

Section I – Items for Board of Directors Action

TO: Chair and Members of the Executive Committee
Friday, April 14, 2023 Meeting

FROM: Michael Tolensky, Chief Financial and Operating Officer

RE: **2023 UNFUNDED PRIORITIES**

KEY ISSUE

Approval of Toronto and Region Conservation Authority's (TRCA) list of 2023 Unfunded Priorities and the allocation of unrestricted reserves as recommended by Senior Leadership Team (SLT).

RECOMMENDATION:

THAT the 2023 Unfunded Priorities list, and all projects and programs therein, be adopted and be communicated to TRCA's partner municipalities and senior levels of government;

THAT TRCA staff report back to TRCA Board of Directors if amendments to the 2023 Unfunded Priorities are required.

BACKGROUND

The unfunded priorities list is a budget document outlining funding pressures that are not currently allocated in TRCA's existing budget. This may include an increase in service level, additional staffing, or new programs or modifications that are not part of the base existing budget from the previous year.

The unfunded priority list is prepared by staff in coordination with divisional directors and managed by the Strategic Business Planning and Performance (SBPP) Business Unit. The procedure for amending a project or program to the list of unfunded priorities is outlined in TRCA policy SPP No. CS6.03 and may include requests from partner municipalities, other levels of government or TRCA staff.

RATIONALE

SBPP coordinated updates for the 2023 Unfunded Priorities list with staff and have prioritized initiatives according to the evaluation matrix which was developed in consultation with partner municipalities. Prioritized initiatives have been placed into four equal groupings determined according to the distribution of the ranking values: A, B, C and D in *Attachment 1*.

The prioritization process arranges initiatives based on several categories including but not limited to alignment, risk and *Conservation Authorities Act* classification. Through the 2021 process, inequities in initiative scoring had been noted by SBPP stemming from initiatives that were directly associated with maintaining TRCA's service levels.

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The initiatives that support the operations of TRCA often score low compared to other initiatives that are strongly aligned with partner municipality priorities. Due to these findings, SBPP added an additional categorization “Potential Funding” which helps to identify the funding methodology for each initiative. This process helped to determine how funding opportunities could be allocated in an equitable manner. If an operational surplus is deemed available in a given fiscal year, SBPP will provide a recommendation to SLT based on the categorization of potential funding types.

A number of items were revised or removed from the 2022 Unfunded Priorities list to respond to changing priorities as indicated to SBPP by staff and also to account for funding received in year. Several discrete infrastructure projects comprising single buildings and/or individual assets were removed and replaced with new entries that consolidate all unfunded asset needs within each of 14 TRCA conservation parks, and lands, buildings and other sites. Budget projections were also changed for several items which received full or partial funding in 2022 including paving works, washroom upgrades, and other park amenity improvements funded through the Federal Economic Development Agency for Southern Ontario’s *Canada Community Revitalization Fund*.

Relationship to TRCA’s 2022-2034 Strategic Plan

This report supports the following Pillar and Outcome set forth in TRCA’s 2023-2034 Strategic Plan:

Pillar 4 Service Excellence:

4.4 Transparent decision making and accountable results

FINANCIAL DETAILS

The list of 2023 Unfunded Priorities has no 2023 budgetary impact. This list, in addition to new Board priorities, will help to inform the 2024 budget process. In addition, this list will also be communicated to senior levels of government to inform their budget processes and their program design and delivery where relevant programs already exist.

DETAILS OF WORK TO BE DONE

The Unfunded Priority list will continue to evolve as new funding pressures arise and revised iterations will be approved by the Board annually. Maintenance of the Unfunded Priority list will enable a consistent and coordinated response to internal and external funding opportunities, which may arise at any time.

Throughout 2023 staff will liaise with TRCA’s Board of Directors and partner municipalities to integrate priority projects. In addition, staff will liaise with relevant federal and provincial officials to discuss how such projects could be considered. TRCA’s Grant Centre will also seek opportunities to work with partners and TRCA divisions to apply for relevant grants and funding intakes.

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Attachments: 1

Attachment 1: 2023 List of Unfunded Priorities