



## Conservation Halton Finance & Audit Committee Meeting

Conservation Halton

<https://us02web.zoom.us/j/83887896462?pwd=cE9qZjViaU9XeFhrREtTTzRTcnNEdz09>

Jun 9, 2023 9:00 AM - 10:30 AM EDT

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**REPORT TO:** Finance & Audit Committee

**REPORT NO: #** FA 02 23 01

**FROM:** Marnie Piggot, Director, Finance

**DATE:** June 9, 2023

**SUBJECT:** 2024 Preliminary Budget and Forecasts

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### Recommendation

THAT the Finance & Audit Committee **recommends to the Conservation Halton Board that the attached 2024 preliminary budget be approved for budget discussion purposes with funding watershed municipalities;**

And

THAT the Finance & Audit Committee **recommends to the Conservation Halton Board that the Crawford Lake Boardwalk replacement capital project budget be approved to be increased by \$1,200,000 to be funded by the Developer Contribution Reserve funds held by Halton Region for Conservation Halton;**

And

THAT the Finance & Audit Committee **recommend to the Conservation Halton Board the approval of a transfer of \$500,000 in 2023 from the Watershed Management & Support Services Stabilization Reserve to the Building Reserve.**

### Executive Summary

The development of the 2024 preliminary budget is based on Conservation Halton current budget principles while also reflecting the Programs & Services Inventory format aligned with Conservation Authority (CA) Act regulations.

The 2024 preliminary budget continues to balance the delivery of core programs and services, with Momentum strategic priorities, inflationary and growth-related pressures. The 2024 preliminary budget incorporates CA Act regulation priorities, Bill 23 impacts and an increased focus on recommended capital infrastructure projects.

The 2024 preliminary budget financial amounts are contained in the financial attachment. This report provides an overview of the 2024 preliminary budget, major drivers of the budget increase and details on proposed capital projects. A summary of the funding sources and program expenses in the proposed budget of over \$50 million is provided in the following chart.

Budget Summary	2024 Preliminary Budget	2023 Budget	Increase / (Decrease)
<b>Revenue</b>			
Program Revenue	\$ 20,687,261	\$ 18,713,896	\$ 1,973,365
Municipal Funding	11,773,448	11,298,835	474,613
Grants, other funding & other municipal funding	9,338,756	6,244,081	3,094,675
Internal Chargeback Recoveries	3,342,554	3,022,997	319,557
Transfers from Reserves	3,977,827	2,411,299	1,566,528
Provincial Funding	920,820	810,438	110,382
<b>Total Revenue</b>	<b>\$ 50,040,665</b>	<b>\$ 42,501,546</b>	<b>\$ 7,539,119</b>
<b>Expenses</b>			
Corporate Services	\$ 7,222,666	\$ 6,968,715	\$ 253,951
Natural Hazards & Watershed Management	7,327,841	6,018,345	1,309,496
Permitting & Planning	5,117,089	5,322,854	(205,765)
Conservation Lands & Recreation			
Land Management	1,988,579	2,128,364	(139,785)
Parks & Recreation	16,360,173	15,207,419	1,152,754
Debt Financing	630,827	580,126	50,701
Transfers to Reserves	1,898,763	992,337	906,426
Capital	9,494,727	5,283,386	4,211,341
<b>Total Expenses</b>	<b>\$ 50,040,665</b>	<b>\$ 42,501,546</b>	<b>\$ 7,539,119</b>
<b>Budgeted Surplus</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

#### Highlights of the 2024 preliminary budget include:

- The 2024 preliminary budget has increased by \$7.5 million over the 2023 budget of \$42.5 million. Major drivers of the budget increase include:
  - \$4.2M increase in capital projects funded primarily by grants, debt financing, developer contributions (DCR), and reserves
  - \$2.0M increase in Park revenues, offset by an increase in Park expenses and chargeback, with a net operating surplus increase of \$872K.
  - \$280K in total staff salary and benefits costs assuming a 2.5% inflation increase
  - \$419K for three net new full-time equivalents (FTE) staff positions
- Municipal funding in the 2024 preliminary budget is \$11,773,448. The proposed municipal funding increase is 4.2% or \$474,613. The guideline established by Halton Region for the 2023 budget was 4.7% based on 3.0% inflation. Operating and capital forecasts have been prepared with annual municipal funding increases ranging from 3.1% to 4.5%.
- Municipal State of Good Repair (SOGR) levies are proposed to increase in total by \$59,600. The increase includes \$53,000 for dams and channels to provide for the municipal funding level to reach the target amount plus inflation by 2028 based on the Asset Management Plan (2022) Dams and Channels.

- Debt financing of \$1.5 million is requested in the 2024 preliminary budget consistent with the 2023 budget forecast for 2024 for the completion of the Central Works Operations Centre capital project.
- The Conservation Areas operating surplus in the 2024 preliminary budget of \$1.3M is significantly higher than the 2023 budget surplus of \$427,337. Park revenues are estimated and reasonable based on historical trending and forecasting. Revenue increases are offset by increased park operating expenses utilizing a performance-based budget approach.

Conservation Halton staff will be submitting the 2024 preliminary budget to regional and local municipality staff in the summer for their review and consideration. The final budget presented in the fall will contain updated debt financing charges and apportionment percentages when received. A comprehensive Budget & Business Plan document will be prepared for final budget approval in October.

## Report

The 2024 preliminary budget summary by operating and capital programs and budget categories is provided in the following chart:

Programs	Operating Budget	Capital Budget	2024 Preliminary Budget	2023 Budget
Watershed Management & Support Services (WMSS)	\$22,886,602	\$4,826,921	\$27,713,523	\$25,623,677
Conservation Lands – Parks & Recreation	\$17,659,336	\$4,667,806	\$22,327,142	\$16,877,869
<b>Total</b>	<b>\$40,545,938</b>	<b>\$9,494,727</b>	<b>\$50,040,665</b>	<b>\$42,501,546</b>

Inflation has been assumed at 2.5% for the 2024 preliminary budget based on Bank of Canada and Province of Ontario inflation forecasts for 2024. The Bank of Canada aims to keep inflation at 2% beyond 2024.

## 2024 Preliminary Operating Budget

The operating budget of \$40.5 million provides for an investment of \$22.9 million in Watershed Management and Support Services (WMSS) programs and an investment of \$17.7 million in Conservation Lands – Parks & Recreation.

## Investing in Watershed Management & Support Services

WMSS operating expense and funding amounts of \$22.9 million are detailed in the chart below. The budget increase of \$1.3 million includes increases to program revenue, grants, reserves, and internal chargeback recoveries. As well, municipal operating funding for WMSS programs are proposed to increase by \$652,013 for programs and services and \$59,600 to fund increases to the State of Good Repair Levies for dams, channels and facilities. The total municipal funding increase of \$474,613 is offset by a (\$237,000) decrease to WMSS capital items, with changes in capital projects and the use of prior budget carryover municipal funding in 2024.

Watershed Management & Support Services (WMSS)	2024 Preliminary Budget	2023 Budget	Increase / (Decrease)
<b>Operating Expenses:</b>			
Staff Salary & Benefits	\$ 15,817,000	\$ 15,243,204	\$ 573,796
Materials & Supplies	946,150	1,120,331	(174,181)
Purchased Services	3,731,391	3,009,778	721,613
Financial	61,400	60,130	1,270
Internal Chargebacks	1,100,234	1,004,835	95,399
Debt Financing Charges	630,827	580,126	50,701
Transfer to Reserves - Land Securement	-	25,000	(25,000)
Transfer to Reserves - SOGR Levy Dams & Channels	415,700	362,700	53,000
Transfer to Reserves - SOGR Levy Buildings	183,900	177,300	6,600
<b>Total Operating Expenses</b>	<b>\$ 22,886,602</b>	<b>\$ 21,583,404</b>	<b>\$ 1,303,198</b>
<b>Funding of Operating Expenses:</b>			
Program Revenue	\$ 3,585,831	\$ 3,578,216	7,615
Provincial (Ministry NDMNRF) - Operating Grant	155,034	\$ 155,034	-
Municipal Funding	10,658,862	10,006,849	652,013
Municipal Funding - State of Good Repair Levies Dams & Channels and Buildings	599,600	540,000	59,600
Other Grants & Program Funding	4,377,542	4,028,235	349,307
Internal Chargeback Recoveries	3,262,234	2,944,907	317,327
Transfer from Reserves	247,500	330,163	(82,663)
<b>Total Operating Funding</b>	<b>\$ 22,886,602</b>	<b>\$ 21,583,404</b>	<b>\$ 1,303,198</b>

## Expenses:

### Staff salary & benefits

The increases of \$573,796 related to staffing costs in the WMSS operating budget include:

- 3.0 net new FTE staff changes costing \$419K;
- Inflationary and general compensation increases of \$150K (2.5% rate of inflation);
- Benefit expense increases estimated to cost \$71K; and
- Decreased part time staff costs of (\$67K) for project related work offset by a decrease in estimated grant funding.

### Materials & Supplies and Purchased Services

The majority of the changes in these categories are related to decreases and shifts between supplies and services for the Partnership Projects planned for 2024. Partnership Projects are fully funded by project grants and internal chargeback recoveries to the projects.

### Debt Financing Charges

Debt Financing Charges in the 2024 preliminary operating budget of \$631K are comprised of municipal debt financing charges of \$581K and \$50K for principal and interest payments on the property acquisition loan from the Hamilton Community Foundation (HCF). The HCF loan balance as of December 31, 2022 of \$123,497 is anticipated to be repaid by July 2025.

Municipal debt financing charges are based on the amounts in the 2023 budget forecast for 2024 provided by Halton Region staff. Debt financing charges are subject to change when updated by Halton Region staff with the budget submission. Debt financing charges are currently calculated based on

interest rates ranging between 3.0%-3.2%, with repayment over thirty years for the Kelso Dam Capital Project and twenty years for other projects. Projects that have been debt financed to date include significant dams and channels capital projects and Administration Office major renovations. The Halton Region loan balance as of December 31, 2022 was \$4,668,669. The debt capacity ratio estimated for 2024 of 3.8% (2023 – 3.7%) is based on estimated own source revenues excluding Conservation Lands – Park & Recreation program revenue. CH has approved a debt capacity ratio of 10% in its Budget Principles.

### **State of Good Repair (SOGR) Levy and Transfers to Reserves**

An increase of \$59.6K in the SOGR Levy is attributed to an increase of \$53K for Dams & Channels to provide for the municipal funding level to reach the target amount plus inflation by 2028. The target municipal funding has been achieved for Facilities in the 2023. The State of Good Repair Levy amounts are transferred to the Watershed Management Capital and Building SOGR Reserve to fund future capital works.

### **Funding:**

#### **Program Revenue**

Planning and permit fees of \$3.2 million make up the largest portion of this budget category totalling \$3,585,831. Planning and permit fees include Bill 23 service impacts and generally assume other services are maintained at current volumes and fees. Preliminary findings of the Watson & Associates planning and permit fee review suggest fees are currently set at less than 100% cost recovery including Bill 23 service level changes. Bill 23 currently limits Conservation Authorities from increasing fees.

#### **Other Grants & Program Funding**

The estimated increase in funding through other grants and program funding of \$693K is primarily related to:

- Partnership Projects planned for 2024 and increased funding of almost \$1M
- Offset by decreases to the Ecological Services Agreement being phased out in 2023 due to Bill 23 totalling (\$252K)

#### **Internal Chargeback Recoveries**

Internal chargeback recoveries increase of \$317K includes an increased recovery of Corporate Service staff costs from the parks of \$218K as well as the recovery of staff costs through Partnership Projects grants and the Conservation Halton Foundation.

#### **Transfer from Reserves**

Transfers from reserves to fund operating expenses of \$248K include the following:

- Estimated legal costs of \$100K related to Planning & Regulation activities are proposed to continue to be funded by a Transfer from the Legal Reserve
- A transfer from the WMSS Stabilization Reserve of \$100K will partly fund the estimated compensation review implementation costs
- Transfer from the Stewardship & Restoration Reserve \$48K to assist with program expenses

## Investing in our Parks

The 2024 Conservation Lands – Parks & Recreation preliminary operating budget provides for an investment of \$17.7M into the parks. Operating expenses have increased by \$2.0M as detailed in the chart below.

Conservation Lands – Parks & Recreation	2024 Preliminary Budget	2023 Budget	Increase / (Decrease)
<b>Operating Expenses:</b>			
Staff Salary & Benefits	\$ 9,246,313	\$ 8,662,332	\$ 583,981
Materials & Supplies	2,075,682	1,889,689	185,993
Purchased Services	2,579,478	2,469,498	109,980
Financial	590,200	535,200	55,000
Internal Chargebacks - Corporate Services	1,868,500	1,650,700	217,800
Transfer to Reserve - Operating Surplus	1,299,163	427,337	871,826
<b>Total Operating Expenses</b>	<b>\$ 17,659,336</b>	<b>\$ 15,634,756</b>	<b>\$ 2,024,580</b>
<b>Funding of Operating Expenses:</b>			
Program Fees	\$ 17,186,430	\$ 15,169,680	\$ 2,016,750
Municipal Funding - Park Education programs & Outreach	369,986	369,986	-
Internal Chargeback Recoveries	80,320	78,090	2,230
Transfer from Reserves	22,600	17,000	5,600
<b>Total Operating Funding</b>	<b>\$ 17,659,336</b>	<b>\$ 15,634,756</b>	<b>\$ 2,024,580</b>

**Staff Salary & Benefits** are increasing by \$584K primarily due to inflationary and general compensation increases. Included in the 2024 budget is an increase to the FT staffing complement for a new Education Coordinator position.

**Materials & Supplies** increase of \$186K is a general increase to support growing demands of park activities.

**Purchased Services** increase of \$110K includes an amount of \$62,000 allocated to accommodate the expanded budget for Outreach programming related to the Water Festival. Remaining increases are general to support growing demands of park activities.

**Internal Chargebacks** to the parks recreation programs for support services have increased in the 2024 preliminary operating budget by \$217K related to support staffing changes and estimated allocation of corporate services time spent on park programs.

**Financial expenses** increase of \$55K is attributed to increased credit card fees and point of sales system fees. These expense increases are more than offset by proposed park program fees.

**Program fees** have been increased by \$2.0M with the normalization of park operations and an average of historical actual revenues. This revenue increase is based on assumed continued growth in park visitation combined with potential fee adjustments.



## 2024 Preliminary Capital Budget

The 2024 preliminary capital budget represents an investment of \$9.5 million into infrastructure and studies allocated to WMSS programs of \$4.8 million and Conservation Areas of \$4.7 million.

The capital budget provides funding for the rehabilitation of flood control infrastructure, updating of flood plain mapping, investments in technology upgrades, fleet replacements, managing the impacts of Emerald Ash Borer, land management initiatives, infrastructure improvements and the development of a CH Watershed Strategy.

Capital Projects		2024 Preliminary Budget	2023 Budget	Increase / (Decrease)
WMSS	<b><i>Emerald Ash Borer</i></b>	\$ 834,000	\$ 850,000	\$ (16,000)
	<b><i>Flood Plain Mapping</i></b>	500,000	550,000	(50,000)
	<b><i>Dams &amp; Channels SOGR Maintenance</i></b>	621,000	420,000	201,000
	<b><i>Flood Forecasting &amp; Warning Program*</i></b>	35,000	115,000	(80,000)
	<b><i>Watershed Strategies &amp; Climate Change</i></b>	80,000	179,000	(99,000)
	<b><i>Fleet Management</i></b>	224,921	164,023	60,898
	<b><i>Other Projects</i></b>	300,000	464,250	(164,250)
	<b><i>Facilities Infrastructure</i></b>			
	Administration Office & Field Office SOGR	172,000	200,000	(28,000)
	Central Works Operations Centre	2,000,000	1,000,000	1,000,000
	<b><i>Digital Transformation</i></b>			
	IT Infrastructure	60,000	98,000	(38,000)
	<b>Total WMSS</b>	<b>4,826,921</b>	<b>4,040,273</b>	<b>786,648</b>
Parks	<b><i>Facility, Infrastructure &amp; Ski Hill</i></b>	2,668,000	1,163,000	1,505,000
	<b><i>Fleet Replacement</i></b>	252,306	80,113	172,193
	<b><i>Developer Contribution Reserve Projects</i></b>			
	Visitor Centres & Crawford Lake Boardwalk	1,747,500	-	1,747,500
	<b>Total Parks</b>	<b>4,667,806</b>	<b>1,243,113</b>	<b>3,424,693</b>
<b>Total Capital</b>		<b>\$ 9,494,727</b>	<b>\$ 5,283,386</b>	<b>\$ 4,211,341</b>

\*Carryforward balances to be utilized in 2024.

**Dams & Channels SOGR Maintenance** costs of \$621K are based on staff assessments of capital work priorities according to consulting engineering studies such as dam safety reviews. These costs are assumed to be funded 50% provincially and 50% municipally through the State of Good Repair Levy reserve funding.

**Watershed Strategies & Climate Change** initiatives of \$80,000 in 2024 are related to consulting requirements to complete the Watershed Strategy by December 2024 required by CA Act regulations.

**Facilities Infrastructure** capital work of \$2,172,000 will fund state of good repair maintenance and continued office space renovations. Feasibility study cost estimates for the new Central Work Operations Centre is \$3 million. The 2024 budget amount of \$2 million will bring the total project budget to \$3 million with \$1.5 million proposed to be debt financed through Halton Region and an additional \$500,000 recommended to be transferred from the Building Reserve. Construction is scheduled to begin in 2024 with completion expected in 2024.



**Parks Facility, Infrastructure & Ski Hill** costs of \$2.67M includes \$1.3M for park facility related infrastructure, \$810K for paving costs, \$385K for ski hill improvements and \$113K for information technology infrastructure.

Developer Contribution Reserve projects in the 2024 budget total \$1,747,500. An increase of \$1,200,000 is required in the budget for the Crawford Lake Boardwalk replacement project based on updated cost estimates prepared by the consultant. This project was included in the 2022 budget at an estimated cost of \$2,280,000 funded by an Investing in Canada Infrastructure (ICIP) grant of \$1,671,924 and Developer Contribution Reserve funding of \$608,076. Cost estimates were prepared in 2019 for the ICIP grant application and have increased significantly since that time along with an increased contingency allowance. The remaining \$547,500 has been allocated for further scoping and design of the visitor centres at Kelso/Glen Eden and Crawford Lake. The business cases for these projects were previously submitted to the CH Board for the 2018 budget. However, due to changing customer and operational needs post-pandemic combined with dated costing, the project Business Cases are being updated.

The Crawford Lake Visitor Centre Business Case is included as a separate report for approval. As for the Kelso facility, the Business Case will be presented after conducting a scoping exercise to determine the appropriate size of the building. Furthermore, we will explore additional funding options to cover costs exceeding the available funds from the Developer Contribution Reserve, if needed.

## Sources of Capital Budget Funding

A summary of the 2024 proposed capital funding sources is provided in the chart below:

Capital Budget Funding	2024 Preliminary Budget	2023 Budget	Increase / (Decrease)
<b>WMSS:</b>			
Provincial Funding - Dams & Channels	\$ 310,500	\$ 210,000	\$ 100,500
Municipal Funding	\$ 145,000	\$ 382,000	\$ (237,000)
Municipal Funding - EAB	\$ 834,000	\$ 834,000	\$ -
Municipal Funding - Flood Plain Mapping	\$ 500,000	\$ 550,000	\$ (50,000)
Municipal Debt Financing	\$ 1,500,000	\$ 1,000,000	\$ 500,000
Other Funding Grants and Program Funding	\$ 100,000	\$ 243,250	\$ (143,250)
Transfer from Reserves	\$ 1,437,421	\$ 821,023	\$ 616,398
<b>Conservation Lands – Parks &amp; Recreation:</b>			
Transfer from Reserves	\$ 2,270,306	\$ 1,243,113	\$ 1,027,193
Developer Contributions Reserve	\$ 1,747,500	\$ -	\$ 1,747,500
Other Funding Grants and Program Funding	\$ 650,000	\$ -	\$ 650,000
<b>Total Capital Funding</b>	<b>\$ 9,494,727</b>	<b>\$ 5,283,386</b>	<b>\$ 4,211,341</b>

Special Levies for Emerald Ash Borer (EAB) treatment and Flood Plain Mapping are consistent with the business plans submitted to Halton Region for these projects.

Grants totalling \$650,000 allocated to park infrastructure projects are estimated based on proposed projects and successful grant approvals received during the past three years.

## Reserve Transfers

The following summary outlines the proposed transfers to and from reserves in the 2024 preliminary budget, along with the projected reserve balances anticipated by December 31, 2024. Additionally, the financial attachment includes a reserve continuity schedule detailing reserve balances extending until 2033.

A transfer from the WMSS Stabilization Reserve of \$500,000 to the Building Reserve is recommended in 2023 to assist with funding of the Central Works Operations Centre project. The projected December 2023 WMSS Stabilization Reserve balance of \$1.1 million exceeds the CH Budget Principles target of approximately \$500,000 based on 10 to 15% of WMSS program revenues. The Projected Reserve Balances at December 31, 2023 include an estimated increase of \$1.1 million for Park capital projects for 2023 with the amount to be approved in the Budget Variance Report presented at the June Board meeting when estimated paving costs are better known.

Conservation Halton Reserves	Projected Reserves Balance Dec 31, 2023	Contribution from Surplus	State of Good Repair Levy	Contribution to Capital Projects	Contribution to Operating Expenses	Projected Reserves Balance Dec 31, 2024
<b>Watershed Management &amp; Support Services</b>						
Vehicle and Equipment	\$ 557,273			\$ (224,921)		\$ 332,352
Building	832,504			(500,000)		332,504
Building - State of Good Repair	403,920		183,900	(222,000)		365,820
Watershed Management Capital - Municipal Funds and Self-Generated Funds	1,395,079		415,700	(310,500)		1,500,279
Watershed Management & Support Services Stabilization	1,057,212			(80,000)	(100,000)	877,212
Capital Projects - Debt Financing Charges	518,146					518,146
Digital Transformation	285,700					285,700
Legal - Planning & Watershed Management	841,995				(100,000)	741,995
Legal - Corporate	200,000					200,000
Water Festival	169,334				(13,600)	155,734
Land Securement	141,239					141,239
Property Management	1,012,642			(100,000)		912,642
Stewardship and Restoration	306,888				(56,500)	250,388
<b>Conservation Lands – Parks &amp; Recreation</b>						
Capital	3,099,958	1,299,163		(2,270,306)		2,128,815
Stabilization	1,146,490					1,146,490
<b>Total Reserves</b>	<b>\$ 11,968,380</b>	<b>\$ 1,299,163</b>	<b>\$ 599,600</b>	<b>\$ (3,707,727)</b>	<b>\$ (270,100)</b>	<b>\$ 9,889,316</b>

## Municipal Funding

Base municipal funding in the 2024 preliminary budget totals almost \$11,773,848. The \$474,613 increase requested in municipal funding represents a 4.2% increase over the amount requested in 2023. The Halton Region budget guideline established for the 2023 budget was 4.7% based on 3.0% inflation and this rate was also assumed in their 2023 budget forecast for 2024. The guideline for the 2024 budget is anticipated to be received in July 2023.

Municipal Funding	2024 Preliminary Municipal Funding	2023 Municipal Funding	Increase / (Decrease)
Operating	\$ 11,028,848	\$ 10,376,835	\$ 652,013
Capital	145,000	382,000	(237,000)
Subtotal	11,173,848	10,758,835	415,013
Add: State of Good Repair (SOGR) Levy - Dams & Channels, Buildings	599,600	540,000	59,600
<b>Total Municipal Funding (Apportioned)</b>	<b>\$ 11,773,448</b>	<b>\$ 11,298,835</b>	<b>\$ 474,613</b>

Base municipal funding continues is less than 25% of funding sources in the budget. A municipal funding forecast is provided in the financial attachment with annual municipal funding increases ranging from 3.1% to 4.5%.

Ontario Regulation 402/22 requires CH to allocate the proposed 2024 municipal funding being requested according to Categories 1, 2 and 3 defined in the CA Act. CH established these Categories in its Programs & Services (P&S) Inventory in 2022. According to the summary in the financial appendix, Category 1 P&S account for 96% of the 2024 municipal funding which is consistent with the 2022 P&S Inventory. The balance of the funding is for Category 2 P&S will continue to be apportioned and funded through Memorandums of Understanding (MOU's) being developed with watershed municipalities. The 2024 preliminary budget does not include municipal funding for Category 3 programs and services.

### 2024 Preliminary Budget and Operating Forecast 2024-2033

Key assumptions and drivers included in the budget and operating forecast are as follows:

- The addition of two net new staff positions per year have been assumed in the Watershed Management and Support Services (WMSS) operating forecast that reflect future growth and maintaining program service levels. Program service level reviews are completed annually as part of the budget process to reflect service level changes.
- Compensation and other expenses in the forecast have been assumed to increase annually at the estimated rate of inflation of 2.0%.
- Program revenues for Watershed Management and Support Services and Parks program are assumed to increase annually by inflation and full cost recovery and increase by 2.0% to 5.0% annually. The Parks revenue forecast does not include estimated potential increased revenue derived from newer facilities with increased capacity, in order to maintain a conservative approach.

The operating forecast includes the estimated costs of servicing existing debt and new debt financing for anticipated capital projects for the 50% municipal portion of dams and channels capital projects and for major facility projects proposed at the Administration Office and Operations Centre. The estimated debt financing charges included in the operating forecast related to municipal debt financing have been provided by Halton Region staff for the 2023 budget forecast for 2024 and are subject to revision. Debt financing charges for forecast funding of Parks Developer Contribution Reserve projects have been estimated assuming similar terms to Halton Region debt financing.

## 2024 Preliminary Budget and Capital Forecast 2024-2033

The development of the capital budget forecast and overall financing strategy considers the following:

- a) Strategic initiatives in Conservation Halton's strategic plan Momentum;
- b) Capital priorities identified in Asset Management Plans;
- c) Emerald Ash Borer and Flood Plain Mapping Business Plans;
- d) Park Master Plans.

The capital budget as proposed will ensure assets are maintained in a state of good repair and address the impact of growth in the watershed on Conservation Halton's infrastructure while ensuring long-term fiscal sustainability. The largest portion of the Watershed Management and Support Services capital forecast is the Dams and Channels state of good repair maintenance. Dams and channels capital projects are based on information prepared by staff. Dams and channels capital projects are assumed to be funded 50% municipally through the State of Good Repair Levy reserve funding and the remaining 50% provincially which is approved through a grant application process.

Conservation Lands – Parks & Recreation capital projects in the capital budget forecast continue to include three projects with updated estimated costs totalling approximately \$35 million. The capital projects are related to recreation centres along with the Crawford Lake Boardwalk replacement. A staff report will be provided separately on the Crawford Lake Visitor Centre

The strategic plan initiatives included in the capital forecast will enable Conservation Halton to invest in innovation and technology to continue to modernize operations, streamline service delivery and improve resource management.

### Impact on Strategic Goals

This report supports the Momentum priority of Organizational Sustainability.

### Financial Impact

Conservation Halton staff have diligently crafted a preliminary budget for 2024, considering fiscal constraints, while also striking a balance between fulfilling essential services in a burgeoning watershed and achieving strategic plan objectives.

The preliminary budget for 2024 effectively addresses escalating expenditures through the implementation of operational efficiencies and continuous enhancements. Furthermore, it encompasses a 4.2% increase in base municipal funding.

The proposed 2024 preliminary budget continues to provide for investments in programs to enhance service delivery, digital transformation initiatives, watershed planning work, greenspace and property management initiatives, floodplain mapping, flood forecasting, and improved user experiences at our parks.

Signed & respectfully submitted:



Marnie Piggot,  
Director, Finance

Approved for circulation:



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CEO/Secretary-Treasurer

**FOR QUESTIONS ON CONTENT:**

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905-336-1158, ext. 2240; [mpiggot@hrca.on.ca](mailto:mpiggot@hrca.on.ca);



# 2024 PRELIMINARY BUDGET

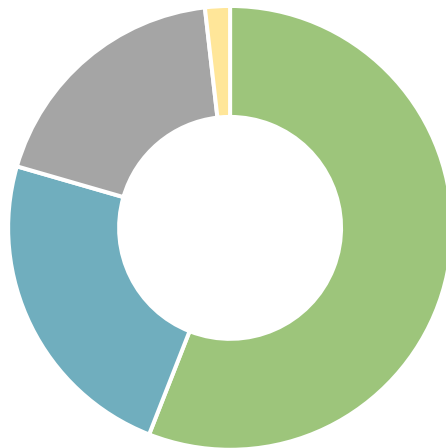
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# 2024 PRELIMINARY BUDGET SUMMARY

## Total Budget Funding Sources \$50,040,665



- Program Revenue, Internal Chargeback Recoveries & Reserves 56%
- Municipal Funding 24%
- Other Funding 19%
- Provincial Funding 1%

### Operating Budget

	2024 Budget	2023 Budget
Corporate Services	7,222,666	6,968,715
Natural Hazards & Watershed Management	7,327,841	6,127,595
Permitting & Planning	5,117,089	5,322,854
Conservation Lands & Recreation (Land Mgmt)	1,988,579	2,128,364
Debt Financing	630,827	580,126
Reserves	-	25,000
Conservation Lands & Recreation (Recreation)	17,659,336	15,634,756
State of Good Repair Levy - Dam & Channels; Building	599,600	540,000
	<u>40,545,938</u>	<u>37,327,410</u>

### Capital Budget

	2024 Budget	2023 Budget
Corporate Services	2,506,921	1,542,023
Natural Hazards & Watershed Management	736,000	739,000
Permitting & Planning	500,000	550,000
Conservation Lands & Recreation (Land Mgmt)	1,084,000	1,100,000
Conservation Lands & Recreation (Recreation)	4,667,806	1,243,113
	<u>9,494,727</u>	<u>5,174,136</u>

### Total Operating & Capital Budget

<b>\$ 50,040,665</b>	<b>\$ 42,501,546</b>
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# 2024 PRELIMINARY **OPERATING** BUDGET





# WATERSHED MANAGEMENT & SUPPORT SERVICES

## 2024 PRELIMINARY OPERATING BUDGET

Description	% Increase (decrease) over PY Budget	2022 Actual Expenses	2023 Budget Expenses	2024 Preliminary Budget Expenses	2024 Preliminary Budget Funding Sources					
					Program Revenue	Provincial Funding	Other (Grants, Sp. Project, Debt financing)	Internal Chargeback Recovery (CHF, SPP, CAP, Cons. Areas)	Reserve Funding	Municipal Levy & Funding
WATERSHED MANAGEMENT & SUPPORT SERVICES (WMSS) PROGRAMS										
CORPORATE SERVICES										
Office of President & CEO		695,966	765,057	799,122				26,700		772,422
Conservation Halton Foundation Administration		221,118	284,646	309,427				223,000		86,427
Finance		855,995	882,603	1,009,082	166,000			317,200		525,882
Fleet Operations		175,399	201,940	214,440						214,440
General Corporate Services		613,808	-	(75,000)				-	100,000	(175,000)
Human Resources		700,759	772,159	780,071				236,800	-	543,271
Marketing and Communications		858,587	927,824	980,996				381,700	-	599,296
Office of Chief Operating Officer (COO)										
Administration & Procurement		410,883	516,074	535,906				127,900		408,006
Information Technology		485,367	522,350	642,608				137,500		505,108
Geographical Information Systems (GIS)		519,252	581,355	599,011	6,500					592,511
Risk & Health		587,720	647,392	526,051				197,300		328,751
Administration Office Facility		175,588	194,515	201,879						201,879
Project Management		365,532	379,159	389,138			50,000	100,900		238,238
Construction		273,777	293,641	309,935				55,200	-	254,735
	3.6%	6,939,751	6,968,715	7,222,666	172,500	-	50,000	1,804,200	100,000	5,095,966

# WATERSHED MANAGEMENT & SUPPORT SERVICES

## 2024 PRELIMINARY OPERATING BUDGET

Description	% Increase (decrease) over PY Budget	2022 Actual Expenses	2023 Budget Expenses	2024 Preliminary Budget Expenses	2024 Budget Funding Sources						
					Program Revenue	Provincial Funding	Other (Grants, Sp. Project, Debt financing)	Internal Chargeback Recovery (CHF, SPP, CAP, Cons. Areas)	Reserve Funding	Municipal Levy & Funding	
<b>WATERSHED MANAGEMENT &amp; SUPPORT SERVICES (WMSS) PROGRAMS</b>											
<b>NATURAL HAZARDS &amp; WATERSHED MANAGEMENT</b>											
Flood Forecasting & Operations		573,447	619,652	635,322		155,034	25,000	20,600		434,688	
Watershed Strategies & Climate Change											
Watershed Strategies & Climate Change Administration		467,763	491,305	828,435				18,000	100,000	710,435	
Source Protection		239,825	320,404	330,286		330,286		-		-	
Science & Partnerships											
Monitoring Ecology		660,279	716,572	702,172	6,181			20,017		675,975	
Landowner Outreach & Restoration		663,948	764,205	749,887	41,150		20,000	240,791	47,500	400,447	
Hamilton Harbour Remedial Action Plan (HHRAP)		342,199	323,613	317,750			317,750			-	
Partnership Projects		439,745	572,616	359,263			359,263			-	
Restoration & Conservation											
Restoration		594,798	748,100	876,483			25,000	696,676		154,807	
Partnership Projects		1,019,440	1,571,128	2,528,243			2,528,243		-	-	
		19.6%	5,001,444	6,127,595	7,327,841	47,331	485,320	3,275,256	996,084	147,500	2,376,351

# WATERSHED MANAGEMENT & SUPPORT SERVICES

## 2024 PRELIMINARY OPERATING BUDGET

Description	% Increase (decrease) over PY Budget	2022 Actual Expenses	2023 Budget Expenses	2024 Preliminary Budget Expenses	2024 Preliminary Budget Funding Sources					
					Program Revenue	Provincial Funding	Other (Grants, Sp. Project, Debt financing)	Internal Chargeback Recovery (CHF, SPP, CAP, Cons. Areas)	Reserve Funding	Municipal Levy & Funding
WATERSHED MANAGEMENT & SUPPORT SERVICES (WMSS) PROGRAMS										
PERMITTING & PLANNING										
Planning & Regulations		4,443,828	4,524,767	4,308,416	3,203,000		-	28,650	-	1,076,766
Floodplain Mapping		262,287	264,833	272,088	-			25,000		247,088
Regional Infrastructure Team (RIT)		376,500	533,254	536,585			550,000			(13,415)
	(3.9%)	5,082,614	5,322,854	5,117,089	3,203,000	-	550,000	53,650	-	1,310,439
CONSERVATION LANDS & RECREATION (Land Management)										
Property Management		243,496	327,882	332,298	43,000	125,000		55,200		109,098
Security		463,963	482,898	607,567				293,600		313,967
Forestry		744,970	1,024,520	1,048,714	120,000		47,000	59,500		822,214
Partnership Projects		241,046	293,064	-		-	-			
	(6.6%)	1,693,476	2,128,364	1,988,579	163,000	125,000	47,000	408,300	-	1,245,279
DEBT FINANCING CHARGES										
	8.7%	574,001	580,126	630,827						630,827
TRANSFER TO RESERVES - BUILDING, VEHICLE AND EQUIPMENT, DEBT FINANCING, STEWARDSHIP AND RESTORATION; ALLOCATED SURPLUS										
		524,147	-	-						-
TRANSFER TO RESERVES - STATE OF GOOD REPAIR (SOGR) LEVY										
	11.0%	480,500	540,000	599,600						599,600
TRANSFER TO RESERVE - LAND SECUREMENT										
	0.0%	25,000	25,000	-						-
TOTAL OPERATING WATERSHED MGMT & SUPPORT SERVICES (WMSS)										
	5.5%	20,320,933	21,692,654	22,886,602	3,585,831	610,320	3,922,256	3,262,234	247,500	11,258,462

# CONSERVATION AREAS

## 2024 PRELIMINAY OPERATING BUDGET

Description	% Increase (decrease) over PY Budget	2022 Actual Expenses	2023 Budget Expenses	2024 Preliminary Budget Expenses	2024 Preliminary Budget Funding Sources					
					Program Revenue	Provincial Funding	Other (Grants, Sp. Project, Debt financing)	Internal Chargeback Recovery (CHF, SPP, CAP, Cons. Areas)	Reserve Funding	Municipal Levy & Funding
<b>CONSERVATION LANDS &amp; RECREATION (Recreation)</b>										
<b>Parks &amp; Recreation</b>										
Conservation Areas Administration		1,802,031	1,782,355	1,895,183	1,776,000			80,320		
Fleet Operations		173,465	124,590	135,527						
Kelso/Glen Eden		7,473,338	8,516,921	8,974,436	11,461,000					
Crawford Lake / Mountsberg / Robert Edmondson		2,270,863	2,203,637	2,484,643	2,257,000		-			240,000
Rattlesnake Point / Hilton Falls / Mount Nemo		248,904	606,800	599,368	1,442,500					
Outreach		296,423	322,416	402,516	164,930		85,000	-	22,600	129,986
Transfer Surplus to Conservation Area reserves		3,165,799	427,337	1,299,163						
Subtotal Conservation Lands & Recreation (Recreation)										
- Operating before Internal Chargeback - Corporate Services	12.9%	15,430,824	13,984,056	15,790,836	17,101,430	-	85,000	80,320	22,600	369,986
Internal Chargeback - Corporate Services										
	13.2%	1,386,900	1,650,700	1,868,500						
<b>TOTAL OPERATING CONSERVATION LANDS &amp; RECREATION (Recreation)</b>	12.9%	<b>16,817,724</b>	<b>15,634,756</b>	<b>17,659,336</b>	<b>17,101,430</b>	<b>-</b>	<b>85,000</b>	<b>80,320</b>	<b>22,600</b>	<b>369,986</b>

# 2024 PRELIMINARY **CAPITAL BUDGET**





# 2024 PRELIMINARY CAPITAL BUDGET SUMMARY

Description	% Increase (decrease ) over PY Budget	2022 Actual Expenses	2023 Budget Expenses	2024 Preliminary Budget Expenses	2024 Budget Funding Sources						
					Program Revenue	Provincial Funding	Other (Grants, Sp. Project, Debt financing)	Internal Chargeback Recovery (CHF, SPP, CAP, Cons. Areas)	Reserve Funding	Municipal Levy & Funding	
<hr/>											
<b>Capital - Watershed Management &amp; Support Services (WMSS)</b>											
<u>Corporate Services</u>											
Asset Management Plan		21,315	50,000	50,000					50,000	-	
Compensation & Program Fees Reviews		30,240	30,000	-						-	
IT Infrastructure & Digital Transformation		52,937	98,000	60,000						60,000	
Website Upgrade		18,322	-	-					-	-	
Facilities - Improvements		387,743	100,000							-	
Facilities - State of Good Repair		146,752	100,000	172,000					172,000	-	
Central Works Operations Centre		21,353	1,000,000	2,000,000			1,500,000		500,000	-	
Fleet Management		9,951	164,023	224,921					224,921	-	
<u>Natural Hazards &amp; Watershed Management</u>											
Dams & Channels SOGR Maintenance		648,743	420,000	621,000		298,000			298,000	-	
Flood Forecasting & Warning Program		27,835	115,000	35,000						35,000	
Watershed Database & Restoration Projects		23,678	25,000	-						-	
Watershed Strategies & Climate Change		-	179,000	80,000					80,000	-	
Land Acquisition		1,625,963	-	-						-	
<u>Permitting &amp; Planning</u>											
Flood Plain Mapping Update		413,545	550,000	500,000			500,000			-	
<u>Conservation Lands &amp; Recreation (Land Management)</u>											
Emerald Ash Borer		753,083	850,000	834,000	-		834,000			-	
Property Management Projects		-	150,000	150,000					100,000	50,000	
Other Foundation Funded Projects		-	100,000	100,000			100,000			-	
<b>TOTAL CAPITAL WMSS</b>		33.1%	4,181,459	3,931,023	4,826,921	-	298,000	2,934,000	-	1,424,921	145,000

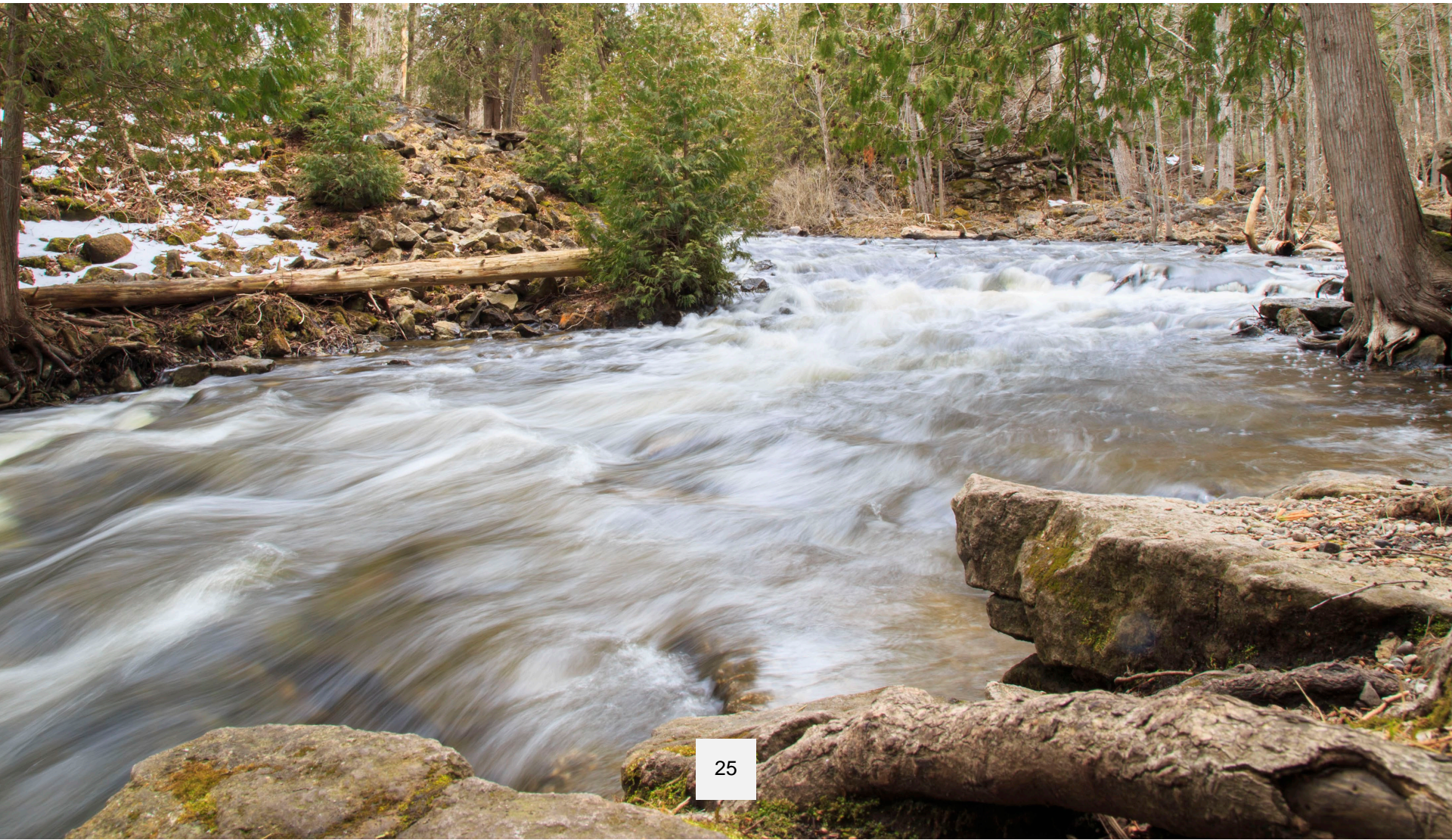
# 2024 PRELIMINARY CAPITAL BUDGET SUMMARY

Description	% Increase (decrease) over PY Budget	2022 Actual Expenses	2023 Budget Expenses	2024 Preliminary Budget Expenses	2024 Budget Funding Sources						
					Program Revenue	Provincial Funding	Other (Grants, Sp. Project, Debt financing)	Internal Chargeba ck Recovery (CHF, SPP, CAP, Cons. Areas)	Reserve Funding	Municipal Levy & Funding	
<b>CAPITAL</b>											
<b>Capital - Conservation Lands &amp; Recreation (Recreation)</b>											
Skihill Improvements		179,187	525,000	385,000							
Facility Major Maintenance & IT Infrastructure		760,040	638,000	2,283,000							
Fleet replacement		66,057	80,113	252,306							
Developer Contribution Reserve Projects											
-Crawford Lake Boardwalk		62,753	-	1,200,000	-	1,200,000		-	-		
-Kelso Quarry Park / Area 8		-	-	547,500		547,500		-	-		
<b>TOTAL CAPITAL CONSERVATION LANDS &amp; RECREATION (Recreation)</b>		275.5%	1,068,036	1,243,113	4,667,806	-	-	2,397,500	-	2,270,306	-
<b>TOTAL CAPITAL PROJECTS</b>		83.5%	5,249,495	5,174,136	9,494,727	-	298,000	5,356,500	-	3,695,227	145,000



# 2024 PRELIMINARY OPERATING BUDGET & FORECAST

2024 - 2033





# FORECAST 2024 - 2033

## 2024 PRELIMINARY OPERATING BUDGET

### Conservation Halton WMSS Operating Expenditures

#### Salaries & Benefits

Balance, beginning of year	15,243,204	15,817,000	16,346,000	16,888,000	17,446,000	18,020,000	18,611,000	19,218,000	19,841,000	20,482,000
Staffing changes (2024 3.0 FTE increase; 2 FTE 2025-2033)	419,266	188,000	192,000	196,000	200,000	204,000	208,000	212,000	216,000	220,000
Part time staff changes	(67,003)	-	-	-	-	-	-	-	-	-
Compensation changes (2024 2.5%, 2025-33 2% inflation; 96% of range)	150,428	250,000	256,000	265,000	274,000	283,000	292,000	301,000	311,000	321,000
Increase in benefits (2024 5%; 2025-2033 2% inflation)	71,105	91,000	94,000	97,000	100,000	104,000	107,000	110,000	114,000	118,000
<b>Balance, end of year</b>	<b>15,817,000</b>	<b>16,346,000</b>	<b>16,888,000</b>	<b>17,446,000</b>	<b>18,020,000</b>	<b>18,611,000</b>	<b>19,218,000</b>	<b>19,841,000</b>	<b>20,482,000</b>	<b>21,141,000</b>

#### Materials & Supplies

Balance, beginning of year restated	1,134,331	946,150	965,050	984,350	1,004,050	1,024,150	1,044,650	1,065,550	1,086,850	1,108,550
Partnership Projects materials and supplies	(235,446)									
Corporate Administration & Operations materials	19,500									
General decrease and increases (Assumed 2024-2033 2% inflation)	27,765	18,900	19,300	19,700	20,100	20,500	20,900	21,300	21,700	22,200
<b>Balance, end of year</b>	<b>946,150</b>	<b>965,050</b>	<b>984,350</b>	<b>1,004,050</b>	<b>1,024,150</b>	<b>1,044,650</b>	<b>1,065,550</b>	<b>1,086,850</b>	<b>1,108,550</b>	<b>1,130,750</b>

#### Purchased Services

Balance, beginning of year restated	3,056,278	3,731,391	3,806,391	3,882,391	3,960,391	4,039,391	4,120,391	4,202,391	4,286,391	4,372,391
Partnership Projects purchased services	643,925									
General increases (decreases) (Assumed 2025-2033 2% inflation)	31,188	75,000	76,000	78,000	79,000	81,000	82,000	84,000	86,000	87,000
<b>Balance, end of year</b>	<b>3,731,391</b>	<b>3,806,391</b>	<b>3,882,391</b>	<b>3,960,391</b>	<b>4,039,391</b>	<b>4,120,391</b>	<b>4,202,391</b>	<b>4,286,391</b>	<b>4,372,391</b>	<b>4,459,391</b>

#### Financial

Balance, beginning of year	60,130	61,400	62,600	63,900	65,200	66,500	67,800	69,200	70,600	72,000
General increases and decreases (2024-2033 Assumed 2.0% inflation)	1,270	1,200	1,300	1,300	1,300	1,300	1,400	1,400	1,400	1,400
<b>Balance, end of year</b>	<b>61,400</b>	<b>62,600</b>	<b>63,900</b>	<b>65,200</b>	<b>66,500</b>	<b>67,800</b>	<b>69,200</b>	<b>70,600</b>	<b>72,000</b>	<b>73,400</b>

#### Internal Chargebacks

Balance, beginning of year restated	1,053,585	1,100,234	1,122,239	1,144,684	1,167,578	1,190,930	1,214,749	1,239,044	1,263,825	1,289,102
Project and General increases	46,649	22,005	22,445	22,894	23,352	23,819	24,295	24,781	25,277	25,782
<b>Balance, end of year</b>	<b>1,100,234</b>	<b>1,122,239</b>	<b>1,144,684</b>	<b>1,167,578</b>	<b>1,190,930</b>	<b>1,214,749</b>	<b>1,239,044</b>	<b>1,263,825</b>	<b>1,289,102</b>	<b>1,314,884</b>

# FORECAST 2024 - 2033

## 2024 PRELIMINARY OPERATING BUDGET

Conservation Halton WMSS Operating Expenditures	Ten Year Operating Expenditures and Funding Budget & Forecast Watershed Management & Support Services (WMSS)									
	2024 Preliminary	2025	2026	2027	2028	2029	2030	2031	2032	2033
<b>Debt Financing Charges (Hamilton Community Fdn. &amp; Halton Region)</b>										
Balance, beginning of year	580,126	630,827	655,638	549,867	520,407	509,802	499,717	489,632	479,548	469,463
Decrease in debt financing charges - Ham. Comm. Foundation	-	(25,000)	(25,000)	-	-	-	-	-	-	-
Increase/(decrease) in debt financing charges - Halton Region	50,701	49,811	(80,771)	(29,460)	(10,605)	(10,085)	(10,085)	(10,084)	(10,085)	(10,085)
<b>Total Debt Financing Charges</b>	<b>630,827</b>	<b>655,638</b>	<b>549,867</b>	<b>520,407</b>	<b>509,802</b>	<b>499,717</b>	<b>489,632</b>	<b>479,548</b>	<b>469,463</b>	<b>459,378</b>
Transfer to Reserves - State of Good Repair Levy (Dams & Channels)	415,700	476,300	545,900	625,500	716,900	745,500	775,400	806,400	838,600	872,200
Transfer to Reserves - State of Good Repair Levy (Buildings)	183,900	190,700	197,800	205,100	212,700	220,600	228,800	237,300	246,100	255,200
Transfer to Reserves - Land Securement	-	-	-	-	-	-	-	-	-	-
Transfers to Reserves - Motor Pool	-	-	200,000	250,000	-	100,000	150,000	50,000	100,000	100,000
<b>Total Operating Expenses - WMSS</b>	<b>22,886,602</b>	<b>23,624,918</b>	<b>24,456,892</b>	<b>25,044,226</b>	<b>25,780,373</b>	<b>26,624,407</b>	<b>27,438,017</b>	<b>28,121,914</b>	<b>28,978,206</b>	<b>29,806,203</b>
<b>Funding of Operating Expenditures</b>										
Program Revenue	3,585,831	3,765,100	3,953,400	4,032,500	4,113,200	4,318,900	4,405,300	4,493,400	4,583,300	4,675,000
Provincial (Ministry NDMNRF) - Operating Grant	155,034	155,034	155,034	155,034	155,034	155,034	155,034	155,034	155,034	155,034
Municipal Funding - Operating (Total incl. Education)	11,028,848	11,380,361	11,824,192	12,094,924	12,497,724	13,072,867	13,602,147	13,995,478	14,554,770	15,078,637
Municipal State of Good Repair Levies - Dams & Channels and Buildings	599,600	667,000	743,700	830,600	929,600	966,100	1,004,200	1,043,700	1,084,700	1,127,400
Other Grants & Program Funding	4,377,542	4,462,600	4,549,300	4,637,800	4,728,100	4,820,200	4,914,100	5,009,800	5,107,400	5,207,100
Internal Chargeback Recoveries	2,892,248	2,994,823	3,101,266	3,163,368	3,226,715	3,291,306	3,357,236	3,424,502	3,493,002	3,563,032
Transfers from Reserves - Legal, WMSS Stabilization, Water Festival, Stewardship and Restoration	247,500	200,000	130,000	330,000	130,000	-	-	-	-	-
<b>Total Operating Funding - WMSS</b>	<b>22,886,602</b>	<b>23,624,918</b>	<b>24,456,892</b>	<b>25,044,226</b>	<b>25,780,373</b>	<b>26,624,407</b>	<b>27,438,017</b>	<b>28,121,914</b>	<b>28,978,206</b>	<b>29,806,203</b>

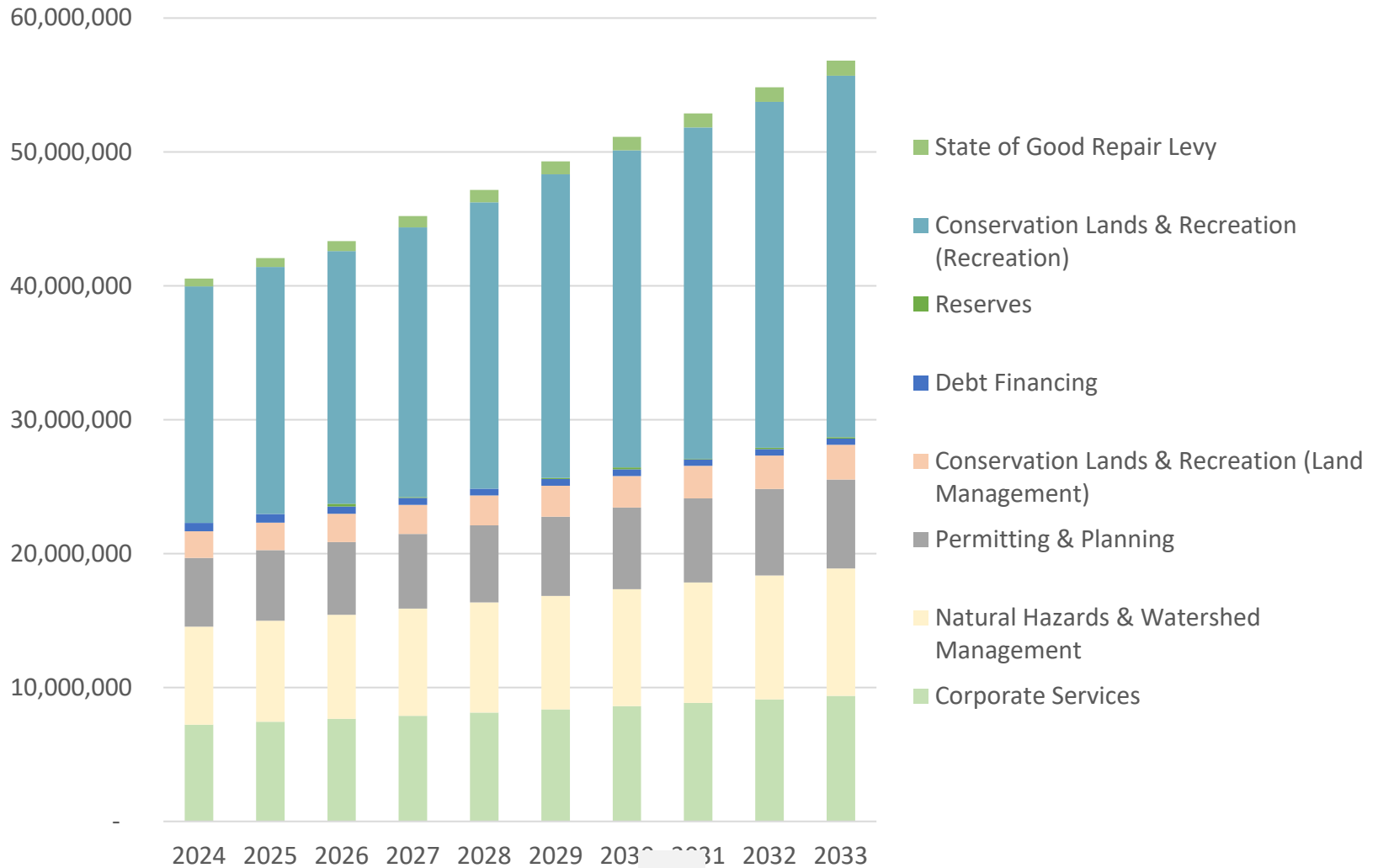
# FORECAST 2024 - 2033

## 2024 PRELIMINARY OPERATING BUDGET

<b>Conservation Halton Conservation Lands &amp; Recreation (Recreation)</b>	<b>2024 Preliminary</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>2029</b>	<b>2030</b>	<b>2031</b>	<b>2032</b>	<b>2033</b>
Salaries & Benefits	9,246,313	9,523,702	9,809,413	10,103,696	10,406,807	10,719,011	11,040,581	11,371,799	11,712,953	12,064,341
Materials & Supplies	2,075,682	2,179,466	2,288,439	2,402,861	2,523,004	2,649,155	2,781,612	2,920,693	3,066,728	3,220,064
Purchased Services	2,579,478	2,708,452	2,843,874	2,986,068	3,135,372	3,292,140	3,456,747	3,629,585	3,811,064	4,001,617
Financial	590,200	602,004	614,044	626,325	638,851	661,211	684,354	708,306	733,097	758,755
Debt Financing Charges					531,024	531,024	531,024	531,024	531,024	531,024
Internal Chargebacks - Corporate Services	1,868,500	1,905,900	1,944,000	1,982,900	2,022,600	2,063,100	2,104,400	2,146,500	2,189,400	2,233,200
Transfer to Reserve - Operating Surplus	1,299,163	1,529,764	1,379,395	2,053,067	2,116,761	2,760,131	3,086,721	3,433,687	3,802,161	4,193,231
<b>Total Operating Expenses - Conservation Lands &amp; Recreation (Recreation)</b>	<b>17,659,336</b>	<b>18,449,288</b>	<b>18,879,166</b>	<b>20,154,917</b>	<b>21,374,419</b>	<b>22,675,772</b>	<b>23,685,439</b>	<b>24,741,593</b>	<b>25,846,425</b>	<b>27,002,233</b>
<b>Operating Funding - Conservation Areas</b>										
Program Fees	17,186,430	17,989,976	18,410,668	19,677,049	20,886,993	22,178,598	23,178,321	24,224,333	25,318,820	26,464,075
Transfer from Reserve (Outreach)	22,600	-	-	-	-	-	-	-	-	-
Municipal Funding - Park Education programs & Outreach	369,986	377,386	384,933	392,632	400,485	408,494	416,664	424,998	433,498	442,168
Internal Chargeback Recoveries	80,320	81,926	83,565	85,236	86,941	88,680	90,453	92,262	94,108	95,990
<b>Total Operating Funding - Conservation Lands &amp; Recreation (Recreation)</b>	<b>17,659,336</b>	<b>18,449,288</b>	<b>18,879,166</b>	<b>20,154,917</b>	<b>21,374,419</b>	<b>22,675,772</b>	<b>23,685,439</b>	<b>24,741,593</b>	<b>25,846,425</b>	<b>27,002,233</b>

# FORECAST 2024 - 2033

## 2024 PRELIMINARY OPERATING BUDGET





# 2024 PRELIMINARY CAPITAL BUDGET & FORECAST

2024 - 2033



# FORECAST 2024 - 2032

## 2024 PRELIMINARY CAPITAL BUDGET

Conservation Halton WMSS Capital Expenditures	Ten Year Capital Expenditures and Funding Budget & Forecast - Watershed Management & Support Services									
	2024 Preliminary	2025	2026	2027	2028	2029	2030	2031	2032	2033
<b>Corporate Services</b>										
Asset Management Plan	50,000	-	-	-	60,000	60,000	-	-	-	-
Program Rates & Fees Review	-	-	-	-	40,000	-	-	-	-	45,000
Compensation Review	-	32,000	-	-	-	35,000	-	-	-	-
GIS Data Acquisition	-	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000
Website Upgrade	-	-	-	-	50,000	-	-	-	-	-
IT Infrastructure - upgrades - WMSS	60,000	93,000	78,000	58,000	85,000	103,000	78,000	113,000	93,000	66,000
Administration Office & Other Facility Renovations	172,000	204,468	170,595	80,633	225,179	99,936	316,413	406,574	319,101	195,908
Central Works Operations Centre & Field Office	2,000,000	-	-	-	-	-	-	-	-	-
Fleet Management	224,921	155,000	217,500	253,000	(1,500)	61,500	173,500	(35,500)	121,000	150,000
<b>Total Corporate Services</b>	<b>2,506,921</b>	<b>499,468</b>	<b>481,095</b>	<b>406,633</b>	<b>473,679</b>	<b>374,436</b>	<b>582,913</b>	<b>499,074</b>	<b>548,101</b>	<b>471,908</b>
<b>Natural Hazards &amp; Watershed Management</b>										
<b>Flood Forecasting &amp; Operations</b>										
Flood Forecasting & Warning Program	35,000	50,000	75,000	75,000	75,000	50,000	50,000	50,000	50,000	50,000
Dams and Channels Major Maintenance Projects:										
Scotch Block Dam	188,000	-	-	-	132,000	-	-	-	-	-
Hilton Falls Dam	246,000	-	-	-	-	103,000	-	-	-	-
Kelso Dam	-	-	-	-	-	103,000	-	-	-	25,000
Mountsberg Dam	-	-	-	-	-	-	-	-	116,000	-
Morrison-Wedgewood Channel	53,000	110,000	480,000	498,000	518,000	539,000	560,000	647,000	606,000	266,500
Other Dams and Channels	134,000	1,022,000	623,000	781,000	721,000	752,000	905,000	852,000	846,000	423,000
Dam Public Safety Projects	-	-	54,000	69,000	-	-	-	-	-	-
	<b>656,000</b>	<b>1,182,000</b>	<b>1,232,000</b>	<b>1,423,000</b>	<b>1,446,000</b>	<b>1,547,000</b>	<b>1,515,000</b>	<b>1,549,000</b>	<b>1,618,000</b>	<b>764,500</b>
<b>Watershed Strategies &amp; Climate Change</b>										
Watershed Strategies & Climate Change	80,000	82,000	84,000	86,000	88,000	90,000	92,000	94,000	96,000	98,000
	<b>80,000</b>	<b>82,000</b>	<b>84,000</b>	<b>86,000</b>	<b>88,000</b>	<b>90,000</b>	<b>92,000</b>	<b>94,000</b>	<b>96,000</b>	<b>98,000</b>
<b>Total Natural Hazards &amp; Watershed Management</b>	<b>736,000</b>	<b>1,264,000</b>	<b>1,316,000</b>	<b>1,509,000</b>	<b>1,534,000</b>	<b>1,637,000</b>	<b>1,607,000</b>	<b>1,643,000</b>	<b>1,714,000</b>	<b>862,500</b>

# FORECAST 2024 - 2033

## 2024 PRELIMINARY CAPITAL BUDGET

	Ten Year Capital Expenditures and Funding Budget & Forecast - Watershed Management & Support Services									
	2024 Preliminary	2025	2026	2027	2028	2029	2030	2031	2032	2033
<b>Conservation Halton WMSS Capital Expenditures</b>										
<b>Permitting &amp; Planning</b>										
Flood Plain Mapping (Updates; 2027 & on ongoing maintenance)	500,000	525,000	240,000	100,000	102,000	104,000	106,000	108,000	110,000	112,000
<b>Total Permitting &amp; Planning</b>	500,000	525,000	240,000	100,000	102,000	104,000	106,000	108,000	110,000	112,000
<b>Conservation Lands &amp; Recreation (Land Management)</b>										
Watershed Implementation Plan	-	-	-	75,000	75,000	100,000	100,000	100,000	100,000	100,000
Spongy / LDD Moth Management	100,000	-	-	-	-	-	-	-	-	-
Emerald Ash Borer (EAB) Management	834,000	794,000	794,000	-	-	-	-	-	-	-
Conservation Halton Foundation funded projects	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000
Property Management Projects	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	-
<b>Total Conservation Lands &amp; Rec. (Land Mgmt)</b>	1,084,000	944,000	944,000	225,000	225,000	250,000	250,000	250,000	250,000	200,000
<b>Total Capital Expenditures - WMSS</b>	<b>4,826,921</b>	<b>3,232,468</b>	<b>2,981,095</b>	<b>2,240,633</b>	<b>2,334,679</b>	<b>2,365,436</b>	<b>2,545,913</b>	<b>2,500,074</b>	<b>2,622,101</b>	<b>1,646,408</b>

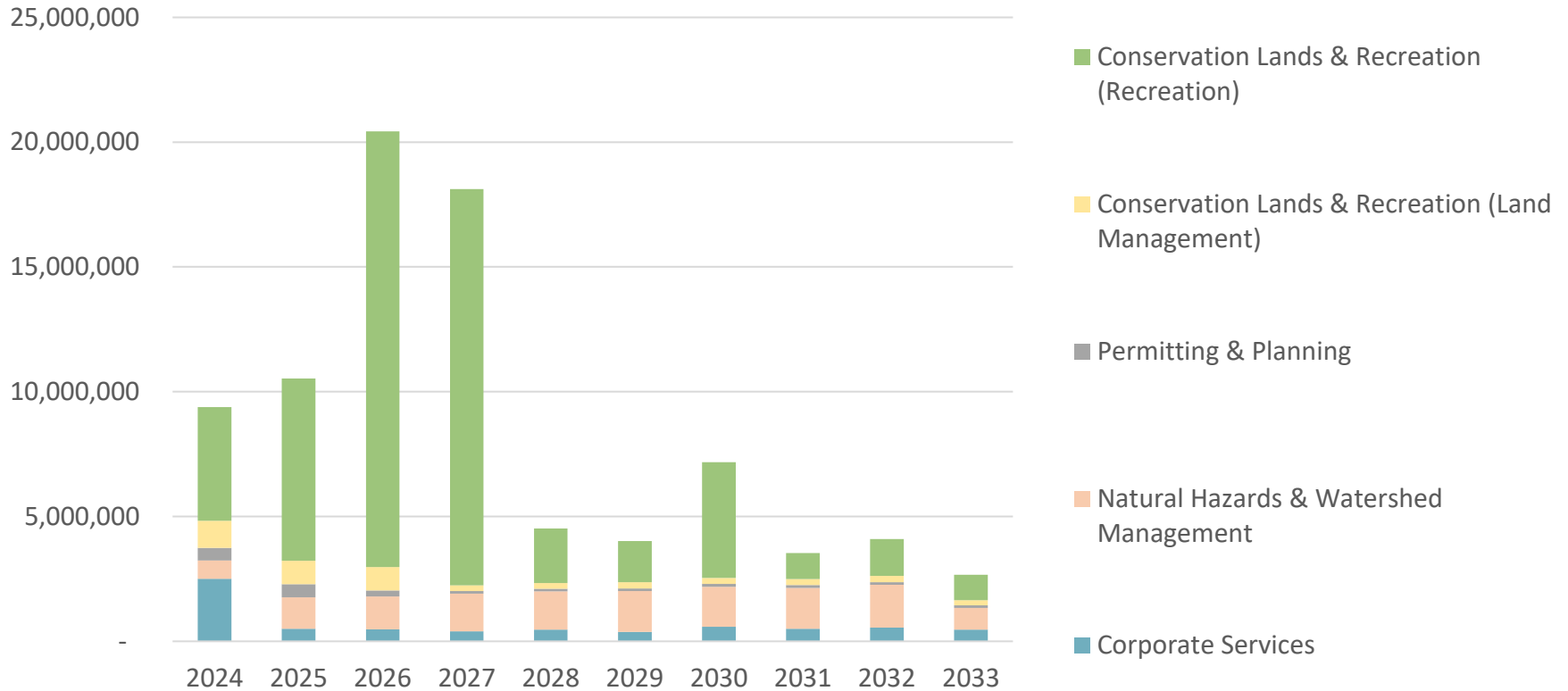
# FORECAST 2024 - 2033

## 2024 PRELIMINARY CAPITAL BUDGET

Conservation Halton Conservation Lands & Recreation (Recreation) Capital Expenditures	Ten Year Capital Expenditures and Funding Budget & Forecast - Conservation Lands & Recreation (Recreation)									
	2024 Preliminary	2025	2026	2027	2028	2029	2030	2031	2032	2033
<b>Capital Expenditures Conservation Lands &amp; Recreation (Recreation)</b>										
Expenditures funded by capital reserve:										
Vehicle and equipment replacement	252,306	239,000	196,500	69,500	153,500	88,500	284,500	51,500	141,500	170,000
Facility and Infrastructure Major Maintenance	2,170,000	1,445,000	475,000	385,000	830,000	455,000	30,000	30,000	530,000	600,000
Ski/Snowboarding Capital Expenditures	385,000	1,135,000	645,000	2,795,000	1,070,000	1,025,000	4,200,000	875,000	725,000	175,000
Park Master Plans	-	-	50,000	50,000	50,000	-	-	-	-	-
Program Rates & Fees Review										
Information Technology Infrastructure	113,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000
<b>Subtotal Capital Expenditures Conservation Areas</b>	<b>2,920,306</b>	<b>2,899,000</b>	<b>1,446,500</b>	<b>3,379,500</b>	<b>2,183,500</b>	<b>1,648,500</b>	<b>4,594,500</b>	<b>1,036,500</b>	<b>1,476,500</b>	<b>1,025,000</b>
<b>Developer Contribution Reserve Projects</b>										
Projects partly funded by Development Contributions										
Kelso/Glen Eden Water Distribution and Collection										
Kelso Recreation and Trail Centre	185,000	900,000	12,500,000	12,500,000						
Crawford Lake Visitor Centre and Education Facility	362,500	3,500,000	3,500,000							
Crawford Lake Boardwalk	1,200,000									
Park projects funded by grants & CH Foundation (including										
<b>Subtotal Costs - Developer Contribution Resreve Projects</b>	<b>1,747,500</b>	<b>4,400,000</b>	<b>16,000,000</b>	<b>12,500,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Conservation Lands &amp; Recreation (Recreation) Capital Expenditures</b>	<b>4,667,806</b>	<b>7,299,000</b>	<b>17,446,500</b>	<b>15,879,500</b>	<b>2,183,500</b>	<b>1,648,500</b>	<b>4,594,500</b>	<b>1,036,500</b>	<b>1,476,500</b>	<b>1,025,000</b>
<b>Funding - Developer Contribution Projects</b>										
Developer Contributions - Region of Halton	1,747,500	2,056,300	12,972,100	3,524,100						
Interest on Developer Contributions - estimate		593,700	527,900					-	-	-
Transfer from Reserves				6,475,900						
Conservation Halton Foundation & Other Funding		1,750,000	2,500,000	2,500,000	-	-	-	-	-	-
<b>Subtotal Funding-Developer Contribution Projects</b>	<b>1,747,500</b>	<b>4,400,000</b>	<b>16,000,000</b>	<b>12,500,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Funding - Capital Expenditures Conservation Lands &amp; Recreation (Recreation)</b>										
Conservation Halton Foundation & Other Funding	650,000	263,000	276,000	290,000	305,000	320,000	336,000	353,000	371,000	390,000
Transfer from Reserves	2,270,306	2,636,000	1,170,500	3,089,500	1,878,500	1,328,500	4,258,500	683,500	1,105,500	635,000
<b>Total Conservation Lands &amp; Recreation (Recreation) Capital Funding</b>	<b>4,667,806</b>	<b>7,299,000</b>	<b>17,446,500</b>	<b>15,879,500</b>	<b>2,183,500</b>	<b>1,648,500</b>	<b>4,594,500</b>	<b>1,036,500</b>	<b>1,476,500</b>	<b>1,025,000</b>

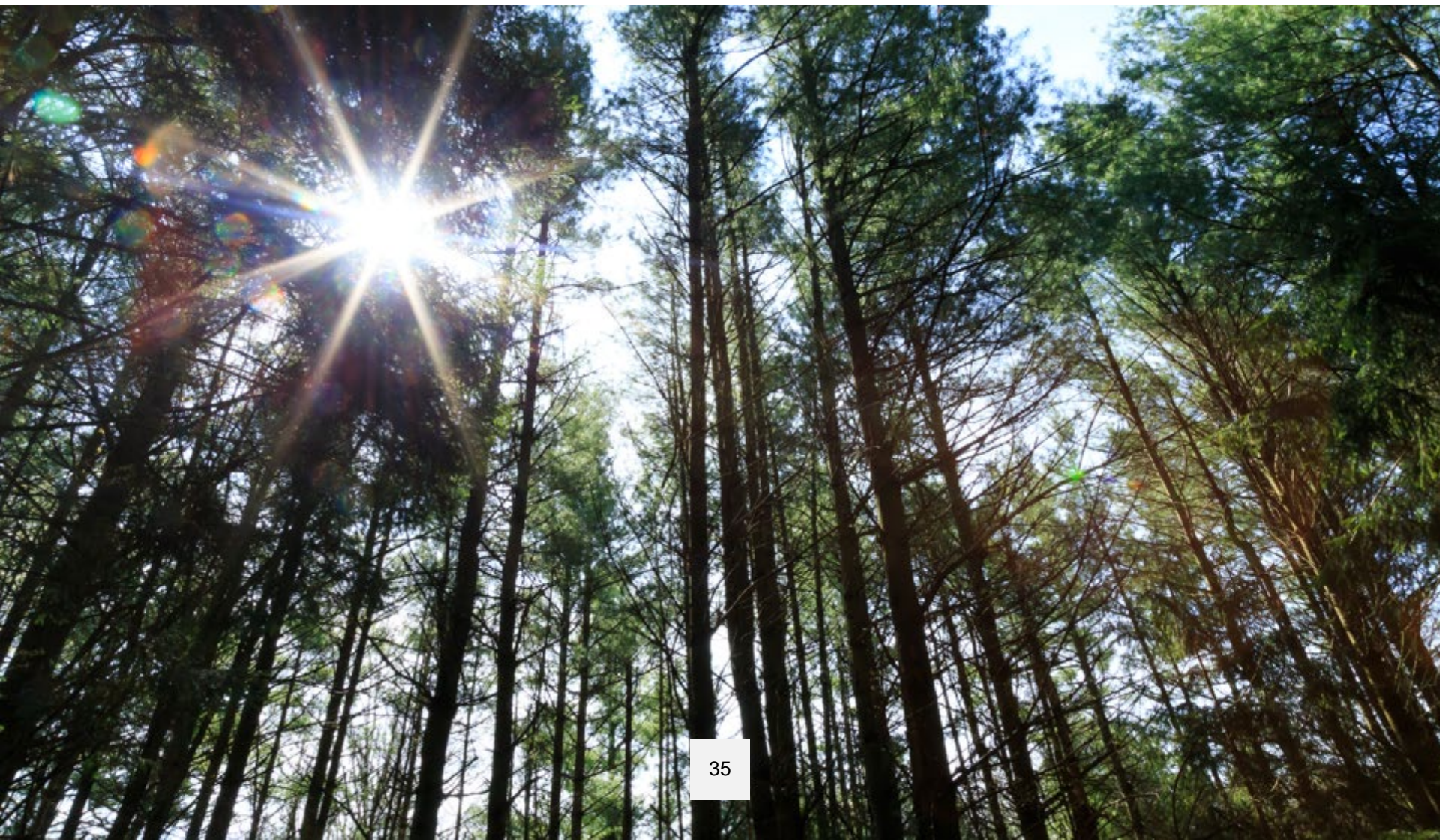
# FORECAST 2024 - 2032

## 2024 PRELIMINARY CAPITAL BUDGET





# 2024 PRELIMINARY BUDGET: **MUNICIPAL FUNDING**



## 2024 PRELIMINARY BUDGET: MUNICIPAL FUNDING

Municipal Funding	2024 Preliminary Budget	2024 Municipal Funding	2023 Municipal Funding	Municipal Funding Increase
Operating (excl. SOGR levy)	\$39,946,338	\$11,028,848	\$10,376,835	6.3%
Capital	9,494,727	145,000	382,000	-62.0%
State of Good Repair (SOGR)	49,441,065	11,173,848	10,758,835	3.9%
Levy - Dams & Channels; Facilities	599,600	599,600	540,000	11.0%
<b>Total</b>	<b>\$50,040,665</b>	<b>\$11,773,448</b>	<b>\$11,298,835</b>	<b>4.2%</b>



## 2024 PRELIMINARY MUNICIPAL APPORTIONMENT

Municipal funding is apportioned to the Region of Halton, City of Hamilton, Region of Peel and Township of Puslinch according to Ontario Regulation 402/22.

Apportionment refers to the proportion of funding allocated to the municipalities within the Conservation Halton watershed. The municipal apportionment percentages are provided annually to Conservation Authorities by the Ontario Ministry of Natural Resources and Forestry.

Conservation Halton apportions Category 1 and Category 2 costs as defined in the Conservation Halton Programs & Services Inventory costs. Costs are apportioned on the basis of the benefit derived or to be derived by each participating municipality determined by

calculating the ratio that each participating municipality's current value assessment modified for the area of the municipality that lies within the watershed to the total modified current value assessment in the Conservation Halton watershed.

Memorandums of Understanding (MOU's) with participating municipalities for Category 2 costs will allow for continued apportionment of these costs as services provided by Conservation Halton through the MOU. There is no municipal funding in the 2024 preliminary budget for Category 3 Programs & Services.

The 2024 preliminary apportionment is based on 2023 apportionment percentages. Updated current value assessment data and apportionment will be received from the province in September 2023.

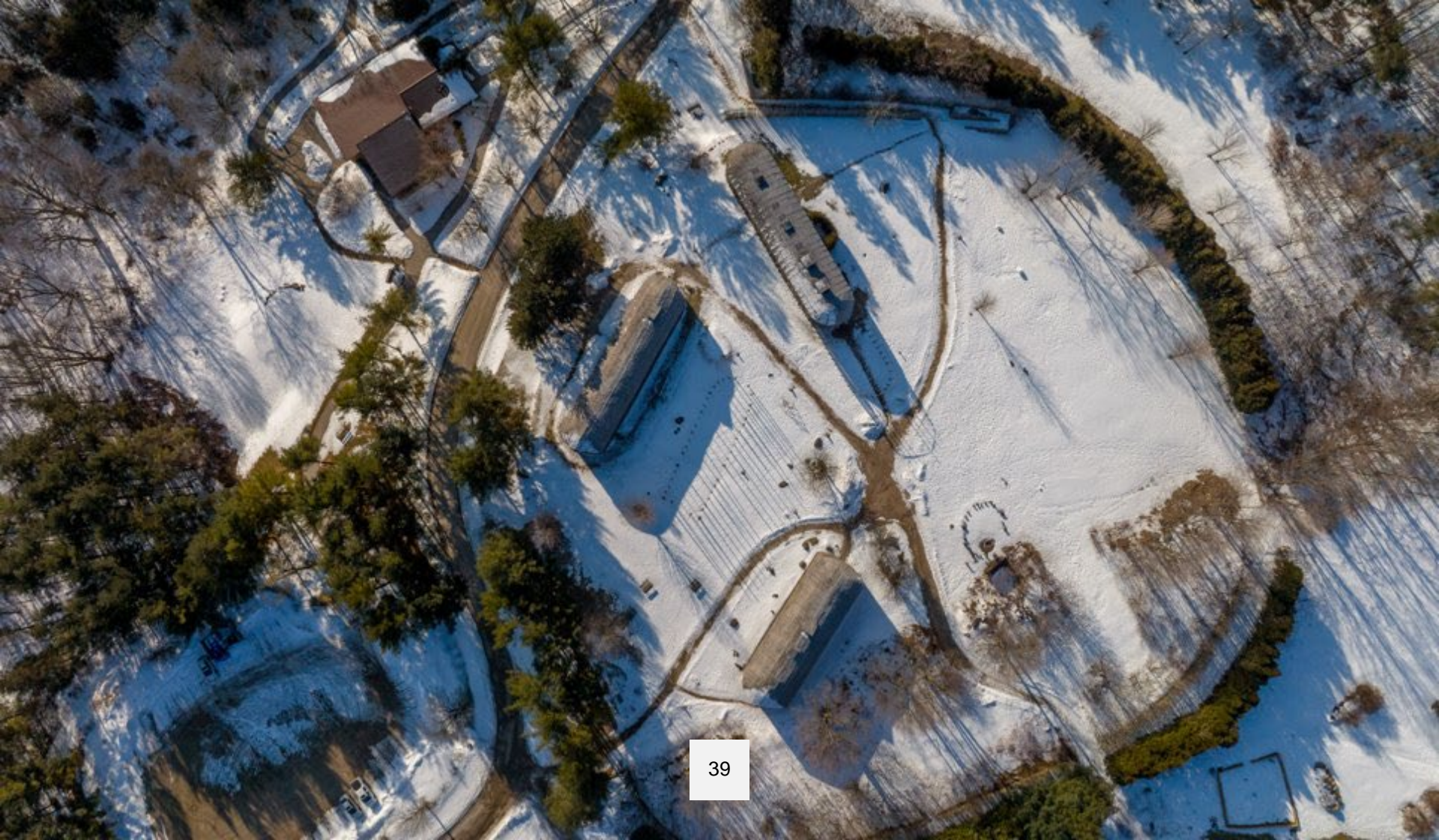
<b>Municipality:</b>	<b>2024 Apportionment (%)</b>	<b>2024 Municipal Funding (\$)</b>	<b>2023 Apportionment (%)</b>	<b>2023 Municipal Funding (\$)</b>	<b>% Increase</b>
Region of Halton	87.9192%	\$10,351,122	87.9192%	\$9,933,846	4.2%
City of Hamilton*	7.1961%	\$847,229	7.1961%	813,075	4.2%
Region of Peel	4.6664%	\$549,396	4.6664%	527,249	4.2%
Township of Puslinch	0.2183%	\$25,701	0.2183%	24,665	4.2%
	<b>100%</b>	<b>\$11,773,448</b>	<b>100%</b>	<b>\$11,298,835</b>	

# 2024 PRELIMINARY MUNICIPAL FUNDING FORECAST

The State of Good Repair long-term financing strategy developed in the 2019 budget proposed a municipal funding increase in the budget and operating forecast between 4 – 4.5% annually. The annual increases will ensure funds are available to meet both current and future programming and organizational needs.

	BUDGET				
	2024 Preliminary	2025	2026	2027	2028
<b>Municipal Funding</b>					
Operating	\$ 11,028,848	\$ 11,380,361	\$ 11,824,192	\$ 12,094,924	\$ 12,497,724
Capital	\$ 145,000	\$ 252,000	\$ 252,000	\$ 459,000	\$ 555,000
Municipal Funding - Total excluding SOGR Levy	\$ 11,173,848	\$ 11,632,361	\$ 12,076,192	\$ 12,553,924	\$ 13,052,724
State of Good Repair (SOGR) Levy	\$ 599,600	\$ 667,000	\$ 743,700	\$ 830,600	\$ 929,600
<b>Municipal Funding - Total including SOGR Levy</b>	<b>\$ 11,773,448</b>	<b>\$ 12,299,361</b>	<b>\$ 12,819,892</b>	<b>\$ 13,384,524</b>	<b>\$ 13,982,324</b>
<b>% Change</b>	<b>4.2%</b>	<b>4.5%</b>	<b>4.2%</b>	<b>4.4%</b>	<b>4.5%</b>

# 2024 PRELIMINARY BUDGET: RESERVES



# RESERVES

Conservation Halton Reserves	Projected Reserves Balance Dec 31, 2023	Contribution from Surplus	State of Good Repair Levy	Contribution to Capital Projects	Contribution to Operating Expenses	Projected Reserves Balance Dec 31, 2024
<b>Watershed Management &amp; Support Services</b>						
Vehicle and Equipment	\$ 557,273			\$ (224,921)		\$ 332,352
Building	832,504			(500,000)		332,504
Building - State of Good Repair	403,920		183,900	(222,000)		365,820
Watershed Management Capital - Municipal Funds and Self-Generated Funds	1,395,079		415,700	(310,500)		1,500,279
Watershed Management & Support Services Stabilization	1,057,212			(80,000)	(100,000)	877,212
Capital Projects - Debt Financing Charges	518,146					518,146
Digital Transformation	285,700			-		285,700
Legal - Planning & Watershed Management	841,995				(100,000)	741,995
Legal - Corporate	200,000					200,000
Water Festival	169,334			-	(13,600)	155,734
Land Securement	141,239					141,239
Property Management	1,012,642			(100,000)		912,642
Stewardship and Restoration	306,888				(56,500)	250,388
<b>Conservation Areas</b>						
Capital	3,099,958	1,299,163		(2,270,306)		2,128,815
Stabilization	1,146,490					1,146,490
<b>Total Reserves</b>	<b>\$ 11,968,380</b>	<b>\$ 1,299,163</b>	<b>\$ 599,600</b>	<b>\$ (3,707,727)</b>	<b>\$ (270,100)</b>	<b>\$ 9,889,316</b>



# RESERVES CONTINUITY

Conservation Halton	Projected 2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
<b>Watershed Management &amp; Support Services Reserves</b>											
Vehicle and Equipment, beginning of year	\$ 744,296	\$ 557,273	\$ 332,352	\$ 177,352	\$ 159,852	\$ 156,852	\$ 158,352	\$ 196,852	\$ 173,352	\$ 258,852	\$ 237,852
Transfer to Reserve - From WMSS Reserve and municipal funding		-	-	200,000	250,000	-	100,000	150,000	50,000	100,000	100,000
Transfer from Reserve - Capital expenditures	(187,023)	(224,921)	(155,000)	(217,500)	(253,000)	1,500	(61,500)	(173,500)	35,500	(121,000)	(150,000)
<b>Vehicle and Equipment</b>	<b>\$ 557,273</b>	<b>\$ 332,352</b>	<b>\$ 177,352</b>	<b>\$ 159,852</b>	<b>\$ 156,852</b>	<b>\$ 158,352</b>	<b>\$ 196,852</b>	<b>\$ 173,352</b>	<b>\$ 258,852</b>	<b>\$ 237,852</b>	<b>\$ 187,852</b>
Building, beginning of year	\$ 511,151	\$ 832,504	\$ 332,504	\$ 332,504	\$ 332,504	\$ 332,504	\$ 332,504	\$ 332,504	\$ 332,504	\$ 332,504	\$ 292,504
Transfer from Reserve - Capital expenditures	321,353	(500,000)	-	-	-	-	-	-	-	(40,000)	-
<b>Building</b>	<b>\$ 832,504</b>	<b>\$ 332,504</b>	<b>\$ 332,504</b>	<b>\$ 332,504</b>	<b>\$ 332,504</b>	<b>\$ 332,504</b>	<b>\$ 332,504</b>	<b>\$ 332,504</b>	<b>\$ 332,504</b>	<b>\$ 292,504</b>	<b>\$ 292,504</b>
Building - State of Good Repair, beginning of year	\$ 485,404	\$ 403,920	\$ 365,820	\$ 352,052	\$ 379,257	\$ 503,724	\$ 431,245	\$ 491,909	\$ 404,296	\$ 235,022	\$ 202,021
Transfer to Reserve - SOGR Levy	177,300	183,900	190,700	197,800	205,100	212,700	220,600	228,800	237,300	246,100	255,200
Transfer from Reserve - Capital expenditures	(258,784)	(222,000)	(204,468)	(170,595)	(80,633)	(285,179)	(159,936)	(316,413)	(406,574)	(279,101)	(195,908)
<b>Building - State of Good Repair</b>	<b>\$ 403,920</b>	<b>\$ 365,820</b>	<b>\$ 352,052</b>	<b>\$ 379,257</b>	<b>\$ 503,724</b>	<b>\$ 431,245</b>	<b>\$ 491,909</b>	<b>\$ 404,296</b>	<b>\$ 235,022</b>	<b>\$ 202,021</b>	<b>\$ 261,313</b>
Watershed Mgmt Cap. -Municipal & Self Generated	\$ 1,242,379	\$ 1,395,079	\$ 1,500,279	\$ 1,410,579	\$ 1,377,979	\$ 1,329,479	\$ 1,360,879	\$ 1,357,879	\$ 1,400,779	\$ 1,457,679	\$ 1,512,279
Transfer to Reserves - SOGR Levy	362,700	415,700	476,300	545,900	625,500	716,900	745,500	775,400	806,400	838,600	872,200
Transfer from Reserves - Capital expenditures	(210,000)	(310,500)	(566,000)	(578,500)	(674,000)	(685,500)	(748,500)	(732,500)	(749,500)	(784,000)	(357,250)
<b>Watershed Management Capital - Municipal Funds and Self Generated Funds</b>	<b>\$ 1,395,079</b>	<b>\$ 1,500,279</b>	<b>\$ 1,410,579</b>	<b>\$ 1,377,979</b>	<b>\$ 1,329,479</b>	<b>\$ 1,360,879</b>	<b>\$ 1,357,879</b>	<b>\$ 1,400,779</b>	<b>\$ 1,457,679</b>	<b>\$ 1,512,279</b>	<b>\$ 2,027,229</b>
Watershed Mgmt & Support Services Stabilization	\$ 1,789,212	\$ 1,057,212	\$ 877,212	\$ 807,212	\$ 807,212	\$ 607,212	\$ 607,212	\$ 607,212	\$ 607,212	\$ 607,212	\$ 607,212
Transfer from Reserve	(732,000)	(180,000)	(70,000)	-	200,000	-	-	-	-	-	-
<b>Watershed Mgmt &amp; Support Serv. Stabilization</b>	<b>\$ 1,057,212</b>	<b>\$ 877,212</b>	<b>\$ 807,212</b>	<b>\$ 807,212</b>	<b>\$ 607,212</b>	<b>\$ 607,212</b>	<b>\$ 607,212</b>	<b>\$ 607,212</b>	<b>\$ 607,212</b>	<b>\$ 607,212</b>	<b>\$ 607,212</b>
<b>Capital Projects - Debt Financing Charges</b>	<b>\$ 518,146</b>	<b>\$ 518,146</b>	<b>\$ 518,146</b>	<b>\$ 518,146</b>	<b>\$ 518,146</b>	<b>\$ 518,146</b>	<b>\$ 518,146</b>	<b>\$ 518,146</b>	<b>\$ 518,146</b>	<b>\$ 518,146</b>	<b>\$ 518,146</b>
Digital Transformation, beginning of year	\$ 285,700	\$ 285,700	\$ 285,700	\$ 285,700	\$ 285,700	\$ 285,700	\$ 285,700	\$ 285,700	\$ 285,700	\$ 285,700	\$ 285,700
Transfer from Reserve	-	-	-	-	-	-	-	-	-	-	-
<b>Digital Transformation</b>	<b>\$ 285,700</b>	<b>\$ 285,700</b>	<b>\$ 285,700</b>	<b>\$ 285,700</b>	<b>\$ 285,700</b>	<b>\$ 285,700</b>	<b>\$ 285,700</b>	<b>\$ 285,700</b>	<b>\$ 285,700</b>	<b>\$ 285,700</b>	<b>\$ 285,700</b>



# RESERVES CONTINUITY

Conservation Halton	Projected 2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
<b>Watershed Management &amp; Support Services Reserves</b>											
Legal - Planning & Watershed Management Transfer from Reserve	\$ 941,995 (100,000)	841,995 (100,000)	741,995 (100,000)	641,995 (100,000)	541,995 (100,000)	441,995 (100,000)	341,995 -	341,995 -	341,995 -	341,995 -	341,995 -
<b>Legal - Planning &amp; Watershed Management</b>	<b>\$ 841,995</b>	<b>\$ 741,995</b>	<b>\$ 641,995</b>	<b>\$ 541,995</b>	<b>\$ 441,995</b>	<b>\$ 341,995</b>	<b>\$ 341,995</b>	<b>\$ 341,995</b>	<b>\$ 341,995</b>	<b>\$ 341,995</b>	<b>\$ 341,995</b>
<b>Legal - Corporate</b>	<b>\$ 200,000</b>	<b>\$ 200,000</b>	<b>\$ 200,000</b>	<b>\$ 200,000</b>	<b>\$ 200,000</b>	<b>\$ 200,000</b>	<b>\$ 200,000</b>	<b>\$ 200,000</b>	<b>\$ 200,000</b>	<b>\$ 200,000</b>	<b>\$ 200,000</b>
Water Festival Transfer from Reserve	\$ 179,334 (10,000)	\$ 169,334 (13,600)	\$ 155,734 (10,000)	\$ 145,734 (10,000)	\$ 135,734 (10,000)	\$ 125,734 (10,000)	\$ 115,734 -	\$ 115,734 -	\$ 115,734 -	\$ 115,734 -	\$ 115,734 -
<b>Water Festival</b>	<b>\$ 169,334</b>	<b>\$ 155,734</b>	<b>\$ 145,734</b>	<b>\$ 135,734</b>	<b>\$ 125,734</b>	<b>\$ 115,734</b>	<b>\$ 115,734</b>	<b>\$ 115,734</b>	<b>\$ 115,734</b>	<b>\$ 115,734</b>	<b>\$ 115,734</b>
Land Securement Transfer to Reserve - Reserve funding (municipal)	\$ 116,239 25,000	\$ 141,239 -	\$ 141,239 -	\$ 141,239 -	\$ 141,239 -	\$ 141,239 -	\$ 141,239 -	\$ 141,239 -	\$ 141,239 -	\$ 141,239 -	\$ 141,239 -
<b>Land Securement</b>	<b>\$ 141,239</b>	<b>\$ 141,239</b>	<b>\$ 141,239</b>	<b>\$ 141,239</b>	<b>\$ 141,239</b>	<b>\$ 141,239</b>	<b>\$ 141,239</b>	<b>\$ 141,239</b>	<b>\$ 141,239</b>	<b>\$ 141,239</b>	<b>\$ 141,239</b>
Property Management Transfer from Reserve	\$ 1,112,642 (100,000)	\$ 1,012,642 (100,000)	\$ 912,642 -	\$ 912,642 -	\$ 912,642 -	\$ 912,642 -	\$ 912,642 -	\$ 912,642 -	\$ 912,642 -	\$ 912,642 -	\$ 912,642 -
<b>Property Management</b>	<b>\$ 1,012,642</b>	<b>\$ 912,642</b>	<b>\$ 912,642</b>	<b>\$ 912,642</b>	<b>\$ 912,642</b>	<b>\$ 912,642</b>	<b>\$ 912,642</b>	<b>\$ 912,642</b>	<b>\$ 912,642</b>	<b>\$ 912,642</b>	<b>\$ 912,642</b>
Stewardship & Restoration Transfer to (from) Reserve	\$ 439,051 (132,163)	\$ 306,888 (56,500)	\$ 250,388 (20,000)	\$ 230,388 (20,000)	\$ 210,388 (20,000)	\$ 190,388 (20,000)	\$ 170,388 -	\$ 170,388 -	\$ 170,388 -	\$ 170,388 -	\$ 170,388 -
<b>Stewardship and Restoration</b>	<b>\$ 306,888</b>	<b>\$ 250,388</b>	<b>\$ 230,388</b>	<b>\$ 210,388</b>	<b>\$ 190,388</b>	<b>\$ 170,388</b>	<b>\$ 170,388</b>	<b>\$ 170,388</b>	<b>\$ 170,388</b>	<b>\$ 170,388</b>	<b>\$ 170,388</b>
<b>Conservation Areas</b>											
Stabilization	\$ 1,146,490	\$ 1,146,490	\$ 1,146,490	\$ 1,146,490	\$ 1,146,490	\$ 1,146,490	\$ 1,146,490	\$ 1,146,490	\$ 1,146,490	\$ 1,146,490	\$ 1,146,490
Transfer to Reserve - target balance	-	-	-	-	-	-	-	-	-	-	-
<b>Stabilization</b>	<b>\$ 1,146,490</b>	<b>\$ 1,146,490</b>	<b>\$ 1,146,490</b>	<b>\$ 1,146,490</b>	<b>\$ 1,146,490</b>	<b>\$ 1,146,490</b>	<b>\$ 1,146,490</b>	<b>\$ 1,146,490</b>	<b>\$ 1,146,490</b>	<b>\$ 1,146,490</b>	<b>\$ 1,146,490</b>
Capital	5,015,734	3,099,958	2,128,815	1,022,579	1,231,474	195,040	433,301	1,864,932	693,153	3,443,340	6,140,000
Transfer to Reserve - Operating Surplus	427,337	1,299,163	1,529,764	1,379,395	2,053,067	2,116,761	2,760,131	3,086,721	3,433,687	3,802,161	4,193,231
Transfer from Reserve - Capital expenditures	(2,343,113)	(2,270,306)	(2,636,000)	(1,170,500)	(3,089,500)	(1,878,500)	(1,328,500)	(4,258,500)	(683,500)	(1,105,500)	(635,000)
<b>Capital</b>	<b>\$ 3,099,958</b>	<b>\$ 2,128,815</b>	<b>\$ 1,022,579</b>	<b>\$ 1,231,474</b>	<b>\$ 195,040</b>	<b>\$ 433,301</b>	<b>\$ 1,864,932</b>	<b>\$ 693,153</b>	<b>\$ 3,443,340</b>	<b>\$ 6,140,000</b>	<b>\$ 9,698,231</b>
<b>TOTAL RESERVES</b>	<b>\$ 11,968,380</b>	<b>\$ 9,889,316</b>	<b>\$ 8,324,612</b>	<b>\$ 8,380,612</b>	<b>\$ 7,087,145</b>	<b>\$ 7,155,827</b>	<b>\$ 8,683,622</b>	<b>\$ 7,443,630</b>	<b>\$ 10,166,943</b>	<b>\$ 12,824,202</b>	<b>\$ 16,906,675</b>

# momentum

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## THANK YOU

### Diversity and Inclusion

We endeavor to understand, accept and appreciate the value of our differences and encourage authenticity.

### Learning and Innovation

We embrace the need for continuous improvement, the opportunity to learn from others and the benefits of sharing knowledge.

### Person-Centered Service

We make people a priority through customer-centric engagement, predictive problem-solving and high-quality service.

### Collaboration

We seek out and trust in the skills, expertise and experience of others in order to achieve our common ambition.

### Sustainability

We consider the environmental impact of everything we do and always keep future generations in mind when making decisions.

### Integrity

We make decisions with accountability, transparency and a strong sense of personal responsibility for our choices and actions.

### Resilience

We are positive and proud of our ability to quickly and effectively respond to change.

**REPORT TO:** Finance & Audit Committee

**REPORT NO: #** FA 02 23 02

**FROM:** Mark Vytvytskyy, Chief Operating Officer

**DATE:** June 9, 2023

**SUBJECT:** Developer Contribution Reserve Projects

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### Recommendation

THAT the Finance & Audit Committee **recommends to the Conservation Halton Board, the approval of the Crawford Lake Interpretive and Education Centre Developer Contribution Reserve (DCR) project as a priority project**

And

THAT the Finance & Audit Committee **recommends to the Conservation Halton Board, the approval of funding for the Crawford Lake Interpretive and Education Centre be from the DCR funds held by Halton Region**

And

THAT the Finance & Audit Committee **recommends to the Conservation Halton Board, approval of the closing of the Kelso/Glen Eden Water/Wastewater DCR Project**

And

THAT the Finance & Audit Committee **recommends to the Conservation Halton Board to direct staff to further investigate the feasibility of the Kelso/Glen Eden Recreation Centre project.**

### Executive Summary

In 2012, Halton Region collected approximately \$18M to fund projects in Conservation Halton (CH) Parks. The projects had to meet the following criteria:

- Projects must be of existing services/programs
- Projects must be needed due to population growth within Halton Region
- Projects must align with approved Master Plans

A list of priority projects was completed with 3 main projects identified as top priority:

- Kelso/Glen Eden Water/Wastewater
- Kelso/Glen Eden Recreation Centre
- Crawford Lake Interpretive and Education Centre

Business cases for these projects were presented and approved by the CH Board in 2017 and included in the 2018 budget. However, since then, staff have conducted further reviews to explore additional options and opportunities.

#### *Crawford Lake Boardwalk*

In 2019, a grant opportunity allowed CH to successfully apply for a grant for the replacement of the current boardwalk at Crawford Lake. The business case was approved by the Board and included in the 2022 budget at a total cost of \$2,280,000. This project was added as a priority to the DCR project list.

#### *Crawford Lake Interpretive and Education Centre*

Due to a high waitlist for educational programming and the aging condition of the current building, the Crawford Lake Interpretive and Education Centre remains a priority. This project was already included in the 2014 Master Plan. A business case (see Appendix 1) and feasibility study have been completed, and the project is intended to be funded through the Developer Contribution Reserve. Staff will continue to seek grants to support the project's funding.

In 2023, VG Architects was engaged to provide a feasibility study for the project. The study aligns with the 2014 Crawford Lake Master Plan which called for:

- **Improvements to the Visitor Centre:** A renewed and renovated visitor centre which will enhance overall customer experience and flow as well as better utilize the existing spaces to provide room for future programming growth. This will allow us to leverage opportunities to expand our existing events offerings with a focus on developing and strengthening genuine and respectful relationships with our Indigenous partners. The facility will utilize green building techniques to house visitor services, an auditorium for school groups, new retail and food services offerings, improved accessibility including barrier-free washrooms, improved staff spaces, and the facility will be reoriented to improve the connection to the parking lot.
- **Boardwalk Replacement:** The boardwalk has reached the end of its lifespan. Portions of the boardwalk have been closed to the public due to safety hazards, while other areas remain open but are not compliant with AODA guidelines. The boardwalk's narrow width, gaps in surfacing, open railings, and steep slopes require a redesign to meet AODA standards and the needs of our customers while providing unique experiences for visitors to engage with a world-class UNESCO heritage site.

#### *Kelso/Glen Eden Water/Wastewater*

After conducting studies and further discussions with the Ministry of the Environment, CH received permission for future water and wastewater systems to be built on the property. This eliminates the need to have municipal systems built to meet the requirements of Kelso/Glen Eden.

#### *Kelso/Glen Eden Recreation Centre*

Feasibility studies for a new recreation centre at Kelso/Glen Eden have been completed. However, further scoping and infrastructure assessments are necessary. Business case and feasibility study findings will be presented at a later date.

## Report

As noted above, the Crawford Lake Interpretive and Education Centre has remained a priority project.

The feasibility study noted that the building has several deficiencies that include outdated mechanical and electrical systems, poor energy efficiency, lack of barrier-free accessibility and failure to meet the current Ontario building code. The report included Class D pricing estimates as well as renderings and proposed floor plans. The building construction costs are estimated to be \$6.7M. The new building will include passive house design, be remodeled to be barrier free (including an elevator), a new exhibit space, an updated auditorium, and new classroom spaces.

The Crawford Lake Interpretive and Education Centre Business Case has been attached. The business case sets the foundation for the future of the site with a modern facility that meets the deficiencies listed in the feasibility report. Visitation is expected to increase by 5% which will impact various levels of funding to support the programs at the park.

The improved facilities related to the new Education and Interpretive Centre and Boardwalk present the opportunity for the following revenue streams:

- A. Increased school revenue through permanent exhibits that open the park up to programs that do not rely on the Longhouse Village, which is fully booked at present with a considerable wait list. Programs related to Indigenous ecological knowledge and the proposed Anthropocene Epoch research could be offered with appropriate exhibits in place.
- B. Increased local tourism gate revenue from September to June.
- C. Increased gate and giftshop/food services revenue from improved summer tourism based on engaging permanent exhibits, enhanced gift shop, and food services.
- D. Third Party Site Rentals (i.e., conferences, weddings).





## Impact on Strategic Goals

This report supports the following strategic goals:

### Nature and Parks

- Grow our network of parks and greenspaces to promote equitable access and provide unique experiences that connect people with nature and heritage
  - Develop and implement a new vision for CH Park spaces and infrastructure to ensure optimization of resources.

### Education, Empowerment and Engagement

- Inspire action by fostering an appreciation of our environment and heritage through leading edge educational programming and outdoor experiences with the environment
  - Build community awareness and support by demonstrating the value and impact of our programs and services
  - Provide learning opportunities and recreation programming of the highest quality by leveraging current research, cross-sector collaboration, and smart technologies

### Financial Impact

The Crawford Lake Interpretive and Education Centre is expected to cost approximately \$6.7M, with funding sourced from the Developer Contribution Reserve. In the 2024 preliminary budget, \$362,500 is allocated for further facility scoping, cost certainty and preliminary design. Construction costs for this project are expected to be included in the 2025 and 2026 capital budgets.

A business case is included as an appendix to this report. Conservative projections estimate that an increase from \$228,940 to \$573,350 in revenues could be expected, attributed to additional visitation and expanded programming capacity.

Signed & respectfully submitted:



Mark Vytvytskyy  
Chief Operating Officer

Approved for circulation:



Hassaan Basit  
President & CEO/Secretary-Treasurer

**FOR QUESTIONS ON CONTENT:**

Craig Machan, Director, Parks & Operations

[cmachan@hrca.on.ca](mailto:cmachan@hrca.on.ca)

## **Crawford Lake Interpretive & Education Centre and Boardwalk Business Case**

**May 2023**

### **Executive Summary**

This report is submitted in support of the construction of an Interpretive and Education Centre and upgrading the Boardwalk at Crawford Lake Conservation Area, as supported by the current park Master Plan. Within this document is an evaluation of relevant financial, environmental, planning, and business considerations associated with the implementation of this project.

### **Background Information**

Crawford Lake Conservation Area features spectacular natural and cultural heritage. As part of the UNESCO World Biosphere Reserve, Crawford Lake features a 500-year-old Ontario Heritage designated Longhouse Village, a rare meromictic lake, innovative programming, high customer service delivery standards, and efficient operations management. Roughly 90% of Crawford Lake's revenue is generated from user fees with the remaining 10% being funded from the Municipal Operating Levy for non-recreational education programs only.

As outlined in the current Crawford Lake Master Plan, the existing visitor centre, boardwalk, and ancillary facilities at Crawford Lake Conservation Area do not support the current requirements for excellence in education and programming as envisioned in Metamorphosis 2020 and reconfirmed in Momentum 2024. Constructed in 1983, the current visitor centre and boardwalk do not meet the demands and expectations of daily visitors, school groups, and destination tourism.

Total visitation for Crawford Lake was 20,040 in 1983, 107,543 in 2016 and 132,787 in 2022. Due to the high growth in numbers of school groups attending educational programs, there has been increased demand on all the facilities/infrastructure at the park. For example, the existing facilities are heavily used at peak times by school groups allowing little availability of facilities and programming for other visitors at these times. With 8 buses arriving daily and 100 students in the auditorium at peak capacity during the school season, the existing facility has been working beyond its intended capacity for many years. A larger and more well-laid out facility can help to expand opportunities for school programming, which will in turn reach more students.

Group and tourism usage during evenings, weekends, and holidays is underserved and creates a variety of ongoing visitor service, programming, and operational challenges, while also limiting the ability of Crawford Lake to meet its budgeted financial expectations which are largely user-fee generated. There is the opportunity for expansion through investment in modern facilities combined with aligned program development.

Arrival at Crawford Lake is via the main entrance from Conservation Road, off Guelph Line. Two parking and drop off locations exist. Primary parking occurs in the upper lot and secondary at the lower parking lot. The main destinations at Crawford Lake are the Iroquoian Village; the Visitor Centre; and the Boardwalk.

## Project Description

To provide an opportunity to address the above noted challenges, the 2014 Crawford Lake Master Plan, approved by the Niagara Escarpment Commission along with staff input, calls for:

- **Improvements to the Visitor Centre:** A renewed and renovated visitor centre which will enhance overall customer experience and flow, as well as better utilize the existing spaces to provide room for future programming growth. This allows us to leverage opportunities to expand our existing events offerings with a focus on developing and strengthening genuine and respectful relationships with our Indigenous partners. The facility will utilize green building techniques to house visitor services, an auditorium for school groups, new retail and food services offerings, improved accessibility including barrier-free washrooms, improved staff spaces, and the facility will be reoriented to improve the connection to the parking lot.
- **Boardwalk Replacement:** The boardwalk, which encircles the meromictic lake and features interpretive signage, lookout points, and seating areas, has reached the end of its lifespan. Portions of the boardwalk have been closed to the public due to safety hazards, while other areas remain open but are not compliant with AODA guidelines. The boardwalk's narrow width, gaps in surfacing, open railings, and steep slopes require a redesign to meet AODA standards and the needs of our customers while providing unique experiences for visitors to engage with a world-class UNESCO heritage site.

The construction of an Education and Interpretive Centre and upgrading the Boardwalk at Crawford Lake Conservation Area have been identified as a priority capital development project for the Conservation Halton Parks system. A Board Report, supported in principle by the Conservation Halton Board and prepared by senior staff, indicates that this project take priority for funding to be provided through Developer Contribution Reserve funding collected by Halton Region on behalf of Conservation Halton.

## Business Objective and Financial Benefits

The key business objectives for the construction of an Education and Interpretive Center and upgrading the Boardwalk at Crawford Lake are increased park visitation through improved accessibility for diverse audiences and retention of existing audiences. The proposed facilities will increase park visitation through the following four pathways:

- A. The first pathway is to improve access for underserved communities, such as those who are disabled and new Canadian communities. Current park facilities do not provide a satisfactory experience for these communities and consequently limit visitation from these sources of local tourism. Barriers include physical and communication gaps for people

with disabilities, and a lack of multilingual exhibits and signage for our diverse community. These deficits represent barriers not only to the people experiencing them, but also to those who would attend with them. Seniors bus tours, for example, will choose not to attend if several patrons on the bus cannot safely access the facilities and attractions.

- B. The second pathway is to create a space that builds on Crawford Lake's nascent attraction for international and out-of-region tourists. There is growing interest in the park from this sector with people from over 63 different countries choosing to visit during the summer of 2022. At present, these individuals find the park through local connections looking to expose guests to Indigenous history or what they perceive to be a unique Canadian experience. Visitor feedback indicates that this experience is of value to international tourists and with improved facilities, including high-quality permanent exhibits, food services, and a gift shop, we anticipate increased interest from this sector. With school programs on hiatus during the summer months, this sector would boost visitation during a time when the park has much room to grow.

These facilities would also help the site remain attractive to local and out of region tourists during the school season by ensuring adequate separate facilities for both the schools and general park guests.

- C. The third pathway is to provide a space that is suitable for mid-scale third party events. There has been increased interest from third parties for use of the park for conferences and events. Current facilities cannot accommodate a gathering of up to 100 individuals for a keynote address with rooms for breakout sessions. Based on interest demonstrated over the past five years, we anticipate at least one large event to take place at the park per year, with room to grow. This objective combined with the investment in tourism would help insulate the park from changes to the education sector that affect field trips, such as work stoppages or complications with bussing, which can be financially devastating.
- D. Finally, the fourth pathway is retention and growth of Crawford Lake's significant school presence. Curriculum-linked programming is Crawford Lake's single most significant product/service and improvements to the Education and Interpretive Centre and Boardwalk will ensure the park continues to meet the needs of the education sector well into the future. Current facilities are a barrier for students with physical special needs as washroom facilities do not meet the safety standard provided by school settings, where teachers and students have separate spaces and children have access to gender neutral bathrooms.

Undertaking these priority projects will provide a renewed and fresh vision for our park spaces and infrastructure to ensure optimization of resources and contribute to our sustainability, which directly aligns with Momentum 2024. Growing and updating our network of parks, greenspaces, and facilities helps to promote equitable access and provides unique experiences that connect people with nature for a growing population.



## Revenue Generation

Crawford Lake relies on user fee revenue to fund most operational and all capital budgets. The following streams represent the current financial foundation of the park:

- A. School Programs: When operating at full capacity, Crawford Lake interpretive program fees account for approximately \$460,000 per year.
- B. Gate Fees: Gate fees account for approximately \$321,000, not accounting for annual pass revenue which would also be positively impacted by these works.

The improved facilities related to the new Education and Interpretive Centre and Boardwalk present the opportunity for the following revenue streams:

- A. Increased school revenue through permanent exhibits that open the park up to programs that do not rely on the Longhouse Village, which is fully booked at present with a considerable wait list. Programs related to Indigenous ecological knowledge and the proposed Anthropocene Epoch research could be offered with appropriate exhibits in place.
- B. Increased local tourism gate revenue September to June.
- C. Increased gate and giftshop/food services revenue from improved summer tourism based on engaging permanent exhibits, enhanced gift shop, and food services.
- D. Third Party Site Rentals (i.e., conferences, weddings).

Change:	Cautious	Moderate	Optimistic
Increased Visitation	+2%, 2000 new visits, \$17,740 at current rate	+5%, 5000 new visits, \$44,350 at current rate	+7.5%, 19500 new visits, \$172,965 at current rate
Increased Educational Programming	+2% = 700 more students, \$11,200 new revenues	+5% = 1750 more students, \$28,000 new revenues	+7.5% = 2625 more students, \$42,000 new revenues
Add On Revenues	+\$2.00 / guest = \$200,000 new revenues	+\$5.00 / guest = \$500,000 new revenues	+\$10.00 / guest = \$1,000,000 new revenues
<b>TOTALS</b>	<b>\$228,940</b>	<b>\$572,350</b>	<b>\$1,214,965</b>

## Estimated Cost Savings from Building a New Facility

With the construction of an Education and Interpretive centre and upgrading the Boardwalk at Crawford Lake, there will be significant cost savings as it will be at least 15 years before any major upgrades will be needed to the new building.

According to Facility Condition Assessments prepared for the Facility Asset Management Plan (2019) the capital needs over the next 20 years were estimated at \$2.7M for this facility. The total estimated annual cost savings with the construction of a new facility would be \$135,000 over the next 20 years.

## Estimated Facility Operating Costs

Based on CH historical data and industry standards, the per sq. ft. operating costs (i.e., \$14.54) of the existing facilities have been applied to the proposed building gross floor area (approx. 12,000 sq. ft.) to estimate the annual facility operating costs of approx. \$175,000.

## Facility Maintenance & Renewal Costs

Based on CH historical data and industry standards, the annual facility maintenance and renewal costs have been estimated at 3% of facility construction costs and these costs would be incurred after year 15 of the facility lifespan.

## Strategic Alignment

Renovation of the education and interpretive centre at Crawford Lake Conservation Area links directly with a key Priority identified in Momentum 2024:

### Nature and Parks

- Grow our network of parks and greenspaces to promote equitable access and provide unique experiences that connect people with nature and heritage
  - Develop and implement a new vision for CH Park spaces and infrastructure to ensure optimization of resources.

### Education, Empowerment and Engagement

- Inspire action by fostering an appreciation of our environment and heritage through leading edge educational programming and outdoor experiences with the environment
  - Build community awareness and support by demonstrating the value and impact of our programs and services
  - Provide learning opportunities and recreation programming of the highest quality by leveraging current research, cross-sector collaboration, and smart technologies

The addition of these facilities will also greatly increase the ability to meet Key Service and Conservation Targets identified in Metamorphosis 2020 and reconfirmed in Momentum 2024:

- Plan for 10-year capital needs with a sustainable financing strategy.
- Increase self-generated revenue by 5-10 percent annually.
- Reach an average customer satisfaction rate of 90 percent across all service areas.

## Benefits

Visitation in 2016 was 107,543 and in 2022 it reached 132,787 which equates to approximately 3,606 new visitors each year for the past 7 years. A new refreshed facility provides an opportunity to accommodate more visitors and expand service offerings to new customers, including international and regional tourism, and provide more opportunities for the Indigenous community to gather.

For reference, Crawford Lake generates approximately \$800,000 (excluding annual pass sale allocation) annually in gross revenue.

As identified in Phase 3 of the Master Plan, the needs and opportunities of investing in built infrastructure required at Crawford Lake in an Interpretive and Education Centre and investing in upgrading the Boardwalk are unique. Currently, CH has engaged the services of the Ventin Group Architects Ltd. to conduct an Investigative Report which yielded the following principles:

- Ensure the building has a large auditorium for school groups and other events with a separate area for lunch. Staff, storage, and service space to be relocated to the lower level to provide front facing services on the main level e.g., gift shop, café, display space for exhibits and artifacts.
- Ensure the design considers the relationship to the exterior with covered outdoor areas, a new entrance, and a 'lookout' spot to help visitors orient themselves in the park. The building should be reoriented to improve connection to the parking and the park, and improve accessibility on multiple levels.
- Ensure the facility is unique to this site and speaks to the special natural and human history at Crawford Lake Conservation Area.
- Ensure the facility is large enough to accommodate future anticipated growth in visitation.
- Ensure the facility is flexible enough to accommodate a variety of programs, group sizes, and changes in venue type quickly.
- Ensure that the indoor and outdoor educational programs are closely linked and mutually supportive.
- Ensure that there is sufficient revenue generating space in the building, including rental spaces, gift shops, and support facilities such as a kitchen.
- Provide appropriate public support services and amenities for all group types and sizes.
- Engage LEED principles and utilize building strategies (such as green roof, solar panels, rainwater harvesting, low flow toilets, etc.) that can be used as part of the core environmental interpretive messaging.
- Provide a rational zoning of the facility to allow for public and non-public space as well as collection and non-collection spaces, thereby providing gallery quality security and environmental controls for only those areas where required.

- Ensure that the facility itself and related site programs create minimal impacts on the site relative to sensitive natural heritage areas, cultural heritage and archaeological zones, and the visual character of the site and landscape.

## Key Risk Drivers

As an important component of the Conservation Halton budget and operations as a whole, failure to meet the financial expectations associated with Crawford Lake Conservation Area will have immediate and long-term impacts in a variety of ways, including:

- Decrease of Conservation Halton's ability to invest in new capital infrastructure in its parks, as supported within current Master Plans.
- Decrease of Conservation Halton's ability to reinvest in existing capital infrastructure within its parks, as supported within current Master Plans.
- Limiting of the ability for Crawford Lake to act as appropriate stewards of the Longhouse Village.
- Limitation of visitation and/or cutback on certain program and service offerings.
- Increase strain on the ability to fund internal chargebacks without underfunding other key budget lines.
- Failure to meet applicable code and regulatory requirements.

The above 6 items can also be defined as the top risks associated with not moving forward with this project.

## Limitations

Archaeological: To support construction of this Interpretive and Educational Centre and depending on the extent of the renovation of the building and alterations to the site around the facility, an Archaeological Assessment according to the current Ministry of Tourism, Culture, and Sport Standards and Guidelines may be needed.

Financial: Meeting gross and net revenue expectations at Crawford Lake Conservation Area is difficult for a variety of reasons. Construction of an Interpretive and Education Centre and upgrading the Boardwalk will provide opportunity to mitigate, but not completely resolve, revenue generation challenges

Capacity: Crawford Lake experiences significant variation in levels of visitation. With at least 8 buses a day arriving to the site during the school season, the existing facility is working beyond its intended capacity. A larger, more well laid out facility can help to expand opportunities for school programming which will in turn reach more students. During the spring and fall months the facility reaches capacity on a regular basis, with weekend visitation being typically lower unless a special event is occurring. Winter and Summer months experience low visitation and may have the most immediate opportunity for growth. Capacity is determined and experienced in

a variety of ways including parking, program registration, point of access lineups, and facility space.

Weather: School visit, special event, and daily visitation at Crawford Lake are all significantly impacted when the weather is not favourable. Additions and improvements to facilities will not entirely remove this challenge and the financial impacts it creates.

Seasonality of Business: Growth in the recreation industry during the 'shoulder seasons' is very difficult with no quick or simple solution. Often this type of business growth is done with the purpose of maintaining year-round core staffing levels, maintaining awareness of parks programs and services, etc. 'Shoulder season' visitation should be invested in without straying far from the core business and have different financial expectations.

Competition: Although Crawford Lake is incredibly unique with its current and potential offerings, all forms of recreation and tourism provide competition to park business levels. However, history and nature of the site has the potential to create significant market differentiation.

Financial Accessibility: Crawford Lake, like any business, must ensure the cost for services meets the expectations of its customers. Increasing fees without investing in and/or improving services, programs, and operations can decrease customer confidence. This decrease in customer confidence can occur quickly and take significant periods of time to overcome. Despite the best of intentions, reinvesting in business offerings can create the need for increased fees that the customer may have preferred to avoid and tolerate existing service levels. For example, significantly increasing school visit fees to recoup investment costs will most likely decrease total school visitation; some students/schools may not be able to afford to visit.

## Project Justification

Until recently, construction of an Interpretive and Education Centre and upgrading the Boardwalk at Crawford Lake Conservation Area has been a financially unrealistic endeavour. Significant competing priorities for infrastructure spending from user fee generated reserves has been a historical challenge. While investing in the new Deer Clan Longhouse, refurbishing the Wolf and Turtle Clan Longhouses, etc. has positively impacted the visitor experience, it has left no opportunity to invest in the facilities proposed in this report.

However, formal securement of Developer Contribution Reserve funds to be spent specifically on park infrastructure that is needed to accommodate population growth, will provide opportunity for these facilities to be constructed while meeting the investment needs outlined in the Parks 10 Year capital Plan and Parks Master Plans.

Also, it should be noted that Conservation Halton was successful in receiving a \$1.7M in funding from the Investing in Canada Infrastructure Program (ICIP) grant which kickstarted the Crawford Lake Boardwalk project. Additional funding will be needed to complete this project.

As outlined in the 2014 Crawford Lake Master Plan, Metamorphosis 2020, and reconfirmed in Momentum 2024, this infrastructure will provide direct opportunities to engage business strategies to:



- Increase self-generated revenue by 5-10% annually.
- Plan for long-term capital needs with a sustainable financing strategy.
- Promote ecotourism opportunities and economic potential of our Parks.
- Attract new customers and retain current customers to increase annual membership sales and member retention.
- Review program delivery costs, revenue generation and public value for all programs, process, and functions.
- Investigate new business models for our lands to generate new sources of revenue and increase operational efficiency.

Failure to invest in, design, and implement these facilities without special consideration of the unique cultural needs and opportunities of the varied stakeholders of Crawford Lake can have negative impacts on Conservation Halton's ability to achieve the organizational priorities listed above.

## Implementation

Planning, permitting, design, funding, and logistical works associated with the construction of an Interpretive and Education Centre and upgrading the Boardwalk at Crawford Lake will require significant use of internal and external resources.

Ongoing works include:

### Planning, Permitting and Timeline:

- Approval, in principle, by the Conservation Halton Board identifying construction of an Interpretive and Education Centre and upgrading the Boardwalk at Crawford Lake as a priority project.
- The current Crawford Lake Master Plan has been endorsed by the Ministry of Natural Resources and Forestry and the Niagara Escarpment Commission.
- Conservation Halton has engaged the services of Ventin Group Architects Ltd. for an Investigative Report to produce preliminary concept designs and high-level budgeting for the construction of a new Interpretive and Education Centre at the Crawford Lake Conservation Area as a starting point to unlock Halton Region Developer Contribution Reserve funding to kick off future phases of this project.
- Conservation Halton has engaged the services of WSP Ltd. for a Concept Study to produce preliminary concept designs and high-level budgeting for the construction of a new Boardwalk around the lake at the Crawford Lake Conservation Area as a starting point to unlock Halton Region Developer Contribution Reserve funding to kick off future phases of this project.

- This project is anticipated to occur over a multi-year span. At the beginning we will be primarily focused on planning, permitting, regulatory, and cost certainty requirements. Subsequent years are anticipated to be the commencement and completion of physical works.
- Current scheduling projections anticipate detailed design, permit, tender and construction documents could take about 12 to 24 months with construction taking at least 12 to 16 months to complete. Earliest completion date is forecasted for Spring/Summer 2026 with operational readiness by late Summer/early Fall 2026.

### Funding & Budgeting:

- Project funding to be a combination of Halton Region Developer Contribution Reserve funding, grants, and fundraising. Formalization of Developer Contribution Reserve funding processes is through the annual budget process.
- Crawford Lake 2024 preliminary budget Ten Year Capital Forecast updated to include this priority project.
- The Conservation Halton Board has endorsed, in principle, construction of this Interpretive and Education Centre and upgrading the Boardwalk as a priority project to be funded by the Developer Contribution Reserve funds.
- A Concept Study by WSP Ltd. has yielded an upgraded Boardwalk at \$3.5M including an increased contingency allowance. \$1.7M in funding from the Investing in Canada Infrastructure Program (ICIP) grant will be used towards this project. The remaining \$1.8M will be funded through the Developer Contribution Reserve.
- An Investigative Report by Ventin Group Architects Ltd. has yielded a building between 11,000 to 12,000 sq. ft. at the estimated cost of \$6.75M.
- Funding schedule based on approximate timing of capital costs

Location	Project	2023	2024	2025	2026
Crawford Lake	CL Welcome Centre & Gathering Place	\$ 230,000	\$ 362,500	\$ 3,500,000	\$ 3,500,000
	Crawford Lake Boardwalk Replacement	\$ 300,000	\$ 3,100,000	\$ -	\$ -

### Logistical:

- During the construction phase, it is anticipated there may be some impact to operations. However, the intention is to keep the sites open to the public which may involve using temporary structures and/or the relocation of existing services to accommodate visitors' needs. The goal is to reduce the impact on revenue and customer experience.

## Next Steps

Previously, one major barrier has existed pertaining to the construction of an Interpretive and Education Centre and upgrading the Boardwalk at Crawford Lake, and that was the availability of funding. As this barrier is being removed with the collection of Developer Contribution Reserve funds, four immediate actions should occur:

- 1) Work with the Region of Halton to approve DCR funding through the annual budget process.
- 2) Engagement of a specific project management team that will consist of internal staff members with external resources as required. An immediate first action of this team will be to build cost certainty around the full scope of design and construction of these structures.
- 3) Engagement of internal and external resources to provide a detailed risk analysis, return on investment projections, revenue projections analysis, projected operating budget, and Asset Management plan compliance.
- 4) Formal approval/endorsement by the Conservation Halton Board for staff to take the necessary steps for the construction of an Interpretive and Education Centre and complete the upgrade of the Boardwalk at Crawford Lake Conservation Area.