

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

**TO:** Chair and Members of the Executive Committee  
Friday, May 9, 2025 Meeting

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

**RE: 2025 THREE MONTH FINANCIAL REPORT**

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#### **KEY ISSUE**

Receipt of Toronto and Region Conservation Authority's (TRCA) unaudited expenditures as of the end of the first quarter, March 31<sup>st</sup>, 2025, for informational purposes.

#### **RECOMMENDATION:**

**IT IS RECOMMENDED THAT the 2025 financial report for the three-month period ending March 31, 2025, be received for information.**

#### **BACKGROUND**

As part of TRCA's financial governance procedures, staff are presenting the 2025 Three Month Financial Report, covering the period from January 1, 2025, through to March 31, 2025. This report provides information on the expenditure rate for the first three months of 2025.

#### **RATIONALE**

TRCA prioritizes transparency and accountability in spending, revenue recognition, and performance evaluation against approved budgets, both at the organizational level and within individual project and programs. This is further supported by TRCA's core values which prioritize accountability of staff to be increasingly responsible for their actions, behaviours, and outcomes. TRCA recognizes that all projects and programs have cost implications and that all expenditures support practical and affordable service delivery. 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. In addition, TRCA regularly collaborates with municipal and government agency partners, sharing budget expenditure and variance information throughout the year and during budget planning for the upcoming fiscal period. In order to improve the accuracy in reporting anticipated issues in

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expenditures, TRCA established a seasonal forecasting baseline using historical data from the past three years to estimate the seasonal variances within each program area.

### 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

Capital and operating reports 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 of +/- 10% and \$500,000 from anticipated quarterly spend rates. This threshold ensures attention is directed to significant or unexpected deviations while maintaining operational efficiency. Variances falling within these thresholds are considered to be within the expected range.

A summary of the three-month operating and capital expenditures is shown in Table 1 below.

**Table 1 – Three-Month Expenditure Variance in Dollars**

	<b>Budget</b>	<b>Three-Month Anticipated</b>	<b>Actual Expenditure</b>	<b>Variance</b>
Capital	133,181,000	21,036,200	18,063,855	(2,972,345)
Operating	59,748,000	13,674,000	12,378,886	(1,295,114)
<b>Net</b>	<b>192,929,000</b>	<b>34,710,200</b>	<b>30,442,741</b>	<b>(4,267,459)</b>

The capital report contains two (2) reportable variances for the three-month period, whereas the operating report contains no reportable variance. Attachment 3 provides explanations for each reportable variance.

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

As TRCA's financial governance procedures and systems continue to evolve over time, internal processes for in-year vendor billing, customer invoices and recognition of deferred revenue and internal recoveries will become a greater area of focus for the organization. TRCA will continue to monitor expenditure trends closely and adjust forecasting as needed to ensure strong fiscal management across all service areas.

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**Date: May 9, 2025**

**Attachments: 3**

Attachment 1: 2025 Three Month Capital Budget Expenditures

Attachment 2: 2025 Three Month Operating Budget Expenditures

Attachment 3: 2025 Three Month Variance Explanations