

### Section III – Items for the Information of the Board

**TO:** Chair and Members of the Executive Committee  
Friday, September 13, 2024 Meeting

**FROM:** Linda Charlebois, Director, Corporate Services

**RE:** **2024 SIX MONTH FINANCIAL REPORT**

---

#### **KEY ISSUE**

Receipt of Toronto and Region Conservation Authority's (TRCA) unaudited expenditures as of the end of the second quarter, June 30, 2024, for informational purposes.

#### **RECOMMENDATION:**

**IT IS RECOMMENDED THAT the 2024 Financial Report for the six-month period ending June 30, 2024, be received.**

#### **BACKGROUND**

As part of TRCA's financial governance procedures, staff are presenting the 2024 Six Month Financial Report, which covers the period from January 1, 2024, through to June 30, 2024. This report provides information on the spend rate of expenditures for the first six months of 2024.

#### **RATIONALE**

TRCA believes in transparency and accountability for its spending, revenue recognition and performance of service delivery objectives against approved budgets, for both the organization and for each project and program as an individual endeavor. This is further supported by TRCA's core values of integrity, collaboration, accountability, respect, and excellence. TRCA recognizes that all projects and programs offered have cost implications and that all costs incurred are reasonable and practical in support of services. Transparency throughout the budget management process is achieved in part through the analysis and reporting on year-to-date revenues/expenses as compared to the current fiscal year budget. To improve the accuracy in reporting anticipated issues in expenditures, TRCA established a seasonal forecasting baseline using historical data from the past three years to estimate the seasonal variances within each program area.

## Item 10.1

### **Relationship to TRCA's 2023-2034 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 capital and operating report by Service Area and underlying Program Areas are provided in Attachments 1 and 2 respectively. The attachments provide a summary analysis of expenditures to date and the variance explanations by Program Area which have a variance threshold equal to or greater than +/- 10% and \$500,000 from anticipated quarterly spend rates. Variances within these thresholds are deemed to be within the expected range. The capital report contains ten (10) reportable variances for the six-month period, whereas the operating report contains three (3) reportable variances. Attachment 3 provides explanations for each reportable variance. TRCA's partners often provide committed funding through the budget process in a given fiscal year for multi-year projects such as Scarborough Waterfront Project (Brimley Multi-Use Trail component) where there may be a lag in cashflow versus the timing of implementation.

### **DETAILS OF WORK TO BE DONE**

As TRCA's financial governance procedures and systems continue to evolve over time, internal processes for in-year billing from vendors, invoicing of customers and recognition of deferred revenue/internal recoveries will become a greater area of focus for the organization. TRCA staff will continue to work with partner municipalities to ensure transparency on the timing of cashflow and implementation on major projects.

**Report prepared by: Jenifer Moravek, Senior Manager Strategic Business Planning & Performance**

**Email: [jenifer.moravek@trca.ca](mailto:jenifer.moravek@trca.ca)**

**For Information contact: Linda Charlebois, (437) 880-2260**

**Email: [linda.charlebois@trca.ca](mailto:linda.charlebois@trca.ca)**

**Date: July 17, 2024**

**Attachments: 3**

## **Item 10.1**

Attachment 1: 2024 Six Month Financial Report - Capital

Attachment 2: 2024 Six Month Financial Report - Operating

Attachment 3: 2024 Six Month Financial Report – Variance Explanations