



Budget & Administration Committee Meeting

Addendum

Thursday, September 18, 2025

Hamilton Conservation Authority is now conducting meetings in a hybrid format via an in-person and WebEx platform.

All meetings can be viewed live on HCA's You Tube Channel:
<https://www.youtube.com/user/HamiltonConservation>

7. Staff Reports/Memorandums

7.1. Draft 2026 Operating and Capital Budgets

– Scott Fleming

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HCA 2026 Draft Budgets

Budget & Administration Committee – September 18, 2025





Executive Summary

- The 2026 draft budget contains details for HCA's planned operations and capital activities
- The 2026 total budget is \$20.7M with \$18.2M in operating and \$2.5M in capital. The operating budget results in a 3.3% increase in levy in 2026 to accomplish its goals (3% in 2025) which also relies on enhanced self-generated revenue and use of reserves
- In addition, the Board has requested that the City of Hamilton allocate special funding in the amount of \$500,000 to the HCA's land acquisition program as part of the budget process
- The capital budget holds the \$2M in block funding and is furthered with \$500,000 in use of reserves to accomplish its goals
- Key expense and revenue drivers were presented to B&A and the Board over the last month
- The 2026 budget assumptions and process have been developed to align with regulatory requirements and strategic priorities



Operating Budget Goals

- Engage in those activities identified in HCA's 2025-2029 Strategic Plan as Year 2 initiatives
- A total of 14 priorities have been identified across the Plan's four strategic priority areas:
 - Water Resources Management
 - Organizational Excellence
 - Natural Heritage Conservation
 - Connecting People to Nature
- Construct a zero-based budget
- Operate on a cash neutral basis (break-even)

Year 2 – Water Resources Management

- **Complete updated floodplain mapping for Tiffany, Ancaster, Spring, and Sulphur Creeks** to improve flood risk identification and inform land use planning.
- **Implement priority system enhancements** to improve connectivity and reliability of streamflow, precipitation, and snowpack monitoring network, based on the recommendations from the 2025 system review.
- **Use the results of the 2025 riparian buffer analysis** to prioritize and implement private land restoration projects in collaboration with landowners.



Year 2 – Organizational Excellence

- **Launch a values-based recognition program** to reinforce corporate values, foster a culture of appreciation and celebrate staff contributions.
- **Implement key initiatives from the Digital Transformation Plan** to provide operational efficiencies and advance information management practices.
- **Advance Asset Management Strategy by initiating Phase 2** to complete land improvement planning.



Year 2 Priorities – Natural Heritage Conservation

- **Continue targeted outreach to landowners in priority areas** with the aim of securing at least one new property for conservation.
- **Promote progress and public awareness of the Saltfleet Wetland Restoration Program** while advancing design and funding for the third wetland.
- **Begin priority monitoring and restoration actions** based on the 2025 comprehensive monitoring and restoration plan to guide enhancements of natural areas.
- **Develop a framework to integrate existing data sets for monitoring, invasive species, and stewardship data systems** to support identification and visualization of priority restoration areas.



Land Acquisition

- Land acquisition is a key initiative in the strategic plan; a long-term legacy to protect and expand natural areas, strengthen climate resilience and enhance green space access across the watershed
- HCA board has approved high-priority lands across the watershed for their ecological significance, proximity to existing lands and establishing linkages between natural areas
- This is a long-term vision with a focus on acquiring land adjacent to current holdings, creating larger core natural areas and linkages to these lands across the watershed
- Aligns with City of Hamilton initiatives related to the biodiversity action plan, natural areas inventory, climate action strategy as well as the City's recognition for the need for more green space and importance of protecting existing green spaces



Year 2 Priorities – Connecting People to Nature

- **Implement 2025 Access and Amenities Review recommendations** to improve visitor accessibility and inclusivity across conservation areas.
- **Implement 2025 Conservation Areas Program Review visitor engagement recommendations** to enrich visitor experiences.
- **Support Completion of existing master/management plans and Advance planning work** for the Dundas Valley Study Area.
- **Support the Volunteer Engagement Coordinator to review existing and upcoming projects** and identify new opportunities and outreach efforts.





Revenues & Expenses

New revenues through:

- Expanded campground at Valens Lake
- Modest fee increases at our conservation areas
- Levy increase
- Ongoing support from the Foundation for environmental education and monies from various grants have also been included

Our largest expense is staffing as a people driven organization providing programs and services. Costs to be factored in:

- COLA
- Increases to minimum wage
- Implementing job evaluation steps
- 1 new contract position in 2026



Special Funding Request – Land Acquisition

- HCA board requests \$500,000 per year CPI indexed over a duration of ten years
- This funding is a shared model which also includes:
 - 10% of HCA annual pass revenue (~\$135K)
 - \$20K/year from partner Hamilton Conservation Foundation
 - Applications to federal/provincial grants
 - Private partnerships and ecological gifts program
- Since our formation in 1958 as the Spencer Creek Conservation Authority, land acquisition has protected places now part of the fabric of Hamilton's key green spaces – the Dundas Valley, Christie and Valens Lake, Spencer Gorge, Beverly Swamp and Fifty Point
- HCA owns or manages over 11,600 acres of conservation lands across the watershed
- In the past 10 years, we have added 1,375 acres and also grown eastward, with major milestones such as the Eramosa Karst and Saltfleet Conservation Areas
- Our history proves what can be achieved with steady commitment, vision and investment

A Balanced Budget (000's)

	Budget <u>2026</u>	Budget <u>2025</u>	Actual <u>2024</u>	Actual <u>2023</u>
<u>Revenues</u>				
Levy	\$ 5,219	\$ 5,052	\$ 4,909	\$ 4,778
Admissions	3,881	3,756	3,482	3,643
Camping/marina	3,948	3,722	3,552	3,569
Equipment rental	1,413	1,372	1,336	1,301
Transfer from reserves	111	345	937	171
Other	<u>3,631</u>	<u>3,477</u>	<u>4,628</u>	<u>3,793</u>
	18,203	17,724	\$ 18,844	17,255
<u>Expenses</u>				
Staffing	12,496	11,716	10,842	9,275
Equipment	773	888	910	878
Utilities	821	805	751	849
Materials/supplies	556	592	495	458
Other	<u>3,557</u>	<u>3,723</u>	<u>5,476</u>	<u>3,692</u>
	18,203	17,724	18,474	15,152
Net surplus	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 370</u>	<u>\$ 2,103</u>

Watershed Management Services (000's)

	Budget <u>2026</u>	Budget <u>2025</u>	Actual <u>2024</u>	Actual <u>2023</u>
<u>Revenues</u>				
Levy	\$ 2,574	\$ 2,306	\$ 1,783	\$ 1,656
Permits, fees	295	310	338	313
Grants	456	336	497	198
Transfer from Reserves	17	95	696	171
Other	<u>196</u>	<u>181</u>	<u>737</u>	<u>552</u>
	3,537	3,228	4,051	2,890
<u>Expenses</u>				
Staffing	2,913	2,709	2,351	1,895
Contractors	313	233	1,457	711
Materials/supplies	107	115	35	68
Other	<u>204</u>	<u>172</u>	<u>208</u>	<u>215</u>
	3,537	3,228	4,051	2,890
Net surplus	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Conservation Area Services (000's)

	Budget <u>2026</u>	Budget <u>2025</u>	Actual <u>2024</u>	Actual <u>2023</u>
<u>Revenues</u>				
Admissions	\$ 3,796	\$ 3,683	\$ 3,400	\$ 3,563
Camping	2,289	2,118	2,033	2,019
Marina	1,659	1,604	1,519	1,550
Other	<u>681</u>	<u>656</u>	<u>967</u>	<u>686</u>
	8,425	8,060	7,920	7,817
<u>Expenses</u>				
Staffing	3,952	3,755	3,664	3,203
Equipment	708	807	852	793
Materials/supplies	335	330	333	307
Utilities	399	375	374	375
Other	<u>1,197</u>	<u>1,224</u>	<u>1,234</u>	<u>1,174</u>
	6,591	6,491	6,457	5,852
Net surplus	<u>\$ 1,833</u>	<u>\$ 1,569</u>	<u>\$ 1,462</u>	<u>\$ 1,965</u>



Westfield Heritage Village & Conservation Area (000's)

	Budget <u>2026</u>	Budget <u>2025</u>	Actual <u>2024</u>	Actual <u>2023</u>
<u>Revenues</u>				
Levy	\$ 695	\$ 673	\$ 654	\$ 624
Events	145	160	119	131
School Programs	65	62	58	61
Admissions	85	73	82	80
Other	<u>53</u>	<u>42</u>	<u>91</u>	<u>42</u>
	1,043	1,010	1,004	938
<u>Expenses</u>				
Staffing	674	653	667	608
Promotion	92	103	36	38
Materials/supplies	45	48	48	43
Utilities	63	60	57	56
Other	<u>170</u>	<u>147</u>	<u>173</u>	<u>156</u>
	1,043	1,010	982	900
Net surplus	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 22</u>	<u>\$ 38</u>

Central Support Services (000's)

	Budget <u>2026</u>	Budget <u>2025</u>	Actual <u>2024</u>	Actual <u>2023</u>
<u>Revenues</u>				
Levy	\$ 1,950	\$ 2,073	\$ 2,472	\$ 2,498
Equipment	1,413	1,372	1,336	1,301
Management fees	600	552	571	536
Transfer from Reserves	94	250	241	-
Other	<u>1,141</u>	<u>1,179</u>	<u>1,248</u>	<u>1,275</u>
	5,198	5,426	5,869	5,610
<u>Expenses</u>				
Staffing	4,957	4,599	4,160	3,569
Utilities	359	370	320	418
Contractors	144	181	288	191
Materials/supplies	69	99	79	40
Equipment	65	66	58	85
Other	<u>1,438</u>	<u>1,680</u>	<u>2,079</u>	<u>1,208</u>
	7,032	6,995	6,984	5,510
Net surplus/(deficit)	<u>\$ (1,833)</u>	<u>\$ (1,569)</u>	<u>\$ (1,115)</u>	<u>\$ 100</u>

2026 Draft Operating Budget Summary

Watershed Management Services	2026 Draft Budget	2026 Draft Operating Budget Funding Sources			
		General Revenue	Municipal Levy	Provincial Grants	Reserves
Watershed Services Administration	982,470	425,824	556,646	-	-
Conservation Services (Ecology, Invasives & Restoration)	782,810		782,810		
Permits & Compliance	449,427		449,427		
Watershed Stewardship Program	326,676	124,800	190,376		11,500
Water Engineering and Prov Water Control	387,764		387,764		
Water Quality Monitoring	246,307	56,000	75,307	115,000	
Climate Change Initiatives	135,000	135,000			
Provincial Supported Water Control Program	226,895		131,699	89,996	5,200
Total Watershed Management Services	3,537,349	741,624	2,574,029	204,996	16,700

Conservation Areas	2026 Draft Budget	2026 Draft Operating Budget Funding Sources			
		General Revenue	Municipal Levy	Provincial Grants	Reserves
Fifty Point	2,428,209	2,877,050			
Valens Lake	1,501,925	2,635,500			
Christie Lake	1,233,710	1,823,750			
Dundas Valley	833,930	833,000			
Hamilton Mountain	593,639	256,125			
Total Conservation Areas	6,591,413	8,425,425	-	-	-

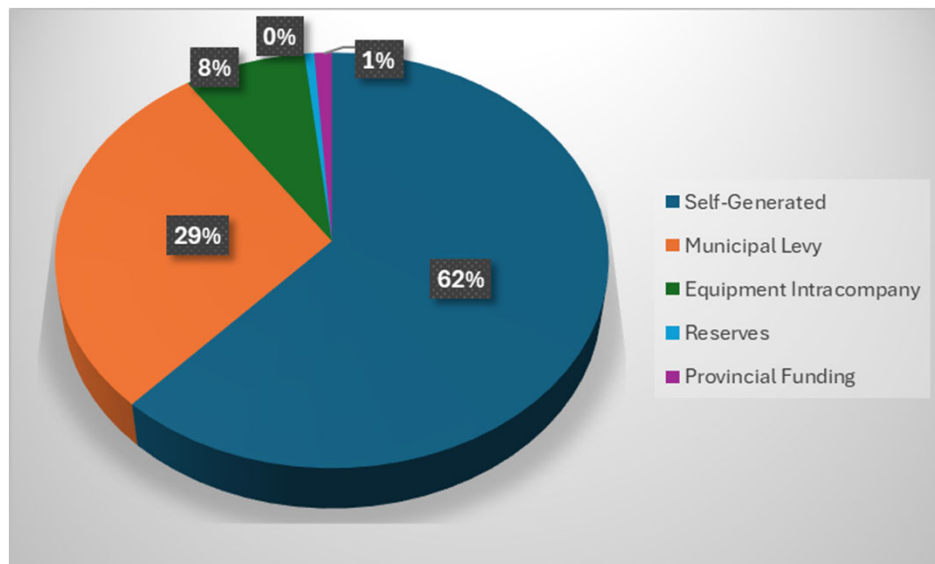
Westfield Heritage Village & Conservation Area	2026 Draft Budget	2026 Draft Operating Budget Funding Sources			
		General Revenue	Municipal Levy	Provincial Grants	Reserves
Westfield Operations	1,043,244	347,750	695,494		
Total Westfield Heritage Village & Conservation Area	1,043,244	347,750	695,494	-	-

2026 Draft Operating Budget Summary

Central Support Services	2026 Draft Budget	2026 Draft Operating Budget Funding Sources			
		General Revenue	Municipal Levy	Provincial Grants	Reserves
Administration	2,973,614	1,134,500	1,949,602		50,000
Information Technology	345,329				44,000
Equipment Pool Operation & Maintenance	923,708	1,419,160			
Central Workshop	616,916	75,000			
Marketing & Communications	598,900				
Human Resources	450,673				
Conservation Foundation	314,440	75,000			
Other (General Maintenance, Memorial Benches, Rentals)	272,233	191,700			
Millgrove Workshop	230,569				
Outdoor Environmental Education Program	213,200	258,750			
Admin Operations Trade	92,142				
Total Central Support Services	7,031,724	3,154,110	1,949,602	-	94,000
Total Operating Programs	18,203,730	12,668,909	5,219,125	204,996	110,700

2026 Sources of Operating Revenue

\$18.2M Operating budget revenue breakdown



Operating Revenue	Amount
Self-Generated	11,249,749
Municipal Levy	5,219,125
Equipment Intracompany	1,419,160
Reserves	110,700
Provincial Funding	204,996
Total	18,203,730



Operating Budget Levy Request

- This year's Operating Budget Levy increase request is: **3.3%**
- Province provides allocation percentages annually, this year
 - City of Hamilton 99.24%
 - Township of Puslinch 0.76%
- Total Levy for 2026 \$5,219,125 (\$ 5,052,396 in 2025)
 - City of Hamilton \$5,184,745
 - Township of Puslinch \$34,380
- Year over year impact on Operating Levy is an increase of \$166,729

Capital Budget



- The draft capital budget is composed of two areas; the first being special projects and the second being major maintenance
- Special projects make up 69% of the capital budget in 2026 and are broken down by location
- Major maintenance makes up 31% of the capital budget and is spread across the watershed
- HCA has much to maintain with close to 100 bridges, 15 km of internal roadways, 2km of boardwalk, 170 buildings, 145km of trails and countless other items such as fencing, utilities, gates, etc.
- 2026 budget includes use of reserves to finalize the design on the third wetland for the Saltfleet Conservation Area restoration project which is targeted for construction in 2027

<u>Specific Projects</u>			<u>Subtotal By Area</u>	<u>Percent of Projects</u>	<u>Percent of Total</u>
<u>#</u>	<u>Location</u>	<u>\$ Amount</u>			
Fifty Point					
1	Marina Road Reconstruction	\$ 300,000			
2	Marina Channel Dredging	150,000			
3	Beach Pavilion Access Improvements	100,000			
4	Dock & Boardwalk Repairs	<u>25,000</u>			
			575,000	33.3%	
Christie Lake					
5	Boat Launch Replacement	\$ 150,000			
6	Beach House Building Improvements	<u>50,000</u>			
			\$ 200,000	11.6%	
Valens Lake					
7	Boardwalk Replacements	\$ 150,000			
8	Dump Station Tank Expansion	<u>50,000</u>			
			200,000	11.6%	
Dundas Valley / Woodend					
9	Wayfinding Signage Improvements	\$ 100,000			
10	Woodend Office Renos	<u>50,000</u>			
			150,000	8.7%	

Capital
Budget
cont'd

<u>Specific Projects</u>					
<u>#</u>	<u>Location</u>	<u>\$ Amount</u>	<u>Subtotal By Area</u>	<u>Percent of Projects</u>	<u>Percent of Total</u>
Westfield					
11	Boardwalk & Building Accessibility Improvements	\$ 50,000	50,000	2.9%	
Watershed Management Services					
12	Saltfleet - Finalize Design of Third Wetland	\$ 500,000			
13	Floodplain Mapping	\$ 50,000	550,000	31.9%	
			1,725,000	100.0%	69.0%
<u>General Projects - Major Maintenance</u>					
	Building Maintenance	\$ 150,000			
	Roads & Parking	150,000			
	Trails	50,000			
	Signage	50,000			
	Bridges	100,000			
	Gates	25,000			
	Fencing	50,000			
	Utilities & Services	75,000			
	Masterplans	100,000			
	Natural Areas Management	25,000	775,000	100.0%	31.0%
Total Capital and Major Maintenance Budget			\$ 2,500,000	100.0%	

Capital
Budget
cont'd

Capital Budget (cont'd)

Funding Sources

City of Hamilton (Block Funding)
HCA Reserves (Saltfleet)

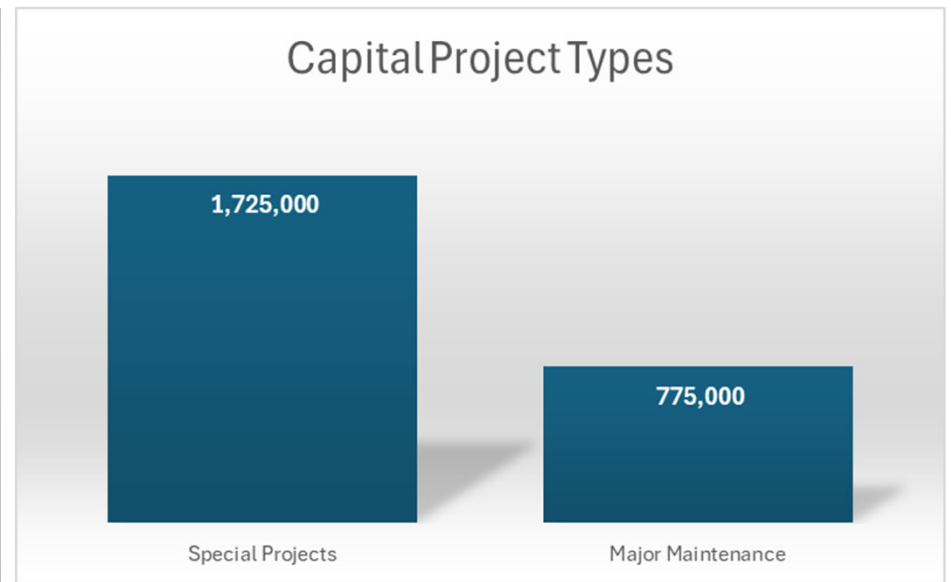
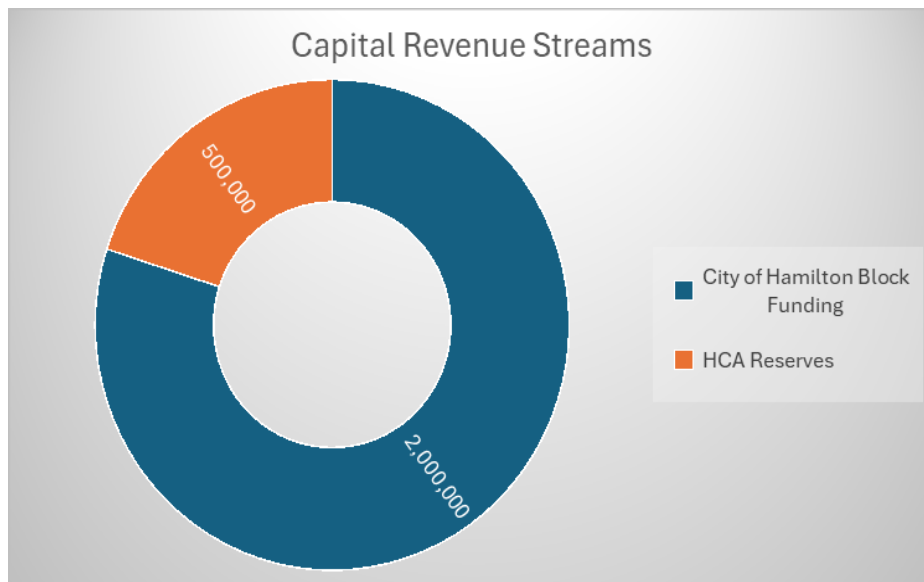
2,000,000
500,000

Total Capital Budget Funding

\$ 2,500,000

2026 Sources of Capital Budget Revenue

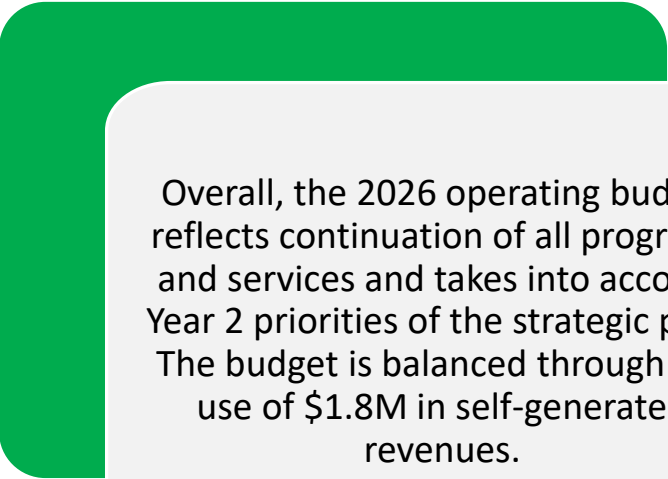
\$2.5M Capital budget revenue breakdown



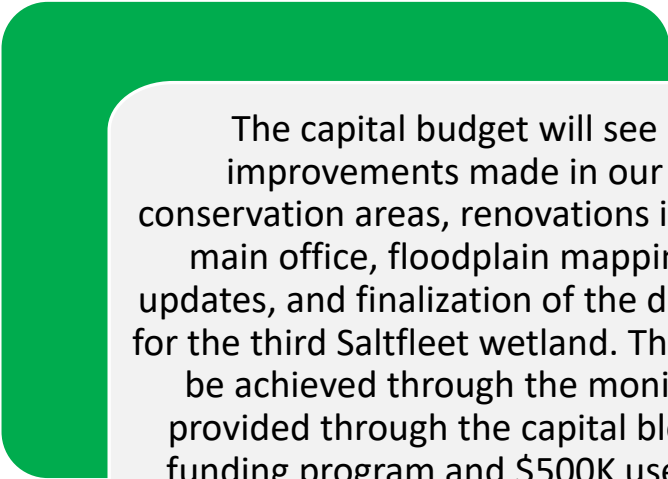
Reserve Funds

Reserve Fund	2024 Opening	+/-	2024 Net Transactions =	2024 Closing	= 2025 Opening
a. Construction Capital and Major Maintenance projects	\$ 2,469		\$ (202)	\$ 2,267	\$ 2,267
b. Watershed Engineering projects	\$ 336		115	451	\$ 451
c. Fifty Point Wetland	\$ 648		(529)	119	\$ 119
d. East Mountain wetland construction/land acquisition funds	\$ 2,057		(328)	1,729	\$ 1,729
e. General land acquisition funds	\$ 1,000		218	1,218	\$ 1,218
f. Major equipment replacement funds	\$ 400		5	405	\$ 405
g. Westfield FOW & endowment fund	\$ 258		10	268	\$ 268
h. Seasonal operating shortfall protection	\$ 3,000			3,000	\$ 3,000
i. Human resources protection fund	\$ 500		(37)	463	\$ 463
j. Legal issues	\$ 300			300	\$ 300
k. Unscheduled capital	\$ 700			700	\$ 700
l. Climate Change Initiatives	\$ 125		56	181	\$ 181
m. Records management & IT	\$ 508		(91)	417	\$ 417
	\$ 12,301		\$ (783)	\$ 11,518	\$ 11,518

Budget Summary



Overall, the 2026 operating budget reflects continuation of all programs and services and takes into account Year 2 priorities of the strategic plan. The budget is balanced through the use of \$1.8M in self-generated revenues.



The capital budget will see improvements made in our conservation areas, renovations in the main office, floodplain mapping updates, and finalization of the design for the third Saltfleet wetland. This will be achieved through the monies provided through the capital block funding program and \$500K use of reserves.



Staff Recommendation

- THAT the Budget & Administration Committee recommend to the Board of Directors:
- THAT the 2026 Draft Operating Budget, as presented, be endorsed for approval and;
- THAT the 2026 Draft Capital Budget, as presented, be endorsed for approval

Questions?

