

Section III – Items for the Information of the Board

TO: Chair and Members of the Executive Committee
Meeting #3/20, Friday, May 01, 2020

FROM: Michael Tolensky, Chief Financial and Operating Officer

RE: **2020 THREE MONTH FINANCIAL REPORT**

KEY ISSUE

Receipt of Toronto and Region Conservation Authority's (TRCA) unaudited expenditures as of the end of the first quarter, March 31st, 2020, for informational purposes.

RECOMMENDATION

IT IS RECOMMENDED THAT the 2020 Financial Report for the three-month period ended March 31, be received.

BACKGROUND

As part of TRCA's financial governance procedures, staff are presenting the 2020 Three Month Financial Report, which covers the period January 1, 2020 through to March 31, 2020. This report provides information on the spend rate of expenditures for the first three months of 2020.

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. In order 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.

Relationship to Building the Living City, the TRCA 2013-2022 Strategic Plan

This report supports the following strategy set forth in the TRCA 2013-2022 Strategic Plan:
Strategy 9 – Measure performance

FINANCIAL DETAILS

The operating and capital report by Service Area and underlying Program Areas are provided in Attachments 1, 2 and 3 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. Variances within these thresholds are deemed to be within the expected range. The operating report shows zero reportable variance for the three-month period, whereas the capital report contains two Program Areas that have reportable variances. Attachment 3 provides explanations for these variances.

DETAILS OF WORK TO BE DONE

Staff are constantly analyzing TRCA's 2020 operations in the context of COVID-19's impact on

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the organization's revenues and expenditures and potential for government funding to reduce the repercussions to our staff compliment, while ensuring that the safety of staff and the public is maintained.

This includes potential funding opportunities through the Federal Government's COVID-19 Economic Response Plan. Staff will continue to monitor these programs and conduct ongoing communications with the program officers to ensure that the maximum allowable benefits are realized.

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Date: May 1, 2020

Attachments: 3

Attachment 1 – Three Month Variance Report – Operating Budget

Attachment 2 - Three Month Variance Report – Capital Budget

Attachment 3 - Three Month Variance Report – Reportable Variance Notes