Education and Recreation	Attendance numbers at Black Creek Pioneer Village	61,747	113,593	95,000	100,000	●	100,000	100,000
Education and Recreation	% increase in traffic on TRCA-managed trails	10%	12%	10%	10%	●	15%	15%

### 2023 Projection to 2023 Target Comparison

● 100% (MET TARGET)    ● 70 - 99% (LOW RISK)    ● 69% and Under (REQUIRES ATTENTION)

## EXPERIENCES, CHALLENGES AND PRIORITIES

### Our Experience and Success

- 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 lead the Wider Waterfront Coordination Table which will advance 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 2024 and beyond.
- In December 2023, Council approved the Memorandum of Understanding (MOU) between the City and TRCA for discretionary nonmandatory programs, services and projects provided by the TRCA as required by the recent legislative amendments to the *Conservation Authorities Act*.

### 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 ensure employee retention and attraction.
- 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 2025 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 and Council to secure City of Toronto capital and operating funding ensuring the financial sustainability of Black Creek Pioneer Village.
- TRCA will continue to work with partner municipalities to develop and improve Service Level and Management 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.
- 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.
- Aligning TRCA's work within the City of Toronto with the City's Transform TO Net Zero Strategy, including both TRCA's internal operations and external climate and sustainability services and programming.
- Advancement of Tommy Thompson Park Visitor Experience Plan, and Scarborough Waterfront Project

TABLED BUDGET

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

1. The 2024 Operating Budget for Toronto and Region Conservation Authority of \$11.394 million gross, \$5.743 million revenue, and \$5.651 million net for the following services:
- Service:

	Gross Expenditures (\$000s)	Revenue (\$000s)	Net Expenditures (\$000s)
Toronto & Region Conservation Authority	11,393.6	5,742.9	5,650.7
<b>Total Program Budget</b>	<b>11,393.6</b>	<b>5,742.9</b>	<b>5.650.7</b>
2. The 2024 Capital Budget for Toronto and Region Conservation Authority with cash flows and future year commitments totaling \$22.685 million as detailed by project in [Appendix 5a](#).
3. The 2025-2033 Capital Plan for Toronto and Region Conservation Authority totalling \$193.995 million in project estimates as detailed by project in [Appendix 5b](#).

# **2024 OPERATING BUDGET**

## 2024 OPERATING BUDGET OVERVIEW

**Table 1: 2024 Operating Budget by Service**

(In \$000s)	2022 Actual	2023 Budget	2023 Projection*	2023 Budget excl COVID	2024 Base Budget	2024 New / Enhanced	2024 Budget	Change v. 2023 Budget excl COVID	
By Service	\$	\$	\$	\$	\$	\$	\$	\$	%
<b>Revenues</b>									
Toronto & Region Conservation Authority	5,466.2	5,602.8	5,602.8	5,602.8	5,742.9		5,742.9	140.1	2.5%
<b>Total Revenues</b>	<b>5,466.2</b>	<b>5,602.8</b>	<b>5,602.8</b>	<b>5,602.8</b>	<b>5,742.9</b>		<b>5,742.9</b>	<b>140.1</b>	<b>2.5%</b>
<b>Expenditures</b>									
Toronto & Region Conservation Authority	10,925.4	11,148.3	11,148.3	11,148.3	11,393.6		11,393.6	245.3	2.2%
<b>Total Gross Expenditures</b>	<b>10,925.4</b>	<b>11,148.3</b>	<b>11,148.3</b>	<b>11,148.3</b>	<b>11,393.6</b>		<b>11,393.6</b>	<b>245.3</b>	<b>2.2%</b>
<b>Net Expenditures</b>	<b>5,459.3</b>	<b>5,545.5</b>	<b>5,545.5</b>	<b>5,545.5</b>	<b>5,650.7</b>		<b>5,650.7</b>	<b>105.2</b>	<b>1.9%</b>
<b>Approved Positions**</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>		<b>N/A</b>	<b>N/A</b>	<b>N/A</b>

\* 2023 Projection based on 9 Month Variance

\*\*YoY comparison based on approved positions

### KEY DRIVERS

**Total 2024 Budget** expenditures of \$11.394 million gross reflecting an increase of \$0.245 million in spending above 2023 budget, 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 2024 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*.
- The 2024 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 2024 Operating Budget do not have any significant equity impacts.



**2024 OPERATING BUDGET KEY COST DRIVERS**

The 2024 Net Operating Budget for Toronto and Region Conservation Authority of \$5.651 million is \$0.105 million or 1.9% greater than the 2023 Net Budget. Table 2 below summarizes the key cost drivers for the 2024 Budget.

**Table 2: 2024 Key Cost Drivers**

(In \$000s)	2024				2025 Annualized impact (Net)
	Revenues	Gross	Net	Positions**	
<b>2023 Projection*</b>	<b>5,602.8</b>	<b>11,148.3</b>	<b>5,545.5</b>	<b>N/A</b>	<b>N/A</b>
<b>2023 Budget</b>	<b>5,602.8</b>	<b>11,148.3</b>	<b>5,545.5</b>	<b>N/A</b>	<b>N/A</b>
<b>Key Cost Drivers:</b>					
<b>Non-Salary Inflation</b>					
Non-Salary Inflation		245.3	245.3		107.1
Revenue Changes	140.1		(140.1)		
<b>Sub-Total - Key Cost Drivers</b>	<b>140.1</b>	<b>245.3</b>	<b>105.2</b>		<b>107.1</b>
<b>Affordability Measures:</b>					
<b>Sub-Total - Affordability Measures</b>					
<b>Total 2024 Budget</b>	<b>5,742.9</b>	<b>11,393.6</b>	<b>5,650.7</b>		<b>107.1</b>
<b>Change from 2023 Budget (\$)</b>	<b>140.1</b>	<b>245.3</b>	<b>105.2</b>	<b>N/A</b>	<b>N/A</b>
<b>Change from 2023 Budget (%)</b>	<b>2.5%</b>	<b>2.2%</b>	<b>1.9%</b>	<b>N/A</b>	<b>N/A</b>

\*Based on 9 Month Variance

\*\*YoY comparison based on approved positions

**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 2023 projected actuals align with the 2023 Council Approved Operating Budget.
- The increase of \$0.245 million in gross expenditures over the 2023 is attributable to an annual increase of 2.2% 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 2024 Operating Budget for TRCA will require a water revenue contribution of approximately \$5.743 million or 50.4% of expenditures. This represents increased contributions from Toronto Water of \$0.140 million or 2.5% from 2023. The remaining portion of \$5.651 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).

**2025 & 2026 OUTLOOKS****Table 5: 2025 and 2026 Outlooks**

		<b>Outlook</b>	<b>Outlook</b>
<b>Revenues</b>			
Toronto Water's contribution to the TRCA		143.6	147.2
<b>Total Revenues</b>	<b>5,742.9</b>	<b>143.6</b>	<b>147.2</b>
<b>Gross Expenditures</b>			
Inflationary Impacts		250.7	256.2
<b>Total Gross Expenditures</b>	<b>11,393.6</b>	<b>250.7</b>	<b>256.2</b>
<b>Net Expenditures</b>	<b>5,650.7</b>	<b>107.1</b>	<b>109.0</b>

**Key Outlook Drivers**

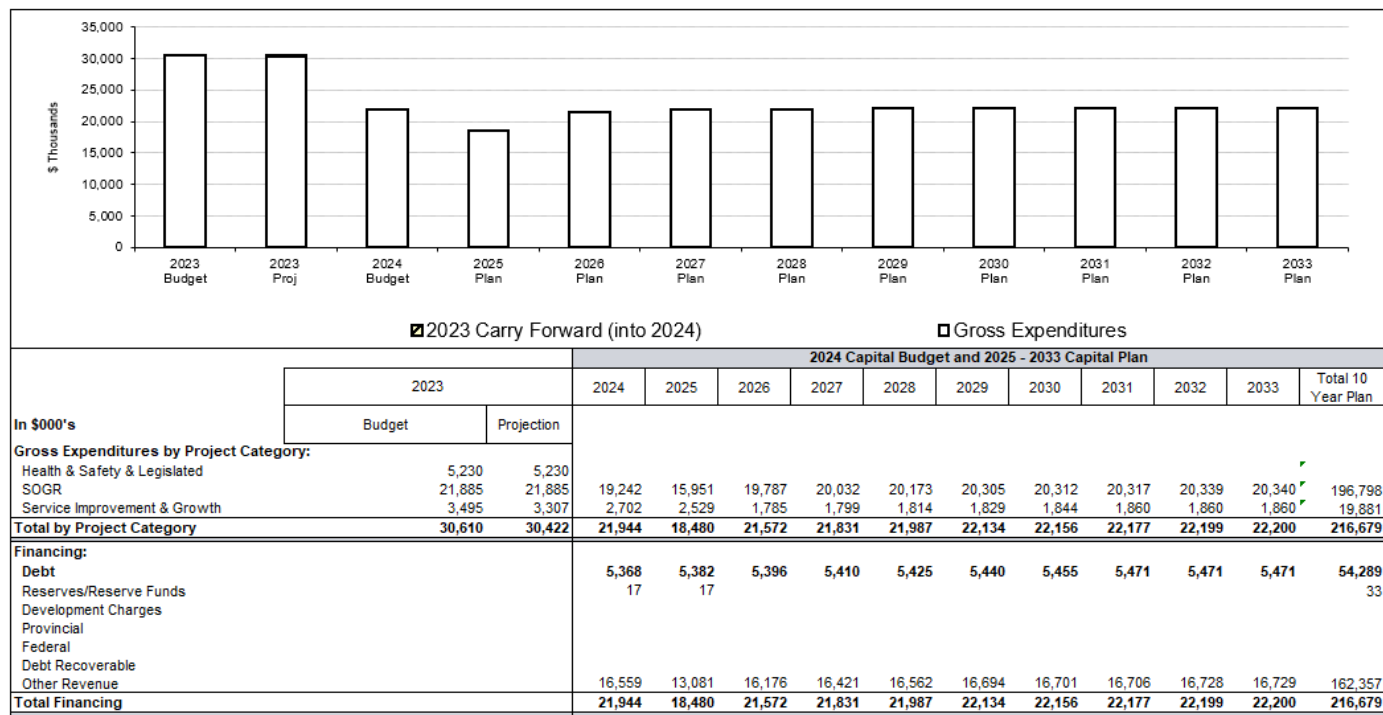
The 2025 Outlook with total gross expenditures of \$11.644 million reflects an anticipated \$0.251 million or 2.2% increase in gross expenditures above the 2024 Operating Budget. The 2026 Outlooks expects a further increase of \$0.256 million or 0.2% above 2025 gross expenditures.

- **Inflationary Impact:**
  - In 2024, increases to the base contribution is 2.2% resulting in an increased base budget contribution of \$0.245 million gross. In 2025 and 2026, increases in incremental contribution is 2.2% for both years, resulting in an increased base budget contribution of \$0.251 million gross in 2025 and \$0.256 million gross in 2026.
- **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, \$0.144 million in 2025 and \$0.147 million in 2026.

# **2024 – 2033 CAPITAL BUDGET AND PLAN**

## 2024 – 2033 CAPITAL BUDGET & PLAN OVERVIEW

Chart 1: 10-Year Capital Plan Overview



### Changes to Existing Projects (\$0.0 Million)

Toronto & Region Conservation Authority committed to submit a zero-based capital. The 2024-2033 Capital Budget and Plan reflects no changes to existing projects over the nine common years (2024-2032).

### New Projects (\$0.0 Million)

The 2024-2033 Capital Budget and Plan includes no new projects.

### Capital Needs Constraints (\$227.34 Million)





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

- \$154.9 million for 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 which alleviates this budget pressure until 2025.
- \$59.04 million for various Health & Safety or SOGR projects

#### Note:

For additional information, please refer to [Appendix 5](#) for a more detailed listing of the 2024 and 2025-2033 Capital Budget & Plan by project; [Appendix 6](#) for Reporting on Major Capital Projects – Status Update; [Appendix 7](#) for Capacity to Spend Review; and [Appendix 8](#) for Capital Needs Constraints, [Appendix 9](#) for Capital Program Provincial/Federal Funding Streams by Projects, respectively.

**2024 – 2033 CAPITAL BUDGET AND PLAN****\$216.6 Million 10-Year Gross Capital Program**

			
<b>Critical Erosion Control and Floodworks</b>	<b>Waterfront Development</b>	<b>Infrastructure</b>	<b>Watershed Management</b>
<b>\$134M</b> <b>61%</b>	<b>\$14M</b> <b>6.5%</b>	<b>\$23M</b> <b>11%</b>	<b>\$45M</b> <b>21.5%</b>
Valley Erosion Hazards✔  Major Maintenance of Erosion Control Infrastructure✔  Waterfront Major Maintenance & Remedial Works✔	Scarborough Waterfront Project✔  Keating Channel Dredging✔  Tommy Thompson Park Management Program✔	TRCA Administrative Office Building✔  Asset & Infrastructure Management Plan ✔  Information Technology Management✔	Regional Watershed Monitoring Program✔  Greenspace Land Acquisition✔  Stewardship Projects and Programs✔

✔ - 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 2024-2033 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.

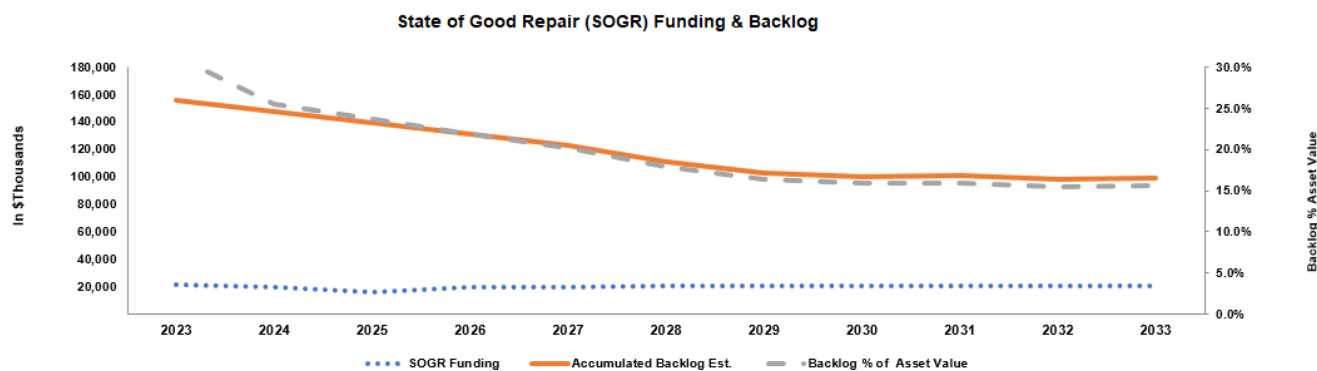
## How the Capital Program is Funded

City of Toronto		Provincial Funding	Federal Funding
<b>\$216.6 M</b> <b>100%</b>		<b>\$000 M</b> <b>0%</b>	<b>\$000 M</b> <b>0%</b>
Debt	\$ 54.3 M		
Reserve / Reserve Fund	\$ 0.03 M		
Other Revenue – Toronto Water Contribution	\$ 162.3 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**



\$ Thousands	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
<b>SOGR Funding</b>	21,885	19,242	15,951	19,787	20,032	20,173	20,305	20,312	20,317	20,339	20,340
<b>Accumulated Backlog Est.</b>	156,166	147,720	139,391	131,182	123,096	110,932	103,046	100,003	101,138	98,234	99,369
<b>Backlog % of Asset Value</b>	31.2%	25.5%	23.7%	21.9%	20.2%	18.0%	16.4%	15.9%	16.0%	15.5%	15.6%
<b>Total Asset Value</b>	499,732	579,300	588,800	598,300	607,900	617,400	626,800	629,600	632,400	635,200	638,000

- 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 \$156.1 million in 2023 to \$99.4 million in 2033, representing 15.6% of the total replacement value estimated to be \$638 million by 2033.
- 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 in 2021 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 2024 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**

### **2024 Operating Budget by Category**

## **Appendix 2**

### **Summary of 2024 Service Changes**

N/A

## **Appendix 3**

### **Summary of 2024 New / Enhanced Service Priorities Included in Budget**

N/A

## **Appendix 4**

### **Summary of 2024 New / Enhanced Service Priorities Not Included in Budget**

N/A

## Appendix 5

### 2024 Capital Budget; 2025 - 2033 Capital Plan Including Carry Forward Funding

(In \$000s)		2024 Budget	2025 Plan	2026 Plan	2027 Plan	2028 Plan	2029 Plan	2030 Plan	2031 Plan	2032 Plan	2033 Plan	2024 - 2033 Total	Health & Safety & Legislated	SOGR	Growth & Improved Service
GREENSPACE LAND ACQUISITION (Toronto Share)	☑	64	64	64	64	64	64	64	64	64	64	640		640	
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	
BLACK CREEK PIONEER VILLAGE RETROFIT	☑	371	371	371	371	371	371	371	371	371	371	3,710		3,710	
LIVING CITY ACTION PLAN	☑	3,672	3,781	3,917	4,062	4,203	4,335	4,342	4,347	4,369	4,370	41,398		41,398	
WATERFRONT DEVELOPMENT		1,948	1,962	1,976	1,990	2,005	2,020	2,035	2,051	2,051	2,051	20,089		11,530	8,559
TRCA INFORMATION TECHNOLOGY		321	321	321	321	321	321	321	321	321	321	3,210		3,210	
TRCA ADMINISTRATIVE INFRASTRUCTURE PROJECT	☑	1,603	1,603	1,603	1,603	1,603	1,603	1,603	1,603	1,603	1,603	16,030		6,410	9,620
CRITICAL EROSION #2 WATER FUNDED ENHANCEMENTS	☑	10,600	7,200	10,900	11,000	11,000	11,000	11,000	11,000	11,000	11,000	105,700		105,700	
Toronto Wildlife Centre Site Restoration	☑	17	17									33			33
TRCA - Asset & Infrastructure Management Plan	☑	928	741									1,669			1,669
<b>Total Expenditures (including carry forward from 2023)</b>		<b>21,944</b>	<b>18,480</b>	<b>21,572</b>	<b>21,831</b>	<b>21,987</b>	<b>22,134</b>	<b>22,156</b>	<b>22,177</b>	<b>22,199</b>	<b>22,200</b>	<b>216,679</b>		<b>196,798</b>	<b>19,881</b>

☑ - 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 2024-2033 Capital Budget and Plan cash flows. Does not break out the climate component costs separately.

## Appendix 5a

### 2024 Cash Flow and Future Year Commitments Including Carry Forward Funding

(In \$000s)	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	Total 2024 Cash Flow & FY Commits	Previously Approved	Change in Scope	New w/ Future Year
GREENSPACE LAND ACQUISITION (Toronto Share) <input checked="" type="checkbox"/>	64										64			64
WATERFRONT & VALLEY EROSION CONTROL <input checked="" type="checkbox"/>	2,420										2,420			2,420
BLACK CREEK PIONEER VILLAGE RETROFIT <input checked="" type="checkbox"/>	371										371			371
LIVING CITY ACTION PLAN <input checked="" type="checkbox"/>	3,672										3,672			3,672
WATERFRONT DEVELOPMENT	1,948										1,948			1,948
TRCA INFORMATION TECHNOLOGY	321										321			321
TRCA ADMINISTRATIVE INFRASTRUCTURE PROJECT <input checked="" type="checkbox"/>	1,603										1,603			1,603
CRITICAL EROSION #2 WATER FUNDED ENHANCEMENTS <input checked="" type="checkbox"/>	10,600										10,600			10,600
Toronto Wildlife Centre Site Restoration <input checked="" type="checkbox"/>	17										17			17
TRCA - Asset & Infrastructure Management Plan <input checked="" type="checkbox"/>	928	741									1,669	1,669		
<b>Total Expenditures (including carry forward from 2023)</b>	<b>21,944</b>	<b>741</b>									<b>22,685</b>	<b>1,669</b>		<b>21,016</b>

## Appendix 5b

### 2025 - 2033 Capital Plan

(In \$000s)	2025 Plan	2026 Plan	2027 Plan	2028 Plan	2029 Plan	2030 Plan	2031 Plan	2032 Plan	2033 Plan	2025 - 2033 Total	Health & Safety & Legislated	SOGR	Growth & Improved Service
GREENSPACE LAND ACQUISITION (Toronto Share) <input checked="" type="checkbox"/>	64	64	64	64	64	64	64	64	64	576		576	
WATERFRONT & VALLEY EROSION CONTROL <input checked="" type="checkbox"/>	2,420	2,420	2,420	2,420	2,420	2,420	2,420	2,420	2,420	21,780		21,780	
BLACK CREEK PIONEER VILLAGE RETROFIT <input checked="" type="checkbox"/>	371	371	371	371	371	371	371	371	371	3,339		3,339	
LIVING CITY ACTION PLAN <input checked="" type="checkbox"/>	3,781	3,917	4,062	4,203	4,335	4,342	4,347	4,369	4,370	37,726		37,726	
WATERFRONT DEVELOPMENT	1,962	1,976	1,990	2,005	2,020	2,035	2,051	2,051	2,051	18,141		10,377	7,764
TRCA INFORMATION TECHNOLOGY	321	321	321	321	321	321	321	321	321	2,889		2,889	
TRCA ADMINISTRATIVE INFRASTRUCTURE PROJECT <input checked="" type="checkbox"/>	1,603	1,603	1,603	1,603	1,603	1,603	1,603	1,603	1,603	14,427		5,769	8,658
CRITICAL EROSION #2 WATER FUNDED ENHANCEMENTS <input checked="" type="checkbox"/>	7,200	10,900	11,000	11,000	11,000	11,000	11,000	11,000	11,000	95,100		95,100	
Toronto Wildlife Centre Site Restoration <input checked="" type="checkbox"/>	17									17			17
<b>Total Expenditures</b>	<b>17,739</b>	<b>21,572</b>	<b>21,831</b>	<b>21,987</b>	<b>22,134</b>	<b>22,156</b>	<b>22,177</b>	<b>22,199</b>	<b>22,200</b>	<b>193,995</b>		<b>177,556</b>	<b>16,439</b>

## Appendix 6

### Reporting on Major Capital Projects: Status Update

Division/Project name	2023 Cash Flow (Active Projects)			Total Project Cost (Active Projects)		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)	1,605	1,204	1,605	38,617	8,679	Significant Delay	Jan-20	Dec-21	Apr-24	Ⓡ	Ⓡ
Comments:											
Explanation for Delay:	The delay is the result of the following factors: 1. Mass timber trade and construction manager under performing 2. Various union labour strikes, supply chain issues related to COVID19 and sub-contractor escalation claims 3. Delay in installation of permanent roofing system due to elevated moisture content in CLT deck 4. Waterwall design revisions to resolve access conflicts										

On/Ahead of Schedule  
 Minor Delay < 6 months  
 Significant Delay > 6 months

Ⓢ	>70% of Approved Project Cost
Ⓡ	Between 50% and 70%
Ⓡ	< 50% or > 100% of Approved Project

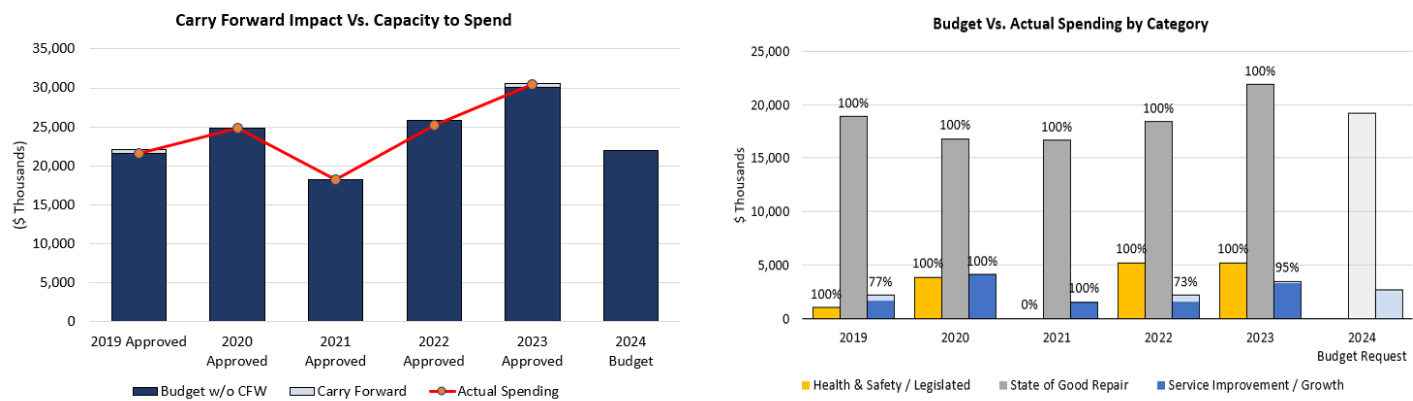
Appendix 7

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 2023 underspending that will be carried forward into 2024 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 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* is projected to be \$450,000 underspent by end of 2023, and the balance is included as a carry forward to 2024 budget. The underspending is attributed to additional background and baseline studies that were required prior to the public launch of the project.

## Appendix 8

### Summary of Capital Needs Constraints

#### Capital Needs Constraints - Projects Excluded due to Funding Constraints (In \$ Millions)

Project Description	Total Project	Non-Debt	Debt Required	Cash Flow (In \$ Millions)									
				2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
<b>NOT INCLUDED</b>													
Scarborough Waterfront Project	134.71		134.71	15.91	22.90	20.00	16.76	7.18	8.52	0.45	16.83	17.15	9.00
Tommy Thompson Park Master Plan Implementation	17.20		17.20	1.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	1.50	0.70
Tommy Thompson Park Operations	2.99		2.99	0.04	0.25	0.27	0.29	0.31	0.33	0.35	0.37	0.39	0.41
Meadoway Multi-Use Trail	13.40		13.40	2.50	0.35	0.25	1.50	1.50	3.65	3.65	-	-	-
<b>Erosion Control</b>													
West Hill Bank Stabilization Project	1.85		1.85	0.05	0.10	1.70	-	-	-	-	-	-	-
<b>Asset &amp; Infrastructure Needs</b>													
Black Creek Pioneer Village Capital Funding & Physical Accessibility Requirements	9.80		9.80	0.90	0.90	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Black Creek Pioneer Village (BCPV) - Upgrading Water Service Lines	2.00		2.00	2.00									
Claireville Dam Gate Maintenance Project	2.25		2.25	-	0.23	2.03	-	-	-	-	-	-	-
Claireville Dam Major Maintenance (wing wall and spillway)	5.00		5.00	0.25	0.75	1.00	0.75	0.75	0.75	0.75	-	-	-
Black Creek Dam Spillway Modification	1.00		1.00	-	-	0.10	0.90						
G. Ross Lord Dam Operations Optimization (process update)	0.75		0.75	0.38	0.38	-	-	-	-	-	-	-	-
<b>Other Studies and Initiatives</b>													
Rat's Spit Shoreline Restoration	1.00		1.00	1.00	-	-	-	-	-	-	-	-	-
Morningside Creek Dissipater Stream Restoration Project	2.50		2.50	2.50	-	-	-	-	-	-	-	-	-
Ravine Strategy Implementation	2.05		2.05	0.15	0.15	0.20	0.20	0.20	0.20	0.20	0.25	0.25	0.25
Trail Strategy Implementation - Toronto	2.00		2.00	0.20	0.20	0.20	0.20	0.20	0.20	0.20	0.20	0.20	0.20
Sustainable Neighbourhood Climate Action - Toronto	2.00		2.00	0.20	0.20	0.20	0.20	0.20	0.20	0.20	0.20	0.20	0.20
Restoration Projects Targeting Climate Change Action - Toronto	1.39		1.39	0.20	0.20	0.20	0.10	0.11	0.11	0.11	0.12	0.12	0.12
Etobicoke Creek Barrier Mitigation	1.60		1.60	0.10	1.50								
Watershed Planning and Reporting	7.00		7.00	0.68	0.62	0.65	0.66	0.68	0.69	0.72	0.75	0.76	0.79
Black Creek Pioneer Village Indigenous Engagement and Placemaking	7.50		7.50	0.70	0.70	0.70	0.70	0.70	0.80	0.80	0.80	0.80	0.80
West Hill Bank Stabilization Project	1.85		1.85	0.05	0.10	1.70							
Black Creek Pioneer Village Collections Management and Modernization	7.50		7.50	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75
<b>Total Needs Constraints (Not Included)</b>	<b>227.34</b>	<b>-</b>	<b>227.34</b>	<b>29.55</b>	<b>32.28</b>	<b>32.95</b>	<b>26.01</b>	<b>15.58</b>	<b>19.20</b>	<b>11.17</b>	<b>23.27</b>	<b>23.12</b>	<b>14.22</b>

In addition to the 10-Year Capital Plan TRCA staff has also identified \$227.34 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 (\$134.7 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. Budget pressures for this project have been alleviated until 2025 with the approval of Federal Natural Infrastructure funds (NIF) through the City of Toronto.

#### **Black Creek Pioneer Village Revitalization and Reimaging (\$11.8 million)**

As per City of Toronto Council Motions MM42.36 and EC31.23 (as amended) City of Toronto and TRCA staff continue to discuss ongoing operational and capital financial requirements for Black Creek Pioneer Village. At TRCA Board of Directors Meeting #4/23 held on April 28, 2023, RES. #A70/23 directed TRCA staff to make a formal budget request to the City of Toronto for funding support for Black Creek Pioneer Village. The current estimated funding requirement of \$11.8M over the next 10 years, included in TRCA's budget submission as a Capital Needs Constraints.

In addition to the current estimated capital funding requirement of \$11.8M over the next 10 years, included in TRCA's budget submission as a Capital Needs Constraints, it is expected that Black Creek Pioneer Village requires \$3.2M in annual operational funding to both sustain and expand museum programming to meet current and future visitor experience needs and reverse recent service delivery and operating hour reductions.

Black Creek Pioneer Village is the only museum of its scope and scale in Ontario that does not receive direct, consistent funding to support museum operations and sustain curatorial and visitor experience program vitality. Without dedicated funding to support programming and operations Black Creek Pioneer Village remains at risk of further service cuts or closures



## Appendix 9

### Capital Program Provincial/Federal Funding Streams by Projects

N/A

## Appendix 10

### Inflows and Outflows to/from Reserves and Reserve Funds

#### 2024 – 2033 Capital Budget and Plan

#### Program Specific Reserve / Reserve Funds

Reserve / Reserve Fund Name (In \$000s)	Project / Sub Project Name and Number	Contributions / (Withdrawals)									
		2024 Budget	2025 Plan	2026 Plan	2027 Plan	2028 Plan	2029 Plan	2030 Plan	2031 Plan	2032 Plan	2033 Plan
XR1220 Tree Canopy Reserve Fund	Beginning Balance	27,928	16,747	8,158	3,198	13,188	23,532	34,241	45,327	56,802	68,677
	Withdrawal (-)										
	Other Program/Agency Withdrawals	(21,116)	(18,061)	(14,661)	0	0	0	0	0	0	0
	Toronto Wildlife Centre Site Restoration	(17)	(17)								
	Total Withdrawal	(21,132)	(18,078)	(14,661)	0	0	0	0	0	0	0
	Contributions (+)										
	Development Charges / Section 42 Contributions	9,785	9,396	9,658	9,929	10,207	10,494	10,789	11,093	11,406	11,729
	Interest Income										
	Total Contributions	(11,348)	(8,682)	(5,003)	9,929	10,207	10,494	10,789	11,093	11,406	11,729
	Other Program/Agency Net Withdrawals	167	93	42	61	137	216	297	382	469	559
	Balance at Year-End	16,747	8,158	3,198	13,188	23,532	34,241	45,327	56,802	68,677	80,966

## 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).