

Budget Presentation City of Hamilton January 11, 2023



**Hamilton
Conservation
Authority**

A Healthy Watershed for Everyone

HCA Watershed

- Our watershed is comprised of two member municipalities
- City of Hamilton (provides 99.3% of funding) and Township of Puslinch (provides 0.7% funding)



HCA Landholdings

- Major land owner within our watershed area owning/managing over 11,000 acres which represents 10% of our watershed
- These lands are unique pockets of local greenspace that help the city and watershed thrive and connect people to nature
- Added 48.81 acres in 2022 for a total of 315 acres to our land holdings for Saltfleet wetland restoration project



Value of our Conservation Lands

- Wide range of natural lands and passive recreation for residents of Hamilton and beyond in our green spaces
- Ecological benefits of our green spaces for a sustainable environment, climate change adaptation which contributes to healthy communities
- Source of self-generated revenue to offset their operating expenses and support projects



COVID – Navigating Impacts into the Future

- Benefits of being in conservation areas and green spaces was appreciated like never before
- Record annual pass sales but also ongoing higher costs for maintenance
- Normalized reservations for our special events at Westfield and has become part of our peak operations at Spencer Gorge to manage visitation for both visitor experience and the community
- What new levels of sustained visitation and events to be expected remains TBD



Environmental Education Programs

- Beginning in the Fall of 2022 and into 2023, we have experienced the return to in person classes
- Grade 8 students from Lake Avenue were enthralled by the sighting of a young four-point buck along the trail
- Outdoor education program sessions are funded from our Foundation's support and school board partner fees



Information Technology

- Modernization upgrades in 2023 throughout HCA's operation for efficiency and security, including upgrades to:
 - Server
 - Networking
 - Telephones
 - Workstations



Coming Soon – Valens Lake Cabins

- 8 cabins will be available for rent year round
- Adds to our 225 available campsites at Valens Lake
- First CA in the Province to offer cabins with washroom



Master Planning

- Master planning over the next decade will provide updated guiding documents for all areas
- Fifty Point Conservation finalized and approved in 2022
- Master plans for Saltfleet and Devil's Punchbowl will be finalized in 2023



Fifty Point Conservation Area Master Plan 2020

Final- January 2022

Saltfleet Wetland Restoration Project

- A milestone in the development of the new Saltfleet Conservation Area has taken place with the completion of the first of four wetland areas on the upper Stoney Creek and Battlefield watersheds
- Will reduce the impacts of flooding and erosion in lower urban Stoney Creek, will provide larger natural areas and adds trails for the public while protecting properties and residents downstream



Saltfleet Conservation Area

- A new trail, known as the Heritage Green Community Trust Trail gives visitors a view of the eastern wetland and connects the area to the Dofasco 2000 trail
- Once the Saltfleet Masterplan is completed, further trails and interpretive signage will be added to enhance public access, nature appreciation and educational opportunities
- Design plans will be finalized for the second wetland area in 2023 and design tender awarded for third wetland



Natural Hazard Projects to Protect People & Property

- Completion of Red Hill Creek floodplain mapping study
- Completion of the Lake Ontario shoreline management plan
- Addressing flooding issues on Windemere Road through completion of Fifty Point wetland design



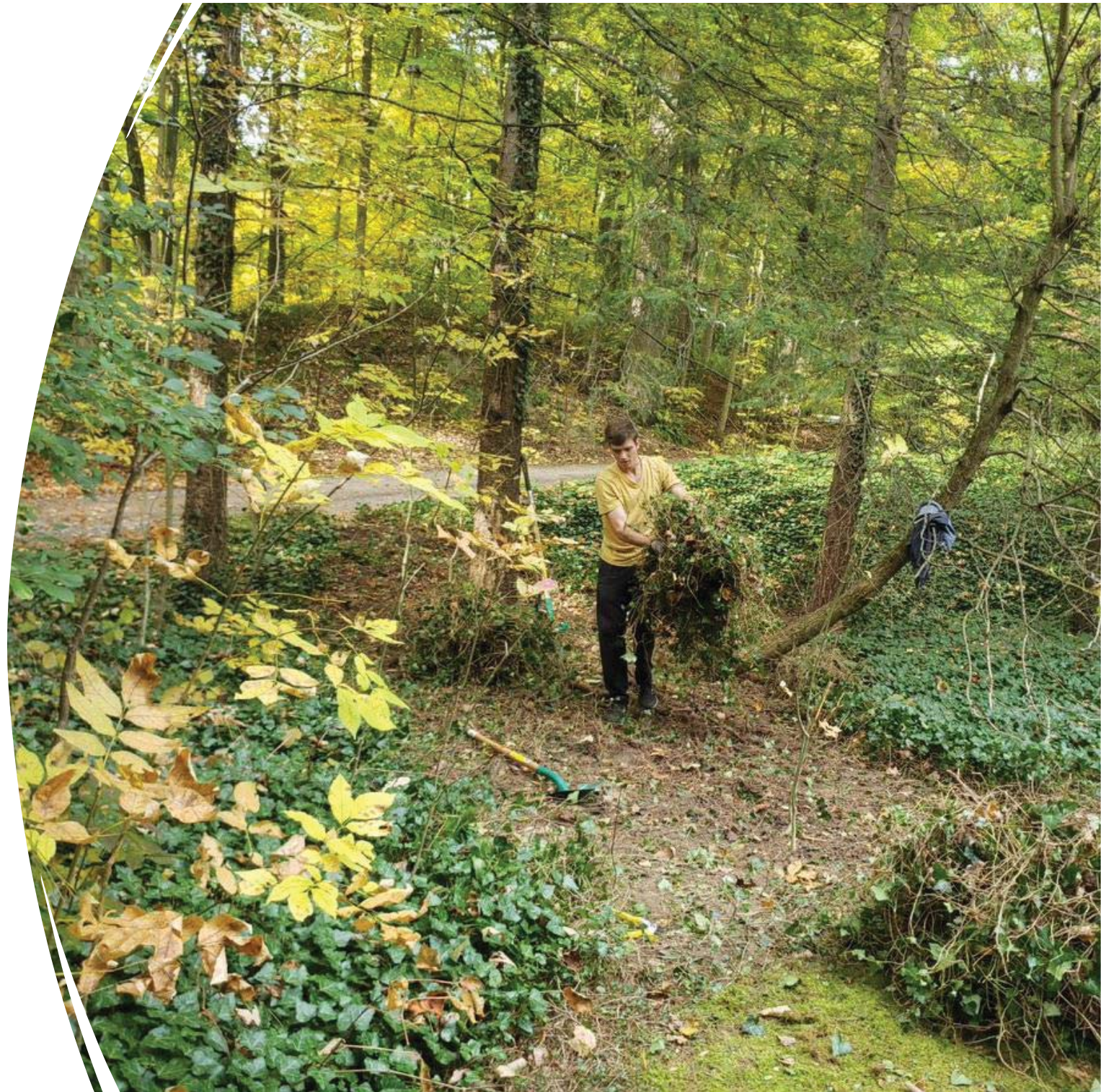
Christie and Valens Lake Dam Safety Public Safety Initiatives

- Updates to the Operation Manual and Emergency Preparedness Plan for both the Christie and Valens dams will be undertaken in 2023
- Dam safety review for the Christie dam will also be undertaken



Watershed Restoration

- Continuing with progress made in 2022 on our lands with removal, mapping and updating HCA Invasive Species Strategy with over 22 different species managed
- Enhancing natural heritage features across our watershed with over 3,500 native species planted
- 6339 stems of invasives covering 2.5 hectares removed



Stewardship Programs

- HCA continues to help private landowners protect, enhance and restore natural areas and waterways on their properties
- 1 Well decommissioned
- 2 LID projects to address stormwater completed
- 9 Projects funded through the Water Quality and Habitat Improvement Program
- Over 670 metres of riparian area improved
- Habitat creation and enhancement for Species at Risk (Barn Swallow, Bobolink)



A large green shape on the left side of the slide, consisting of a rectangle on the left and a quarter-circle on the right.

2023 Operating Budget Goals

Engage in those activities identified in
HCA's 2019-2023 Strategic Plan

Hold the municipal levy at 2%
(historical level of past few years)

In areas of uncertainty, budget
conservatively to mitigate risk

Operate on a cash neutral
basis (A Balanced Budget)

Levy Increase

- HCA Board approved operating budget November 3, 2022, with a levy increase of 2%
- Province provides allocation percentages annually, this year virtually unchanged from 2022
 - City of Hamilton 99.36%
 - Township of Puslinch 00.64%
- Total Levy for 2023 \$ 4,777,680 (\$4,684,000 in 2022)
 - City of Hamilton **\$ 4,747,080**
 - Township of Puslinch **\$ 30,600**
- Year over year impact on levy is an **\$94,680** increase (2%)

Operate on a Cash Neutral Basis (Break-Even)

Revenues are a combination of:

- Self-generated sales (\$9.3)
- Equipment, intracompany (\$1.3)
- Grants and donations (\$0.5)
- Municipal levy (\$4.8)
- 2023 total \$15.9 million

Expenses are a combination of:

- Salaries, wages and staff expenses (\$9.9)
- Fleet operation, repair and maintenance, facility operating costs including utilities, third party contracting and consulting services, marketing and promotion, etc. (\$6.0)
- 2023 total \$15.9 million

Operating Budget 2023

<u>Division</u>	<u>Expenditures</u>	<u>Revenues</u>	<u>% Split</u>	<u>Revenue Description</u>
Watershed Management Services	\$ 2,911	\$ 2,211 700		Levy Other Revenues
Conservation Areas Operations	6,004	- 7,397		Levy Other Revenues
Westfield Heritage Village	881	636 245		Levy Other Revenues
Central Support Services	6,140	1,931 2,816		Levy Other Revenues
Total		4,778 11,158	30.0% 70.0%	Levy Other Revenues
	\$ 15,936	\$ 15,936	100.0%	
Budget Surplus		\$ -		

2022 Levy	\$ 4,684
2023 Levy *	4,778
Levy Increase	\$ 94
% Increase	2.0%

* Township of Puslinch will contribute \$30.6 in 2023 (\$30.0 in 2022)

Revenue Highlights

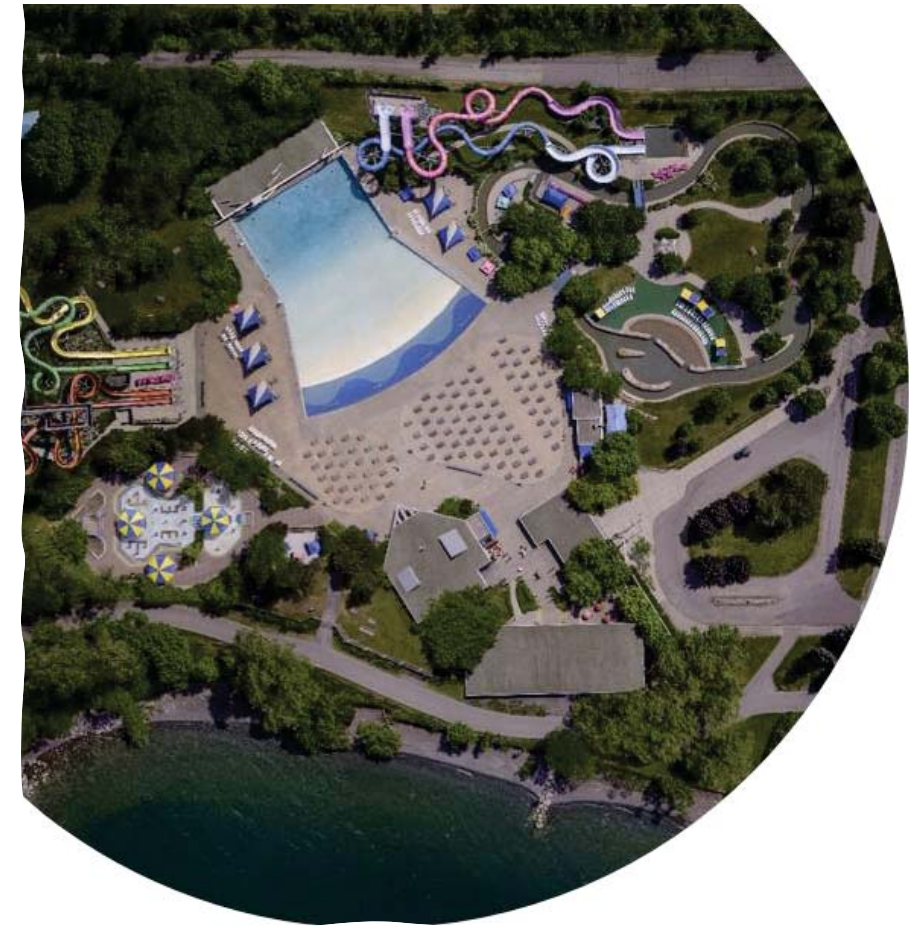
		Budget	Budget	%
	(\$'000)	<u>2023</u>	<u>2022</u>	<u>Change</u>
Held to historical 2% level	Municipal levy	\$ 4,778	\$ 4,684	2.0%
Reflects the new plateau with increase	Admissions	3,309	3,253	1.7%
Limited by # of slips / storage area	Marina	1,538	1,507	2.1%
Expanded new cabins & weekday use	Camping	1,929	1,409	36.9%
Equipment rental (Intra-company)	Equipment rental	1,325	1,141	16.1%
CBP and regulating fees	Fees & permits	880	820	7.3%
Rentals, programs, film shoots, grants, etc.	Other	<u>2,177</u>	<u>1,275</u>	70.7%
		\$ 15,936	\$ 14,089	13.1%

Expense Highlights

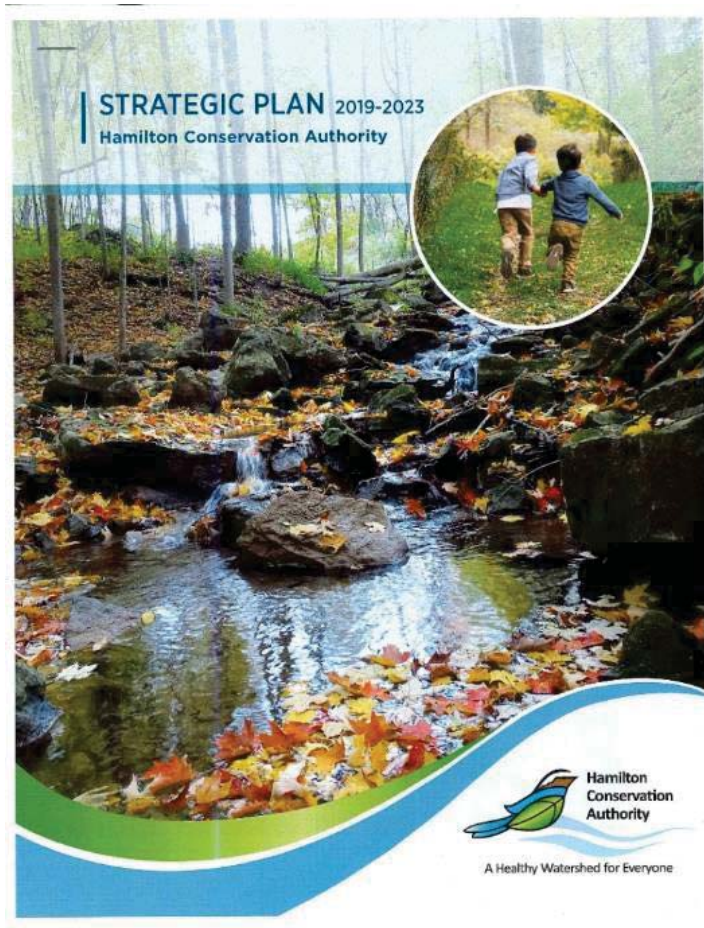
		Budget	Budget	%
	(\$'000)	<u>2023</u>	<u>2022</u>	<u>Change</u>
2/3 of expenses are people related	Staff expenses	\$ 9,959	\$ 9,227	7.9%
Higher rates	Utilities	1,020	1,003	1.7%
Maintenance, parts, etc.	Equipment/garage	907	768	18.1%
Inflationary Pressures across HCA	Supplies	815	580	40.5%
Supplimenting staff efforts	Contractors	478	405	18.0%
Rising costs (concessions, marina fuel)	Resale goods	358	293	22.2%
Services, vehicles, legal/audit, insurance, taxes, IT, etc.	Other	<u>2,399</u>	<u>1,409</u>	70.3%
		\$ 15,936	\$ 13,685	16.4%

Confederation Beach Park

- Owned by the City of Hamilton, managed by the HCA
- Only monetary benefit to HCA is the management fee, calculated as a percentage of expenses
- In 2022, following a 2-year COVID closure, the waterpark and Lakeland pool faced challenges with a national shortage of lifeguards and competitive summer student market resulting in the waterpark on a reduced operating schedule and Lakeland closed
- For the purpose of preparing the 2023 HCA Budget, it has been planned for a full reopening of the Wild Waterworks waterpark and Lakeland pool



Support the Strategic Plan



Vision

- A Healthy Watershed for Everyone

Mission

- To lead in the conservation of our watershed and connect people to nature

- 2023 budget continues to direct resources to achieve initiatives outlined
- We are retaining existing contract staff and adding a few staff in areas of need



Budget Summary Provisions

Sufficient combined revenues to meet expenses

Programs to maintain a healthy watershed and help protect residents and property from flooding

Invasive species initiatives & continued development steps for Saltfleet wetlands

Return to on site education programs, events, and continued modernizing of technology

Vibrant conservation areas that connect people to nature

Thank You for Your Continued Support



A Healthy Watershed for Everyone