

# Conservation Authorities

2024–2027 Business Plan  
and 2024 Budget

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# Executive Summary

Mission: Conservation Authorities (CAs) play a vital role in protecting the many aspects of Peel’s natural environment, focusing on protecting and managing water resources, wetlands and forests, sharing conservation information, providing local and regional recreational opportunities, preserving natural heritage features and addressing climate change risks within Peel. These outcomes are provided primarily through **three Conservation Authorities (CAs)**, namely, Credit Valley Conservation (CVC), Toronto & Region Conservation Authority (TRCA) and Conservation Halton (CH).

## Services we provide:

- Protecting the many aspects of Peel’s natural environment by applying a watershed approach to manage the natural resources and natural hazards in various jurisdictions
- TRCA and CVC’s jurisdictions cover the majority of Peel Region and are responsible for delivery of mandatory services that include protecting communities from natural hazards, source water protection, management of CA lands, and other required services
- In addition, CA’s deliver important Non-Mandatory Projects and Services that are municipally requested and required by the Region, these include:
  - Restoration on private and public lands, trail design and construction, environmental studies
  - Addressing climate change risks, providing services, events, and environmental programs for various audiences including schools, businesses, and residents
- Both conservation authorities also own significant and well-used parks and greenspaces throughout Peel Region, which are funded through admissions, user fees, and the Region of Peel budget.

## Interesting facts about this service:

- 91.6% of the Credit Valley Conservation Authority’s municipal costs are funded by the Region of Peel

- 11.8% of the Toronto Region & Conservation Authority’s municipal costs are funded by the Region of Peel
- 4.6% of Conservation Halton’s municipal costs are funded by the Region of Peel

## Highlights of the Business Plan include:

- Under the new Conservation Authorities (CA) Act, non-mandatory programs and services (P&S) that the Region continues to require, will need to be funded through memoranda of understanding (MOU), which are to be signed by December 31, 2023.
- Impact of Bill 23 and changing Regulations 687/21, 686/21, 404/21

Net Investment (\$000s)	2024	2025	2026	2027
Credit Valley Conservation Authority	27,777	28,966	30,171	31,425
Toronto & Region Conservation Authority	20,698	21,241	21,786	22,379
Conservation Halton	545	569	593	619
<b>Total Net Expenditure</b>	<b>49,019</b>	<b>50,776</b>	<b>52,550</b>	<b>54,423</b>
Total Utility Rate Funding	(16,028)	(16,028)	(16,028)	(16,028)
<b>Total Net Tax Expenditure</b>	<b>32,991</b>	<b>34,747</b>	<b>36,522</b>	<b>38,395</b>

# Core Services

## Mission, Goals of Service and Service Delivery Model

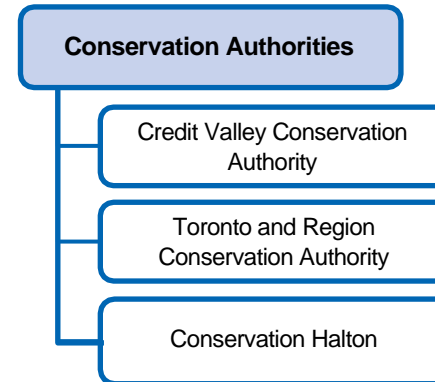
### Mission

Conservation Authorities (CAs) play a vital role in protecting the many aspects of Peel's natural environment, focusing on protecting and managing water resources, wetlands and forests, sharing conservation information, providing local and regional recreational opportunities, preserving natural heritage features and addressing climate change risks within Peel. These outcomes are provided primarily through **three Conservation Authorities (CAs)**, namely, Conservation Halton (CH), Credit Valley Conservation (CVC), and Toronto and Region Conservation Authority (TRCA).

### Goals of Service

1. Protecting Peel's natural environment,
2. Focusing on protecting and managing water resources, wetlands and forests
3. Sharing conservation information
4. Delivering Programs and Services that align with Regional priorities
5. Providing local and regional recreational opportunities
6. Preserving natural heritage features
7. Prioritize work on key program deliverables to achieve climate change mitigation and adaptation
8. Providing extremely high value projects and services, at a relatively low cost of funding to the Region.

### Service Delivery Model Region of Peel



Each of the conservation authorities are governed by their own respective boards. Each conservation authority board approves the budget that is submitted for approval by Regional Council. The Region of Peel has member(s) of Regional Council that serve on the boards of all three of these conservation authorities. Representation on the board is based on population of the municipality (upper tier) and by member municipality agreement. 6 Regional Councillors serve on the 12-member CVC Board, 5 Regional Councillors on the 30-member TRCA Board and 2 Regional Councillors serve on the 20-member CH Board. The following pages consolidate the budget request submitted for Regional Council consideration.

# Proposed Operating Budget

This part of the Business Plan sets out the financial resources required to deliver the proposed 2024-2027 Business Plan. Information is provided by total expenditures submitted by each of the conservation authorities and revenue from regional non-property tax sources. The costs to maintain existing service levels and operationalize prior decisions are identified in the base budget changes separately from proposed changes. The net cost for the service in 2023 was \$31.3 million and the proposed budget for 2024 is \$33.0 million.

## Net Expenditures: \$33.0 million (Total Expenditures: \$49.0 million)

Description	2022 Actuals	2023 Approved Budget	2024 Proposed Budget	\$ Change Over 2023	% Change Over 2023
CVC Operating (General Levy)	9,399	9,840	10,061	220	2.2%
CVC Capital Projects (Special Levy)	16,431	16,842	17,716	874	5.2%
TRCA Operating (General Levy)	2,044	2,105	2,168	63	3.0%
TRCA Capital Projects (Special Levy)	17,616	18,049	18,530	480	2.7%
CH Operating (General Levy)	494	509	538	29	5.6%
CH Capital Projects (Special Levy)	12	18	7	(11.1)	(0.62)%
<b>Total Expenditures</b>	<b>45,996</b>	<b>47,364</b>	<b>49,019</b>	<b>1,656</b>	<b>3.5%</b>
Utility Rate (Water/Wastewater) Funding	(16,028)	(16,028)	(16,028)	-	-
<b>Total Revenues</b>	<b>(16,028)</b>	<b>(16,028)</b>	<b>(16,028)</b>	<b>-</b>	<b>-</b>
<b>Total Net Expenditure</b>	<b>29,967</b>	<b>31,336</b>	<b>32,991</b>	<b>1,656</b>	<b>5.3%</b>

Note: May not add up due to rounding

## 2024 Operating Budget Pressures

\$'000	Total Expenditures	Total Revenue	Net Cost 2024 vs 2023	
<b>2023 Revised Cost of Service</b>	<b>47,364</b>	<b>(16,028)<sup>1</sup></b>	<b>31,336</b>	<b>%</b>
<b>Cost of Living/Inflation<sup>2</sup></b>				
Labour costs/Goods and services, etc.				
<b>CVC</b>	794	-	794	
<b>TRCA</b>	63	-	63	
<b>CH</b>	33	-	33	
<b>Capital (Special Levy)</b>				
<b>CVC</b>				
Watershed	(24)	-	(24)	
Climate Change	663	-	663	
Infrastructure	236	-	236	
<b>TRCA</b>				
Watershed	117	-	66	
Climate Change	236	-	236	
Infrastructure	127	-	127	
<b>CH</b>				
Watershed	(6)	-	(6)	
Climate Change	-	-	-	
Infrastructure	(6)	-	(6)	
<b>Cost Mitigation<sup>3</sup></b>				
<b>CVC</b> - efficiencies identified from operational cost reviews	(573)	-	(573)	
<b>CH</b> – shift in apportionment	(5)		(5)	
<b>Base Budget Changes Subtotal</b>	<b>1,656</b>	<b>-</b>	<b>1,656</b>	
<b>Service Level Demand</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>Total 2024 Budget Change</b>	<b>1,656</b>	<b>-</b>	<b>1,656</b>	
<b>2024 Proposed Budget</b>	<b>49,019</b>	<b>(16,028)</b>	<b>32,991</b>	<b>5.3%</b>

Note: May not add up due to rounding

## Operating budget pressure notes:

### Revenue<sup>1</sup>

- Conservation Authorities are responsible for the protection of the watersheds that sustain the aquifers and the lake which supply the water necessary to provide water and wastewater to the Region of Peel. Revenue of \$16.028 million is provided from the Region of Peel's utility rate programs (water/wastewater) for services provided in the support of clean potable water

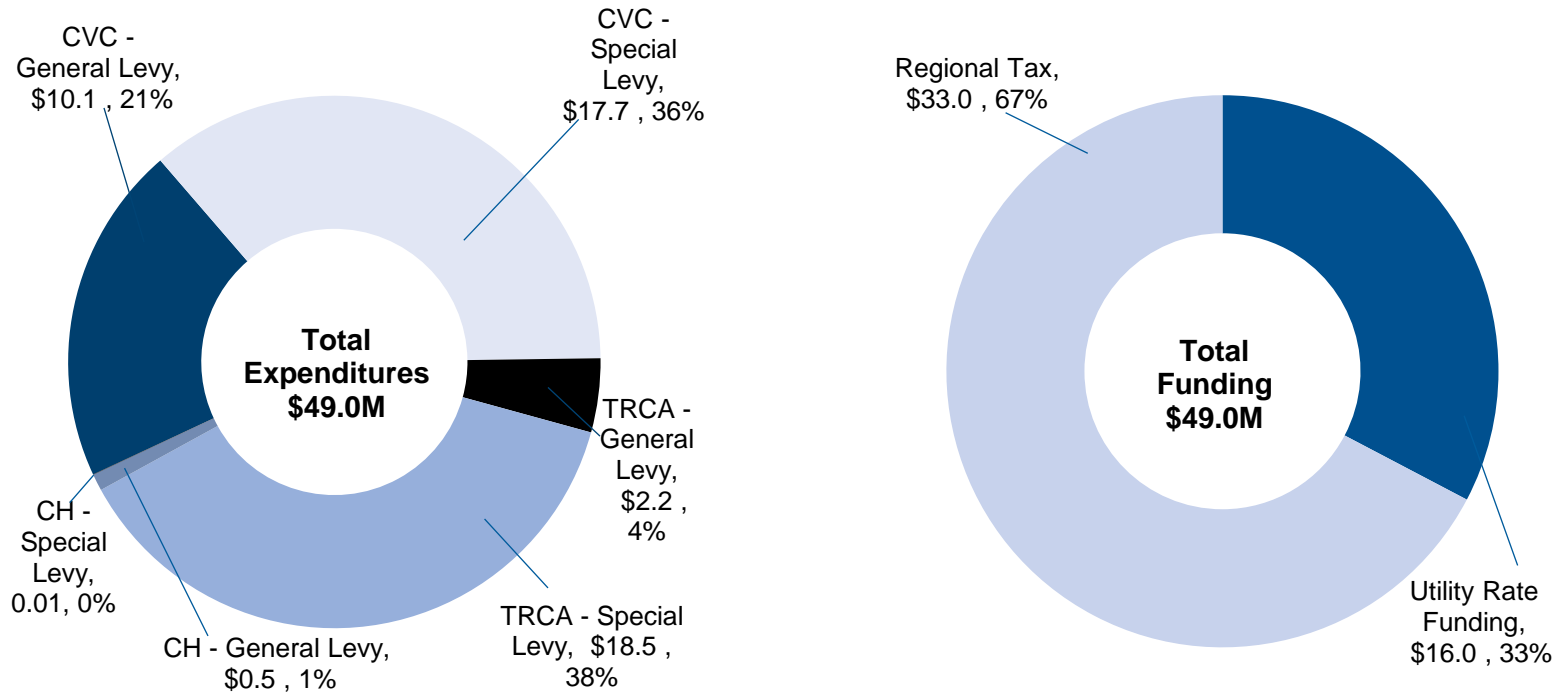
### Cost of Living/Inflation<sup>2</sup>

- The cost of living increase is driven by Labour costs, and other general inflationary pressures in Goods and services

### Cost Mitigation<sup>3</sup>

- Costs mitigated for the CVC due to elimination of vacant positions and re-allocation of executive position from municipal levy to donations, in addition the Cheltenham Badlands will not be operated in 2024. For CH, a shift in the apportionment rate contributed to lowered costs

## 2024 Total Expenditures & Funding Source (In \$M)



Note: May not add up due to rounding

## 2024 Budget Risks

- Bill 112, Dissolution of Peel Region as mandated by the Province include potential impacts going forward, such as Board composition, the participating municipalities and the Budget process and oversight of some Programs and Services (P&S)
    - However the 2024 Budget has been developed assuming CA P&S will continue to be provided, notwithstanding any governance decisions resulting from Bill 112.
  - The provincial government has enacted changes through two pieces of legislation; *Bill 109 More Homes for Everyone Act, 2022*, and *Bill 23 More Homes Built Faster Act, 2022*. Some anticipated Implications of Bill 23 include the following:
    - Municipalities are barred from entering into voluntary agreements with CAs for review and comment on development applications such as natural heritage and plan review. Municipalities have long relied on the CA local watershed science expertise to guide decision making
    - Proposal to freeze CA development fees, which is based on cost recovery will likely create deficits
- Expected impacts will likely materialize through out the course of 2024 and beyond



- Implementation of Bill 109 along with further Provincial and stakeholder input could affect resources required to expedite and complete the current planning and growth management work
- The *Conservation Authorities Act* has the potential to redefine services that may impact future revenue generating activities
- Negotiation of MOUs with municipalities may result in changes to P&S levels, beginning in the 2024 budget

## 2025 - 2027 Operating Forecast

	Budget			Forecast					
	2023	2024		2025		2026		2027	
	\$'000	\$'000	%	\$'000	%	\$'000	%	\$'000	%
CVC Operating (General Levy)	9,840	10,061	2.2%	10,463	4.0%	10,917	4.3%	11,384	4.3%
CVC Capital Projects (Special Levy)	16,842	17,716	5.2%	18,503	4.4%	19,254	4.1%	20,040	4.1%
TRCA Operating (General Levy)	2,105	2,168	3.0%	2,222	2.5%	2,278	2.5%	2,335	2.5%
TRCA Capital Projects (Special Levy)	18,049	18,530	2.7%	19,019	2.6%	19,508	2.6%	20,044	2.7%
CH Operating (General Levy)	509	538	5.6%	558	3.6%	582	4.3%	598	2.8%
CH Capital Projects (Special Levy)	18	7	(62.4)%	12	73.8%	12	0.0%	21	82.1%
<b>Total Expenditure</b>	<b>47,364</b>	<b>49,019</b>	<b>3.5%</b>	<b>50,776</b>	<b>3.6%</b>	<b>52,550</b>	<b>3.5%</b>	<b>54,423</b>	<b>3.6%</b>
Utility Rate (Water/Wastewater) Funding	(16,028)	(16,028)	-	(16,028)	-	(16,028)	-	(16,028)	-
<b>Net Tax Expenditure</b>	<b>31,336</b>	<b>32,991</b>	<b>5.3%</b>	<b>34,747</b>	<b>5.3%</b>	<b>36,522</b>	<b>5.1%</b>	<b>38,395</b>	<b>5.1%</b>

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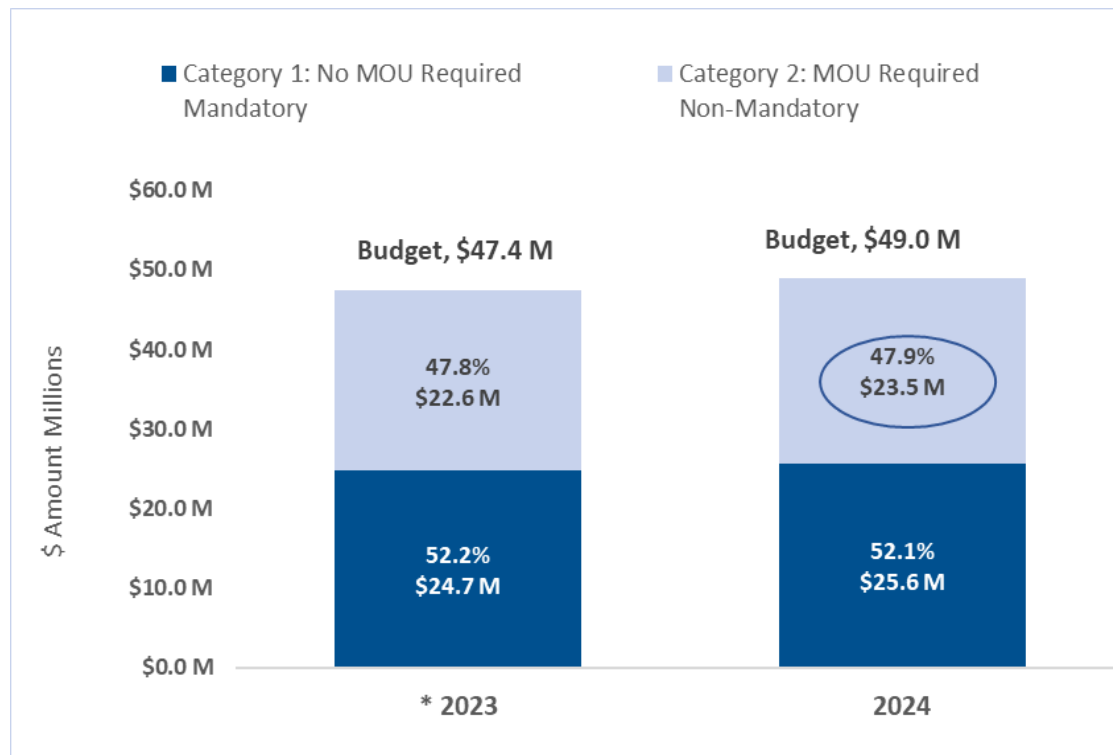
# Legislated Changes, effective January 1, 2024

New Regulations have been enacted under the *Conservation Authorities Act*. This marks the introduction of a new framework for the CA Budget processes going forward. Regulations require Peel’s P&S to be Categorized in accordance with descriptions found in the Regulations and cross referenced to appropriate sections of the *Conservation Authority Act*.

Effective January 1, 2024 new Ontario Regulations (686/21, 687/21, 404/22) require the CAs to identify their P&S to be classified into three categories as:

- **Category 1:** Mandatory P&S defined in Regulation (No agreement required)
- **Category 2:** Non-Mandatory/Municipally requested. Funding the P&S is discretionary and requires an MOU or agreement to be entered into between Region Of Peel and the CA
  - For Peel this means that in the 2024 proposed Budget, 48% (or \$23.5M) of the total \$49M Budget will require MOU/Agreements
- **Category 3:** Other P&S that the CA determines advisable (Agreement required), none were identified in the 2024 proposed Budget.

**CA 2024 Mandatory and Non-Mandatory Classifications**



\*The 2023 Approved Budget has been identified as Categories 1 & 2 for comparison purposes  
 Note: May not add up due to rounding

## Conservation Authority - Categories Effective January 1, 2024

Conservation Authority – Categories \$'000	2023 Approved Budget	2024 Proposed Budget	\$ Change over 2023	% Change over 2023
CH Operating Levy: Category 1 Mandatory	\$487	\$516	\$29	6.0%
CH Operating Levy: Category 2 Non-Mandatory	\$22	\$22	(1)	(2.7%)
CH Capital Levy: Category 1 Mandatory	\$18	\$7	(11)	(62.4%)
CH Capital Levy: Category 2 Non-Mandatory	-	-	-	0.0%
<b>Conservation Halton (CH)</b>	<b>\$527</b>	<b>\$545</b>	<b>\$18</b>	<b>3.3%</b>
TRCA Operating Levy: Category 1 Mandatory	\$2,105	\$2,168	\$63	3.0%
TRCA Operating Levy: Category 2 Non-Mandatory	-	-	-	-
TRCA Capital Levy: Category 1 Mandatory	\$7,579	\$7,767	\$188	2.5%
TRCA Capital Levy: Category 2 Non-Mandatory	\$10,470	\$10,762	\$292	2.8%
<b>Toronto &amp; Region Conservation Authority (TRCA)</b>	<b>\$20,154</b>	<b>\$20,698</b>	<b>\$544</b>	<b>2.7%</b>
CVC Operating Levy: Category 1 Mandatory	\$7,958	\$8,117	\$160	2.0%
CVC Operating Levy: Category 2 Non-Mandatory	\$1,883	\$1,943	\$61	3.2%
CVC Capital Levy: Category 1 Mandatory	\$6,759	\$7,390	\$632	9.3%
CVC Capital Levy: Category 2 Non-Mandatory	\$10,083	\$10,326	\$242	2.4%
<b>Credit Valley Conservation (CVC)</b>	<b>\$26,682</b>	<b>\$27,777</b>	<b>\$1,094</b>	<b>4.1%</b>
<b>Total CA Levy Increase</b>	<b>\$47,364</b>	<b>\$49,019</b>	<b>\$1,656</b>	<b>3.5%</b>
<b>Utility Rate</b>	<b>\$16,028</b>	<b>\$16,028</b>	<b>-</b>	<b>0.0%</b>
<b>Net Expenditure</b>	<b>\$31,336</b>	<b>\$32,991</b>	<b>\$1,656</b>	<b>5.3%</b>