



Board of Directors
Meeting No. BOD-04-24
Friday, April 26, 2024
9:00 a.m.

Agenda

Meeting Location:

120 Bayview Parkway, Newmarket
Minutes and agendas are available at www.LSRCA.on.ca

Upcoming Events

Board of Directors' Meeting

Friday, May 24, 2024
120 Bayview Parkway, Newmarket

Lake Simcoe Conservation Foundation

35th Annual Conservation Dinner

Wednesday June 12, 2024
The Manor at Carrying Place

5th Annual Invitational Golf Tournament

Monday, August 26, 2024
King Valley Golf Club

A full listing of events can be found at www.LSRCA.on.ca

I. Acknowledgement of Indigenous Territory

II. Declarations of Pecuniary Interest and Conflicts of Interest

III. Approval of Agenda

Pages 1 - 5

Recommended: That the content of the Agenda for the April 26, 2024 meeting of the Board of Directors be approved as presented.

IV. Adoption of Minutes

a) Board of Directors

Pages 6 - 13

Included in the agenda is a copy of the draft minutes of the Board of Directors' Meeting, No. BOD-03-24, held on Friday, March 22, 2024.

Recommended: That the minutes of the Board of Directors' Meeting, No. BOD-03-24, held on Friday, March 22, 2024 be approved as circulated.

V. Announcements

- a) CAO Baldwin will provide an update on the recent meeting between the Conservation Authority and City of Orillia's Mayor Maclsaac.

VI. Presentations

a) 2023 Draft Audited Financial Statements

Pages 14 - 59

BDO Canada LLP Partner, Adam Delle Cese, will provide an overview of the audit of the Conservation Authority's 2023 draft financial statements for the period ending December 31, 2023.

Recommended: That the presentation by BDO Canada LLP Partner, Adam Delle Cese, regarding the audit of the Conservation Authority's 2023 draft financial statements for the period ending December 31, 2023 be received for information.

Staff Report No. 24-24-BOD regarding the 2023 Draft Audited Financial Statements is included in the agenda.

Recommended: That Staff Report No. No. 24-24-BOD regarding the Conservation Authority's 2023 Draft Audited Financial Statements be received; and

Further that the 2023 Draft Audited Financial Statements be approved; and

Further that the Appropriations to and from Reserves as outlined in Schedule 8 – Statement of Continuity of Reserves of the 2023 Draft Audited Financial Statements be approved; and

Further that the pending 2023 Audited Financial Statements be distributed to the Minister of Natural Resources and Forestry, the Conservation Authority's banker, and be made available on the Conservation Authority's website.

b) 2023 Restoration Program Accomplishments

Pages 60 - 61

Manager, Restoration Services, Christa Sharp, will provide a presentation on the Restoration Program's 2023 accomplishments, as well as projects underway for 2024. This presentation will be provided at the meeting and will be available on the Conservation Authority's website following the meeting.

Recommended: That the presentation by Manager, Restoration Services, Christa Sharp, regarding the Restoration Program's 2023 accomplishments and 2024 projects be received for information.

Staff Report No. 25-24-BOD regarding an update on the Conservation Authority's Restoration Program and projects is included in the agenda.

Recommended: That Staff Report No. 25-24-BOD regarding an update on the Conservation Authority's Restoration Program and projects be received for information.

VII. Hearings

There are no Hearings scheduled for this meeting.

VIII. Deputations

There are no Deputations scheduled for this meeting.

IX. Determination of Items Requiring Separate Discussion

(Reference Pages 4 and 5 of the agenda)

X. Adoption of Items Not Requiring Separate Discussion

XI. Consideration of Items Requiring Separate Discussion

XII. Closed Session

The Board will move to Closed Session to deal with a confidential land matter.

Recommended: That the Board move to Closed Session to deal with a confidential land matter; and

Further that the Chief Administrative Officer, members of the Executive Leadership Team and the Director, Conservation Lands remain in the meeting for the discussion.

The Board will rise from Closed Session and report findings.

Recommended: That the Board rise from Closed Session and report findings.

a) Confidential Land Matter

Confidential Staff Report No. 28-24-BOD will be sent to Board members prior to the meeting.

Recommended: That the presentation and Confidential Staff Report No. 28-24-BOD regarding a confidential land matter be received; and

Further that the recommendations contained within the staff report be approved.

XIII. Other Business

Next Meeting

The next meeting of the Board of Directors will be held on Friday, May 24, 2024. This meeting will be held in person at the Conservation Authority's Newmarket offices located at 120 Bayview Parkway, Newmarket.

XIV. Adjournment

Agenda Items

1. Correspondence

There are no items of Correspondence for this meeting.

2. Summary of 2024 Provincial and Municipal Funding Agreements

Pages 62 - 66

Recommended: That Staff Report No. 26-24-BOD regarding recently secured Provincial and municipal funding be received for information.

3. 2024 Budget Companion Document

Pages 67 - 112

Recommended: That Staff Report No. 27-24-BOD regarding the 2024 Budget Companion Document be received for information.

Lake Simcoe Region Conservation Authority

Board of Directors' Meeting

Board of Directors' Meeting No. BOD-03-24

Friday, March 22, 2024

120 Bayview Parkway, Newmarket

Meeting Minutes

Members Present

Councillor C. Riepma (Chair), Mayor R. Greenlaw (Vice Chair), Councillor S. Bell, Councillor A. Courser, Councillor A. Eek, Councillor P. Ferragine, Regional Councillor B. Garrod, Mayor V. Hackson, Councillor S. Harrison-McIntyre, Councillor D. Le Roy, Mayor I. Lovatt, Councillor C. Pettingill, Councillor E. Yeo

Members Absent

Regional Chairman W. Emmerson, Councillor F. Drodge, Mayor M. Quirk, Councillor M. Thompson, Deputy Mayor and Regional Councillor T. Vegh

Specified Municipalities Absent

City of Orillia

Staff Present

R. Baldwin, T. Barnett, A. Brown, M. Critch, S. Connor, A. Cullen, D. Goodyear, G. MacMillan, G. Peat, C. Taylor, K. Toffan, K. Yemm

Guests Present

M. Geist

I. Land Acknowledgement

Chair Riepma acknowledged the Lake Simcoe watershed as traditional Indigenous territory and thanked all generations of Indigenous peoples for their enduring and unwavering care for this land and water.

II. Declarations of Pecuniary Interest or Conflict of Interest

None noted for the meeting.

III. Approval of Agenda

Moved by: B. Garrod

Seconded by: S. Harrison-McIntyre

BOD-041-24 **Resolved That** the content of the Agenda for the March 22, 2024 meeting of the Board of Directors be approved as presented. **Carried**

IV. Adoption of Minutes

a) **Board of Directors' Meeting**

Moved by: P. Ferragine

Seconded by: R. Greenlaw

BOD-042-24 **Resolved That** the minutes of the Board of Directors' Meeting, No. BOD-02-24, held on Friday, February 23, 2024 be approved as circulated. **Carried**

V. Announcements

- a) CAO Rob Baldwin noted he attended two Federal announcements in recent weeks, one regarding the Freshwater Action Fund and the other regarding the replacement of the operational weather-radar network with new, state-of-the-art radars across the country.
- b) Lake Simcoe Conservation Foundation Executive Director, Cheryl Taylor, was pleased to advise that the Foundation's June 12th Annual Fundraising dinner is 95% sold out and the August 26th Annual Golf Tournament is quickly filling up.

VI. Presentations

a) **Fourth Quarter 2023 Unaudited Financial Report and 2024 Proposed Capital and Operating Budget**

General Manager, Corporate and Financial Services/CFO, Mark Critch, provided a presentation on the Fourth Quarter 2023 Unaudited Financial Report, as well as the 2024 Proposed Capital and Operating Budget, first reviewing the 2023 highlights and financial results, including a \$609K year-end operational surplus, which is higher than the \$350K forecasted at Q3. He outlined the drivers of this surplus, along with reserve activity for 2023 including \$302K in surplus being transferred to reserves. GM Critch reviewed the 2023 revenue, expenditures, including capital investments, as well as year-end reserves balances. GM Critch noted the 2023 Audited Financial Statements will require Board of Directors' approval at their April 2024 meeting.

Moving on to the 2024 Proposed Capital and Operating Budget, GM Critch noted that the changes to the *Conservation Authorities Act* are incorporated for the first time per the legislation. He reported that to date approval has been granted from seven of the nine funding partners, with the remaining two expected by the end of March. He reviewed the 2024 Annual Priorities as selected by the Executive Leadership Team and noted the 2024 proposed Capital and Operating Budget is \$25.5M, up \$0.5M from the restated 2023 Budget.

He reviewed the new budget voting rules and advised that three weighted votes would be required for the approval of the 2024 Capital and Operating Budget.

To view this presentation, please click this link: [2023 Financial Results and 2024 Budget Presentation](#)

Moved by: S. Harrison-McIntyre

Seconded by: S. Bell

BOD-043-24 **Resolved That** the presentation by General Manager, Corporate and Financial Services/CFO, Mark Critch, regarding the Fourth Quarter 2023 Unaudited Financial Report, as well as the 2024 Proposed Capital and Operating Budget be received for information. **Carried**

Following the 2024 Budget presentation, Item No. 1. Correspondence, the letter from the City of Orillia, was brought forward for discussion. CAO Baldwin noted that despite having numerous meetings and following up emails with City of Orillia staff regarding changes to the *Conservation Authorities Act*, specifically those affecting the *Lake Simcoe Protection Act* and the 2024 Budget process, the City by way of this letter has advised of their intent to seek the discharge of the City of Orillia from the inclusion as a Specified Municipality. Accordingly, no representative from the City of Orillia was in attendance for the required vote on the Category 1 Mandatory Levy for the delivery of the *Lake Simcoe Protection Act* included in the 2024 Budget.

1. Correspondence

Moved by: C. Pettingill

Seconded by: E. Yeo

BOD-044-24 **Resolved That** Correspondence Item a) be received for information. **Carried**

Included in the agenda was Staff Report No. 15-24-BOD regarding the Fourth Quarter 2023 Unaudited Financial Report.

Moved by: B. Garrod

Seconded by: D. Le Roy

BOD-045-24 **Resolved That** Staff Report No. 15-24-BOD regarding the Conservation Authority's Fourth Quarter 2023 Financial Report be received for information. **Carried**

Included in the agenda was Staff Report No. 16-24-BOD regarding the 2024 Proposed Capital and Operating Budget.

Moved by: V. Hackson

Seconded by: A. Eek

BOD-046-24 **Resolved That** Staff Report No. 16-24-BOD regarding the Conservation Authority's 2024 Proposed Capital and Operating Budget be received; and

Further that the 2024 Proposed Capital and Operating Budget and all projects therein be adopted: and

Further that staff be authorized to enter into agreements and/or execute documents with private sector organizations, non-governmental organizations or governments and their agencies for the undertaking of projects for the benefit of the Conservation Authority and funded by the sponsoring organization or agency, including projects that have not been provided for in the approved budget; and

Further that as required by O.Reg.402/22: Budget and Apportionment (formerly O.Reg.139/96) this recommendation and the accompanying budget documents, including the schedule of Category 1 Mandatory levies, be approved by weighted votes. **Carried**

Ontario Regulation 402/22: Budget and Apportionment, requires that the budget be approved through the following three separate weighted votes:

1. Category 1 Mandatory Levy for delivery of Lake Simcoe Protection Act and Plan;
2. Other Category 1 Core Mandatory Levy; and
3. Overall 2024 Budget.

These three required weighted votes were taken, and the 2024 Capital and Operating Budget was unanimously approved by those in attendance. The voting results are captured in the following table:

Representative	Category 1 LSPA	Yea/ Nea	Category 1 Other	Yea/ Nea	Overall 2024 Budget	Yea/ Nea
Councillor S. Bell, Township of Ramara	1.11%	Yea	1.30%	Yea	1.30%	Yea
Councillor A. Courser City of Barrie	10.65%	Yea	11.82%	Yea	11.82%	Yea
Councillor F. Drodge Town of Innisfil	5.87%	Absent	6.56%	Absent	6.56%	Absent
Councillor A. Eek York Region (King)	7.14%	Yea	7.14%	Yea	7.14%	Yea
Reg Chairman W. Emmerson York Region (at Large)	7.14%	Absent	7.14%	Absent	7.14%	Absent
Councillor P. Ferragine Town of Bradford West Gwillimbury	6.45%	Yea	7.55%	Yea	7.55%	Yea

Representative	Category 1 LSPA	Yea/ Nea	Category 1 Other	Yea/ Nea	Overall 2024 Budget	Yea/ Nea
Regional Councillor B. Garrod Durham Region (Uxbridge)	2.51%	Yea	2.77%	Yea	2.77%	Yea
Mayor R. Greenlaw (Vice Chair) Township of Oro-Medonte	1.57%	Yea	1.43%	Yea	1.43%	Yea
Mayor V. Hackson York Region (East Gwillimbury)	7.14%	Yea	7.14%	Yea	7.14%	Yea
Councillor S. Harrison-McIntyre Town of New Tecumseth	0.73%	Yea	0.69%	Yea	0.69%	Yea
Councillor D. Le Roy Durham Region (Scugog)	2.51%	Yea	2.77%	Yea	2.77%	Yea
Mayor I. Lovatt York Region (Whitchurch-Stouffville)	7.14%	Yea	7.14%	Yea	7.14%	Yea
Councillor C. Pettingill Durham Region (Brock)	2.51%	Yea	2.77%	Yea	2.77%	Yea
Mayor M. Quirk York Region (Georgina)	7.14%	Absent	7.14%	Absent	7.14%	Absent
Councillor C. Riepma (Chair) City of Barrie	10.65%	Yea	11.82%	Yea	11.82%	Yea
Councillor M. Thompson York Region (Aurora)	7.14%	Absent	7.14%	Absent	7.14%	Absent
Dep Mayor/Reg Councillor T. Vegh York Region (Newmarket)	7.14%	Absent	7.14%	Absent	7.14%	Absent
Councillor E. Yeo City of Kawartha Lakes	1.88%	Yea	0.51%	Yea	0.51%	Yea
City of Orillia	3.56%	Absent	Not Applicable		Not Applicable	
	100.00%		100.00%		100.00%	

VII. Hearings

There were no Hearings at this meeting.

VIII. Deputations

There were no Deputations at this meeting.

IX. Determination of Items Requiring Separate Discussion

X. Adoption of Items not Requiring Separate Discussion

With Item No. 1 having been previously received, Items No. 2, 3, 4, and 6 were identified under items not requiring separate discussion.

Moved by: I. Lovatt

Seconded by: D. Le Roy

BOD-047-24 **Resolved That** the following recommendations respecting the matters listed as “Items Not Requiring Separate Discussion” be adopted as submitted to the Board, and staff be authorized to take all necessary action required to give effect to same. **Carried**

2. 2024 Reserve Adequacy Evaluation

BOD-048-24 **Resolved That** Staff Report No. 17-24-BOD regarding the review and evaluation of the Conservation Authority’s 2024 Reserve Balances be received for information. **Carried**

3. Legislative and Regulatory Changes affecting Conservation Authorities

BOD-049-24 **Resolved That** Staff Report No. 18-24-BOD regarding recent legislative and regulatory changes (*Conservation Authorities Act* and Ontario Regulation 41/24) be received; and

Further That the timelines for implementation of policy, guidelines and procedural documents and the transition procedures and guidelines be endorsed. **Carried**

4. Update to Delegations of Authorization pursuant to the Conservation Authorities Act (Part VI, s. 28.4)

BOD-050-24 **Resolved That** Staff Report No. 19-24-BOD regarding the delegation of authorization for permit issuance, extension and cancellation, and administrative reviews made pursuant to the *Conservation Authorities Act* be received; and

Further That effective April 1, 2024, the Coordinator, Permitting and the Coordinator, Infrastructure Permitting be delegated authorization to approve both minor and routine permits under the *Conservation Authorities Act*; and

Further That effective April 1, 2024, the Director, Development Services, or Acting Director, the General Manager, Development, Engineering and Restoration and the Chief Administrative Officer be delegated authorization to issue permits and permit extension to existing permits in accordance with the *Conservation Authorities Act*; and

Further That effective April 1, 2024, the cancellation of low and moderate risk permits be delegated to the Chief Administrative Officer pursuant to the *Conservation Authorities Act*; and

Further That effective April 1, 2024, administrative request for reviews from an applicant be delegated to the Chief Administrative Officer pursuant to the *Conservation Authorities Act*. **Carried**

6. 2024 Annual Conservation Awards

BOD-051-24 **Resolved That** Staff Report No. 21-24-BOD regarding the 2024 Conservation Awards be received for information. **Carried**

XI. Consideration of Items Requiring Separate Discussion

Item No. 5 was identified under items requiring separate discussion.

5. Re-designation of Environmental Compliance Officers under Section 30.1 of the Conservation Authorities Act for the purposes of enforcing Section 28 of the Act

Staff Report No. 20-24-BOD included a copy of the Ministry of Natural Resources and Forestry Class Designation signed by the Minister on June 14, 1999, regarding the appointment of a class of persons as officers under the *Conservation Authorities Act* and the *Trespass to Property Act*, as a new Class Designation had not yet been received. CAO Baldwin advised that subsequent to the posting of the agenda, an updated Class Designation has now been received.

Moved by: C. Pettingill

Seconded by: R. Greenlaw

BOD-052-24 **Resolved That** Staff Report No. 20-24-BOD regarding the re-designation of Environmental Compliance Officers under Section 30.1 of the *Conservation Authorities Act* be received; and

Further That the appointment of Mrs. Kristin Nyborg and Mrs. Ashlea Brown as Officers under Section 30.1 of the *Conservation Authorities Act* as of the proclamation date be approved. **Carried**

XII. Closed Session

The Board moved to Closed Session to deal with a confidential legal and human resources matters.

Moved by: B. Garrod

Seconded by: D. Le Roy

BOD-053-24 **Resolved That** the Board move to Closed Session to deal with confidential legal and human resources matters; and

Further that the Chief Administrative Officer, members of the Executive Leadership Team and the Director, Development Services remain in the meeting for the discussion on item a), and

Further that the Chief Administrative Officer and the Chief of Staff remain in the meeting for the discussion on item b). **Carried**

The Board rose from Closed Session to report findings.

Moved by: A. Eek

Seconded by: V. Hackson

BOD-054-24 **Resolved That** the Board rise from Closed Session and report findings.
Carried

a) Confidential Legal Matter

Moved by: S. Bell

Seconded by: S. Harrison-McIntyre

BOD-055-24 **Resolved That** Confidential Staff Report No. 22-24-BOD regarding a confidential legal matter be received; and

Further that the recommendations contained within the staff report be approved.
Carried

b) Confidential Human Resources Matter

Moved by: B. Garrod

Seconded by: D. Le Roy

BOD-056-24 **Resolved That** Confidential Staff Report No. 23-24-BOD regarding a confidential human resources matter be received for information. **Carried**

XIII. Other Business

- a) Chair Riepma advised that the next meeting on Friday, April 26, 2024 will have a Source Protection Authority meeting at 9:00 a.m. and a Board of Directors' meeting immediately following. Both will be held in the Conservation Authority's Administrative Offices.

XIV. Adjournment

Moved by: E. Yeo

Seconded by: C. Pettingill

BOD-057-24 **Resolved That** the meeting be adjourned at 11:04 a.m. **Carried**

Original to be signed by:

Original to be signed by:

Councillor Clare Riepma
Chair

Rob Baldwin
Chief Administrative Officer

Staff Report

To: Board of Directors

From: Katherine Toffan, Director of Finance

Date: April 14, 2024

Subject

2023 Draft Audited Financial Statements

Recommendation

That Staff Report No. 24-24-BOD regarding the Conservation Authority's 2023 Draft Audited Financial Statements be received; and

Further that the 2023 Draft Audited Financial Statements be approved; and

Further that the Appropriations to and from Reserves as outlined in Schedule 8 – Statement of Continuity of Reserves of the 2023 Draft Audited Financial Statements be approved; and

Further that the pending 2023 Audited Financial Statements be distributed to the Minister of Natural Resources and Forestry, the Conservation Authority's banker, and be made available on the Conservation Authority's website.

Purpose of this Staff Report:

The purpose of this Staff Report No. 24-24-BOD is to update the Board of Directors regarding the review and adoption of the Conservation Authority's 2023 Draft Audited Statements and to seek approval for all recommended reserve appropriations.

Background:

The 2023 audit began with a preliminary review of the financial procedures in November 2023, followed by the final audit process taking place during March 2024, with final discussions following in April. The audit process under the auditing standard CAS 560 – Subsequent Events will be completed upon approval by the Board of Directors of the final 2023 Audited Financial Statements. The Conservation Authority's auditors, BDO Canada LLP, will attend the April Board of Directors' meeting to present the audit findings.

Issues:

The draft audited financial statements are presented in Attachment 1. There have been no material financial changes to the information since the last update and presentation on March 22, 2024.

Also included in Attachment 1 is BDO Canada LLP’s final audit report to the Board of Directors. This outlines the auditor’s approach to the audit, materiality levels and the audit findings. It is important to note that there were no internal control deficiencies or unadjusted differences identified through the 2023 audit process. BDO Canada LLP’s opinion is that the 2023 financial statements present fairly, in all material respects, the financial position of the Conservation Authority as at December 31, 2023.

Relevance to Conservation Authority Policy:

It is a requirement under S.38 (1) of the *Conservation Authorities Act* that an annual audit on all accounts and transactions be carried out “by a person licensed under the *Public Accounting Act, 2004*”. In keeping with the Conservation Authority’s policy, the audited financial statements have been prepared for the Board of Directors’ review on April 26, 2024.

Impact on Conservation Authority Finances:

The detailed outline of the reserve (draws) and transfers that are summarized in Schedule 8 – Statement of Continuity of Reserves of the audited statements is below. This outline was previously provided in the Fourth Quarter 2023 Financial Update – Draft Unaudited Results report that was received by the Board on March 22, 2024.

Draft Appropriations to/(from) Reserve for 2023:	2023 Budget	2023 Results
Surplus/(Deficit) from Operations:		
Transfer of additional interest earned, additional overhead and administrative funds from Offsetting	-	302
Transfer from recognition of unrestricted funding in Deferred	-	1,006
Transfer to Asset Management from savings in lease payments	-	58
Operational Surplus - summary by Service Area in table above	-	611
Sub-total: Changes from Operations (excluding capital asset entries outlined below)		1,977
Surplus/(Deficit) from Budgeted Reserve Decisions:		
Approved Draw from Asset Management	(737)	(401)
Approved Draw from Rate Stabilization	(366)	(155)
Approved Draw from Working Capital	(122)	(62)
Approved Draw from Restricted Reserves	(10)	(10)
Reserve Transfer for Asset Management	484	438
Reserve Transfer for Interest Income	335	335
Reserve Transfer to Rate Stabilization	507	430

Sub-total: Changes from Budgeted Reserve Decisions	91	575
Net Change in Reserves (excluding asset entries outlined below)	-	2,552
Net Change in Tangible Capital Assets and Capital Leases	-	881
2023 Net Surplus	-	3,433

Summary and Recommendations:

It is therefore **Recommended That** Staff Report No. No. 24-24-BOD regarding the Conservation Authority’s 2023 Draft Audited Financial Statements be received; and **Further that** the 2023 Draft Audited Financial Statements be approved; and **Further that** the Appropriations to and from Reserves as outlined in Schedule 8 – Statement of Continuity of Reserves of the 2023 Draft Audited Financial Statements be approved; and **Further that** the pending 2023 Audited Financial Statements be distributed to the Minister of Natural Resources and Forestry, the Conservation Authority’s banker, and be made available on the Conservation Authority’s website.

Pre-Submission Review:

This Staff Report has been reviewed by the General Manager, Corporate & Financial Services/CFO and the Chief Administrative Officer.

Signed by:

Mark Critch
General Manager, Corporate and Financial
Services, CFO

Signed by:

Rob Baldwin
Chief Administrative Officer

Attachments:

1. 2023 Draft Audited Financial Statements and Final Audit Report to the Board

Lake Simcoe Region Conservation Authority
DRAFT Financial Statements
Year ended December 31, 2023

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**MANAGEMENT'S RESPONSIBILITY FOR THE
FINANCIAL STATEMENTS**

The accompanying financial statements of Lake Simcoe Region Conservation Authority (the "Authority") are the responsibility of the Authority's management and have been prepared in compliance with legislation, and in accordance with generally accepted accounting principles for local governments established by the Public Sector Accounting Board of The Chartered Professional Accountants of Canada. A summary of the significant accounting policies are described in Note 1 to the financial statements. The preparation of financial statements necessarily involves the use of estimates based on management's judgment, particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods.

The Authority's management maintains a system of internal controls designed to provide reasonable assurance that assets are safeguarded, transactions are properly authorized and recorded in compliance with legislative and regulatory requirements, and reliable financial information is available on a timely basis for preparation of the financial statements. These systems are monitored and evaluated by Management.

Members meet with Management and the external auditors to review the financial statements and discuss any significant financial reporting or internal control matters prior to their approval of the financial statements.

The financial statements have been audited by BDO Canada LLP, independent external auditors appointed by the Authority. The accompanying Independent Auditor's Report outlines their responsibilities, the scope of their examination and their opinion on the Authority's financial statements.

Chair
Clare Riepma
TBD

Vice Chair
Randy Greenlaw
TBD

Independent Auditor's Report

To the Members of Lake Simcoe Region Conservation Authority

Opinion

We have audited the financial statements of Lake Simcoe Region Conservation Authority, which comprise the statement of financial position as at December 31, 2023, and the statements of operations, changes in net financial assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Lake Simcoe Region Conservation Authority as at December 31, 2023, and its results of operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of Lake Simcoe Region Conservation Authority in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing Lake Simcoe Region Conservation Authority's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate Lake Simcoe Region Conservation Authority or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing Lake Simcoe Region Conservation Authority's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Lake Simcoe Region Conservation Authority's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on Lake Simcoe Region Conservation Authority's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause Lake Simcoe Region Conservation Authority to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Chartered Professional Accountants, Licensed Public Accountants

Barrie, Ontario
April 26, 2024

Lake Simcoe Region Conservation Authority
DRAFT Statement of Financial Position

Year Ended December 31	2023	2022
Financial Assets		
Cash and cash equivalents	\$ 29,775,166	\$ 25,793,038
Accounts receivable and other assets (Note 4)	1,791,361	1,544,225
	31,566,527	27,337,263
Liabilities		
Accounts payable and accrued liabilities	1,216,205	777,880
Obligations under capital lease (Note 5)	7,191	11,267
Deferred revenue (Note 6)	22,736,945	21,493,841
Vacation pay and lieu time accruals	156,137	130,471
	24,116,478	22,413,459
Net Financial Assets	7,450,049	4,923,804
Non-Financial Assets		
Inventory of supplies and prepaid expenses	158,017	132,251
Tangible capital assets (net) (Schedule 10)	19,344,445	18,463,662
	19,502,462	18,595,913
Accumulated Surplus (Schedule 9)	\$ 26,952,511	\$ 23,519,717
Contingent liabilities (Note 10)		

On behalf of the Board

Chair

Chief Administrative Officer/Secretary/Treasurer

See accompanying notes to the financial statements.

Lake Simcoe Region Conservation Authority
DRAFT Statement of Operations

Year Ended December 31	2023 Budget (Note 3)	2023 Actual	2022 Actual
Revenue:			
General levy	\$ 4,171,204	\$ 4,171,348	\$ 4,089,788
Special capital levy & municipal partners	9,523,181	7,681,450	5,909,144
Provincial & federal funding	2,042,587	1,684,148	1,770,219
Revenue generated by authority	8,748,912	6,304,512	6,141,504
Other revenue & contributions	563,690	781,161	6,981,452
Total Revenue:	25,049,574	20,622,619	24,892,107
Expenses:			
Corporate services (Schedule 1)	7,292,541	5,699,471	5,067,848
Ecological management (Schedule 2)	4,748,312	3,335,709	2,296,845
Education & engagement (Schedule 3)	858,979	852,273	678,920
Greenspace services (Schedule 4)	1,471,062	1,221,438	7,652,173
Planning & development services (Schedule 5)	5,291,622	4,318,096	4,714,547
Water risk management (Schedule 6)	6,226,718	3,876,887	3,775,957
Watershed studies & strategies (Schedule 7)	2,009,833	1,719,549	1,292,913
Total Gross Expenses:	27,899,067	21,023,423	25,479,203
Expenses included above related to:			
Tangible capital assets	-	1,380,693	6,910,957
Internal fee for service	2,940,652	2,913,126	2,071,217
Expenses before amortization	24,958,415	16,729,604	16,497,029
Amortization	-	460,221	399,668
	24,958,415	17,189,825	16,896,697
Net surplus for the year	\$ 91,159	\$ 3,432,794	\$ 7,995,410

See accompanying notes to the financial statements.

Lake Simcoe Region Conservation Authority
DRAFT Statement of Changes in Net Financial Assets

Year Ended December 31	2023 Budget (Note 3)	2023 Actual	2022 Actual
Net surplus for the year	\$ 91,159	\$ 3,432,794	\$ 7,995,410
Acquisition of tangible capital assets - net	-	(1,380,690)	(6,910,957)
Acquisition of capital leases	-	-	(11,904)
Loss on disposal of tangible capital assets	-	39,686	89,780
Amortization of tangible capital assets	-	460,221	399,668
Change in inventory and prepaid expenses	-	(25,766)	10,414
Increase in net financial assets	91,159	2,526,245	1,572,411
Net financial assets, beginning of year	4,923,804	4,923,804	3,351,393
Net financial assets, end of year	\$ 5,014,963	\$ 7,450,049	\$ 4,923,804

See accompanying notes to the financial statements.

Lake Simcoe Region Conservation Authority
DRAFT Statement of Cash Flows

Year Ended December 31	2023 Actual	2022 Actual
Operations:		
Net surplus for the year	\$ 3,432,794	\$ 7,995,410
Items not involving cash		
Amortization	460,221	399,668
Change in non-cash operating balances		
(Increase) decrease in accounts receivable and other assets	(247,136)	424,373
(Increase) decrease in inventory and prepaid expenses	(25,766)	10,414
Increase (decrease) in accounts payable and accrued liabilities	438,325	(203,128)
Increase (decrease) in obligations under capital lease	(4,076)	5,455
Increase in vacation pay and lieu time accruals	25,666	15,327
Increase in deferred revenue	1,243,104	5,789,187
	<u>5,323,132</u>	<u>14,436,706</u>
Capital Transactions:		
Loss on disposal of tangible capital assets	39,686	89,780
Addition to tangible capital assets	(1,380,690)	(6,922,861)
	<u>(1,341,004)</u>	<u>(6,833,081)</u>
Net increase in cash and cash equivalents	3,982,128	7,603,625
Cash and cash equivalents, beginning of year	<u>25,793,038</u>	<u>18,189,413</u>
Cash and cash equivalents, end of year	<u>\$ 29,775,166</u>	<u>\$ 25,793,038</u>

See accompanying notes to the financial statements.

Lake Simcoe Region Conservation Authority

DRAFT Notes to the Financial Statements

December 31, 2023

1. Nature of operations

The Lake Simcoe Region Conservation Authority (the "Authority") was established on September 6, 1951 by Order-in-Council No. OC-1723-51, in accordance with Section 3(1) of the Conservation Authorities Act of Ontario. The objective of the Authority, as stated by the Conservation Authorities Act R.S.O. 1990 is "to provide for the organization and delivery of programs and services that further the conservation, restoration, development and management of natural resources in watersheds in Ontario".

2. Summary of significant accounting policies

Management responsibility

The financial statements of the Authority are the responsibility of management. They have been prepared in accordance with Canadian public sector accounting standards established by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada.

Basis of accounting

Revenue and expenses are recorded on the accrual basis, whereby they are reflected in the accounts in the year in which they have been earned and incurred, respectively, whether or not such transactions have been settled by the receipt or payment of money.

Various revenue and expense items flow through the statement of financial activities based on their general nature in relation to operating activities. To the extent that these revenue and expense items relate to specific reserve balances, these items are reflected on Schedule 8 – Statement of Continuity of Reserves.

Cash and cash equivalents

The Authority considers deposits in banks and short-term investments with maturities of three month or less as cash and cash equivalents. Cash and cash equivalents comprise cash on hand, demand deposits and short-term cashable investments.

Non-financial assets

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They have useful lives extending beyond the current year and are not intended for sale in the ordinary course of operations.

Lake Simcoe Region Conservation Authority

DRAFT Notes to the Financial Statements

December 31, 2023

2. Summary of significant accounting policies *(continued)*

Tangible capital assets

Tangible capital assets are recorded at cost which includes all amounts that are directly attributable to acquisition, construction, development or betterment of the asset. Tangible capital assets received as contributions are recorded at their fair value at the date of receipt and recognized as revenue. The costs, less residual value, of the tangible capital assets are amortized on a straight-line basis over their estimated useful lives commencing once the asset is available for productive use as follows:

- Land improvements – 20 years
- Building and Building Improvements – 20 to 40 years
- Furniture and Fixtures – 20 to 25 years
- Machinery and Equipment – 4 to 10 years
- Vehicles – 5 to 10 years
- Computers and Computer Software – 4 to 10 years
- Infrastructure – 20 to 55 years

Leased tangible capital assets

A lease that transfers substantially all of the benefits and risks of ownership to the lessee is recorded as a tangible capital asset and the incurrence of a lease obligation. At inception, a tangible capital asset and an obligation are recorded at an amount equal to the lesser of the present value of the minimum lease payments, excluding executory costs, and the leased property's fair value at the beginning of the lease. The discount rate used to determine the present value of the lease payments is the lower of the rate of incremental borrowing or the interest rate implicit in the lease.

Leased tangible capital assets are amortized on a straight-line basis as follows:

- Office Equipment - 4 years

Vacation pay and lieu time liability

Vacation credits earned but not taken and lieu time entitlements are accrued as earned.

Reserves

Reserves for future expenses and contingencies are established and approved for use as required at the discretion of the Board of Directors. Increases or decreases in these reserves are made by appropriations to or from operations.

Lake Simcoe Region Conservation Authority

DRAFT Notes to the Financial Statements

December 31, 2023

2. Summary of significant accounting policies *(continued)*

Government transfers

Government transfers and municipal levies are recognized as revenue in the financial statements when the transfer is authorized and any eligibility criteria are met, except to the extent that transfer stipulations give rise to an obligation that meets the definition of a liability. Government transfers and municipal levies are recognized as deferred revenue when transfer stipulations give rise to a liability. Government transfers and municipal levies are recognized in the statement of operations as the stipulation liabilities are settled.

Restricted revenue

Contributions, other than government transfers, are deferred when restrictions are placed on their use by the external contributor and are recognized as revenue when used for the purpose specified.

Other grants, donations and contributions, amounts received from Lake Simcoe Region Conservation Foundation and authority-generated revenue are recognized when the related services are performed.

Use of estimates

The preparation of the financial statements in accordance with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. The principal estimates used in the preparation of these financial statements include accounts receivable, estimated provisions for accrued liabilities, the estimated useful lives of tangible capital assets and valuation of tangible capital assets. Actual results could differ from management's best estimates as additional information becomes available in the future.

Retirement benefits and other employee benefit plans

The Authority is an employer member of the Ontario Municipal Employees Retirement System (OMERS), which is a multi-employer, defined benefit pension plan. The Board of Trustees, representing plan members and employers, is responsible for overseeing the management of the pension plan, including investment of assets and administration of the benefits. The Authority has adopted defined contribution plan accounting principles for this Plan because insufficient information is available to apply defined benefit plan accounting principles. The Authority records as pension expense the current service cost, amortization of past service costs and interest costs related to the future employer contributions to the Plan for past employee service.

Lake Simcoe Region Conservation Authority

DRAFT Notes to the Financial Statements

December 31, 2023

2. Summary of significant accounting policies *(continued)*

Financial instruments

Cash and equity instruments quoted in an active market are measured at fair value. Accounts receivable and accounts payable are measured at cost or amortized cost. The carrying amount of each of these financial instruments is presented on the statement of financial position.

Unrealized gains and losses from changes in the fair value of financial instruments are recognized in the statement of remeasurement gains and losses. Upon settlement, the cumulative gain or loss is reclassified from the statement of remeasurement gains and losses and recognized in the statement of operations. Interest and dividends attributable to financial instruments are reported in the statement of operations.

For financial instruments measured using amortized cost, the effective interest rate method is used to determine interest revenue or expense.

All financial assets are tested annually for impairment. When financial assets are impaired, impairment losses are recorded in the statement of operations.

Transaction costs are added to the carrying value for financial instruments measured using cost or amortized cost. Transaction costs are expensed for financial instruments measured at fair value.

The Authority's financial assets comprise of cash and cash equivalents including investments which are recorded at fair value; and accounts receivable which are recorded at amortized cost. The Authority's financial liabilities comprise of accounts payable and accrued liabilities which are recorded at amortized cost.

Asset retirement obligations

A liability for an asset retirement obligation is recognized when there is a legal obligation to incur retirement costs in relation to a tangible capital asset; the past transaction or event giving rise to the liability has occurred; it is expected that future economic benefits will be given up; and a reasonable estimate of the amount can be made. The liability is recorded at an amount that is the best estimate of the expenditure required to retire a tangible capital asset at the financial statement date. This liability is subsequently reviewed at each financial reporting date and adjusted for the passage of time and for any revisions to the timing, amount required to settle the obligation or the discount rate. Upon the initial measurement of an asset retirement obligation, a corresponding asset retirement cost is added to the carrying value of the related tangible capital asset if it is still in productive use. This cost is amortized over the useful life of the tangible capital asset. If the related tangible capital asset is unrecognized or no longer in productive use, the asset retirement costs are expensed. The Authority has determined that its asset retirement obligations are not material and as such have not recorded a liability related to these costs.

Lake Simcoe Region Conservation Authority
DRAFT Notes to the Financial Statements

December 31, 2023

3. Budget figures

The approved budget for 2023 is provided for comparison purposes on the statement of operations. Certain programs or specific projects budgeted for in the year were not completed as at December 31 and therefore a direct comparison of actual versus budget amounts for expenditures may not be appropriate.

The 2023 budget was approved by the Board of Directors when the municipal levy was set on March 24, 2023. The 2023 budgeted figures are unaudited.

4. Accounts receivable and other assets

	<u>2023</u>	<u>2022</u>
Accounts receivable	\$ 1,084,083	\$ 1,431,561
Due from Lake Simcoe Conservation Foundation	524,224	103,803
Government remittances receivable	183,054	8,861
	<u>\$ 1,791,361</u>	<u>\$ 1,544,225</u>

5. Obligations under capital leases

	<u>2023</u>	<u>2022</u>
Obligation under a capital lease for a Sharp MX4071 Copier, maturing April 2023 with monthly payments of \$275.	\$ -	\$ 1,102
Obligation under a capital lease for a Sharp MX4071 Copier, maturing May 2026 with monthly payments of \$248.	7,191	10,165
	<u>\$ 7,191</u>	<u>\$ 11,267</u>

Future minimum lease payments under the capital leases for subsequent years are as follows:

2024	2,976
2025	2,976
2026	1,239
	<u>\$ 7,191</u>

Lake Simcoe Region Conservation Authority
DRAFT Notes to the Financial Statements

December 31, 2023

6. Deferred revenue

Deferred revenue consists of funds held for the following projects and programs:

	2023	2022
Government and Other Funding		
Ministry of the Environment, Conservation and Parks	\$ 298,840	\$ 313,560
Cash in lieu and compensation funds	18,573,463	16,586,076
Forestry & Greenspace Projects	11,300	25,001
Water Science & Monitoring Projects	199,473	84,340
Restoration Projects	647,421	494,659
Planning and Regulations	1,069,441	1,119,858
Special Capital Programs		
Facility Management	67,725	217,717
Governance	-	27,131
Human Resource Management	-	80,515
Information Management	-	309,040
Ecosystem Science & Monitoring	-	36,667
Forestry Services	18,032	141,281
Ecological Restoration & Regeneration	957,236	771,834
Greenspace Maintenance & Management	-	27,874
Flood Management & Warning	344,024	319,410
Water Management & Restoration	498,044	415,645
Water Science & Monitoring	-	36,296
Climate Change Adaptation	-	63,006
Watershed & Subwatershed Planning	1,946	226,296
Research & Innovation	50,000	197,635
	\$ 22,736,945	\$ 21,493,841

These amounts are recognized as revenue as directly related expenses are incurred.

Lake Simcoe Region Conservation Authority

DRAFT Notes to the Financial Statements

December 31, 2023

7. Expenses by object

	2023	2022
Administration	\$ 2,913,126	\$ 2,071,165
Construction and restoration	485,393	736,020
Consulting and other professional fees	1,846,966	1,383,323
Grants	1,162,709	916,345
Insurance	231,848	221,368
Interest and bank charges	64,954	79,533
Land	335,517	6,488,280
Loss on disposal of capital assets	39,685	89,780
Office	1,417,644	817,830
Program related expenses	290,247	323,425
Repairs and maintenance	127,757	127,068
Training	60,518	76,610
Utilities and property taxes	206,058	323,844
Vehicle expenses	136,121	128,304
Wages and benefits	11,704,880	11,696,308
	<u>\$ 21,023,423</u>	<u>\$ 25,479,203</u>

8. Credit facility

The Authority maintains an operating line facility with an operating limit of \$500,000 which bears interest at prime, 7.20% (2022 – 6.45%), and is due on demand. As of December 31, 2023, no balance was payable under this facility (2022 - \$Nil).

9. Pension agreement

The Authority makes contributions to the Ontario Municipal Employees Retirement System (“OMERS”) which is a multi-employer plan, on behalf of full-time members of staff and eligible part time staff. The plan is a defined benefit pension plan, which specifies the amount of the retirement benefit to be received by the employees based on the length of service and rates of pay.

OMERS provide pension services to nearly 500,000 active and retired members and approximately 1,000 employers. Each year an independent actuary determines the funding status of OMERS Primary Pension Plan (the Plan) by comparing the actuarial value of invested assets to the estimated present value of all pension benefits that members have earned to date. The most recent actuarial valuation of the Plan was conducted at December 31, 2023. The results of this valuation disclosed total actuarial liabilities of \$136,185 million in respect of benefits accrued for service with actuarial assets at that date of \$131,983 million indicating an actuarial deficit of \$4,202 million. Because OMERS is a multi-employer plan, any pension plan surpluses or deficits are a joint responsibility of Ontario municipal

Lake Simcoe Region Conservation Authority

DRAFT Notes to the Financial Statements

December 31, 2023

9. Pension agreement (*continued*)

organizations and their employees. As a result, the Authority does not recognize any share of the OMERS pension surplus or deficit.

Contributions made by the Authority to OMERS for 2023 were \$929,164 (2022 - \$880,168).

10. Contingent liabilities

Certain unresolved legal claims are outstanding against the Authority at December 31, 2023. No amounts have been accrued in the financial statements for any potential losses arising from these claims as the Authority anticipates any individual settlements will not exceed the limits of insurance coverage or the outcomes are not determined at this time.

11. Related party transactions

The Lake Simcoe Region Conservation Authority exercises economic interest over the Lake Simcoe Conservation Foundation as the Foundation was established to raise funds and obtain resources for the exclusive use of the Authority. During the year, the Authority received \$661,419 (2022 - \$195,689) from the Foundation towards specific program deliverables. Additionally, the Authority received from the Foundation \$188,507 (2022 - \$165,999) for expense reimbursement of Foundation related expenses. These transactions are measured at cost.

12. Financial instruments risks

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Authority is exposed to credit risk resulting from the possibility that a counterparty to a financial instrument defaults on their financial obligations; if there is a concentration of transactions carried out with the same counterparty; or of financial obligations which have similar economic characteristics such that they could be similarly affected by changes in economic conditions. The Authority's financial instruments that are exposed to concentrations of credit risk relate primarily to its accounts receivable. The majority of the Authority's receivables are from government resources. There has not been any change to this risk from prior period.

Liquidity risk

Liquidity risk is the risk that the Authority will encounter difficulty in meeting its obligations associated with financial liabilities. Liquidity risk includes the risk that, as a result of operational liquidity requirements, the Authority will not have sufficient funds to settle a transaction on the due date. The Authority is exposed to this risk mainly in respect of its accounts payable. The Authority mitigates this risk by ensuring that it always has sufficient cash to allow it to meet its liabilities when they become due. There has not been any change to this risk from prior period.

Lake Simcoe Region Conservation Authority

DRAFT Notes to the Financial Statements

December 31, 2023

13. Subsequent event

The Authority completed a transfer of fully depreciated assets and parcels of land to a third party on January 24th, 2024 with a net book value of \$1,025,000. This transaction took place after the year-end but before the financial statements were finalized.

Management believes that the financial impact of this transfer does not materially affect the financial position of the organization at the reporting date. The financial impact and loss on disposal of the parcels of land will be appropriately accounted for and reflected in the subsequent financial statements.

Lake Simcoe Region Conservation Authority
DRAFT Notes to the Financial Statements

December 31, 2023

DRAFT Schedule 1 – Corporate Services

Year Ended December 31	2023 Budget (Note 3)	2023 Actual	2022 Actual
Revenue:			
General Levy	\$ 1,863,935	\$ 1,864,079	\$ 2,776,334
Special Capital Levy & Municipal Partners	1,353,951	1,688,515	878,844
Provincial & Federal Funding	4,060	1,962	1,962
Revenue Generated by Authority	824,865	484,974	394,902
Other Revenue & Contributions	343,456	502,319	265,217
Total Revenue:	4,390,267	4,541,849	4,317,259
Expenses:			
Corporate Communications	898,500	709,082	713,703
Facility Management	2,189,197	1,407,405	760,112
Financial Management	1,277,375	1,105,831	1,108,760
Governance	697,705	658,791	648,578
Human Resource Management	631,103	408,844	621,002
Information Management	1,598,661	1,409,518	1,215,693
Total Gross Expenses:	7,292,541	5,699,471	5,067,848
Expenses included above related to:			
Tangible Capital Assets	-	816,314	329,010
Internal Fee for Service	2,921,252	2,888,888	2,026,123
Expenses before Amortization	4,371,289	1,994,269	2,712,715
Amortization	-	356,810	307,058
	4,371,289	2,351,079	3,019,773
Net surplus for the year	\$ 18,978	\$ 2,190,770	\$ 1,297,486

Lake Simcoe Region Conservation Authority
DRAFT Schedule 2 – Ecological Management

Year Ended December 31	2023 Budget (Note 3)	2023 Actual	2022 Actual
Revenue:			
General Levy	\$ 296,881	\$ 296,881	\$ 6,130
Special Capital Levy & Municipal Partners	2,752,454	2,075,880	1,463,005
Provincial & Federal Funding	479,159	364,166	290,069
Revenue Generated by Authority	1,243,777	622,937	678,675
Other Revenue & Contributions	90,069	143,151	48,529
Total Revenue:	4,862,340	3,503,017	2,486,408
Expenses:			
Ecosystem Science & Monitoring	1,314,744	1,186,489	947,190
Forestry Services	774,486	900,783	681,833
Restoration & Regeneration	2,659,082	1,248,437	667,822
Total Gross Expenses:	4,748,312	3,335,709	2,296,845
Expenses included above related to:			
Tangible Capital Assets	-	278,654	35,163
Internal Fee for Service	19,400	24,128	22,856
Expenses before Amortization	4,728,912	3,032,927	2,238,826
Amortization	-	19,602	19,586
	4,728,912	3,052,529	2,258,412
Net surplus for the year	\$ 133,428	\$ 450,488	\$ 227,996

Lake Simcoe Region Conservation Authority
DRAFT Schedule 3 – Education & Engagement

Year Ended December 31	2023 Budget (Note 3)	2023 Actual	2022 Actual
Revenue:			
General Levy	\$ 498,809	\$ 498,809	\$ 339,888
Provincial & Federal Funding	-	2,170	2,100
Revenue Generated by Authority	360,170	437,420	422,697
Other Revenue & Contributions	-	74	175
Total Revenue:	858,979	938,473	764,860
Expenses:			
Community Programming	158,160	120,749	85,613
School Programming	700,819	731,524	593,307
Total Gross Expenses:	858,979	852,273	678,920
Expenses included above related to:			
Tangible Capital Assets	-	14,792	610
Internal Fee for Service	-	-	-
Expenses before Amortization	858,979	837,481	678,310
Amortization	-	1,594	1,054
	858,979	839,075	679,364
Net surplus for the year	\$ -	\$ 99,398	\$ 85,496

Lake Simcoe Region Conservation Authority
DRAFT Schedule 4 – Greenspace Services

Year Ended December 31	2023 Budget (Note 3)	2023 Actual	2022 Actual
Revenue:			
General Levy	\$ 510,365	\$ 510,365	\$ 372,105
Special Capital Levy & Municipal Partners	432,162	428,899	380,159
Provincial & Federal Funding	92,462	125,793	18,177
Revenue Generated by Authority	193,842	163,255	51,017
Other Revenue & Contributions	124,020	72,813	6,626,428
Total Revenue:	1,352,851	1,301,124	7,447,886
Expenses:			
Management	1,285,645	1,029,114	987,641
Securement	185,417	192,324	6,664,532
Total Gross Expenses:	1,471,062	1,221,438	7,652,173
Expenses included above related to:			
Tangible Capital Assets	-	145,885	6,493,453
Internal Fee for Service	-	110	22,238
Expenses before Amortization	1,471,062	1,075,443	1,136,482
Amortization	-	42,534	38,029
	1,471,062	1,117,977	1,174,511
Net surplus (deficit) for the year	\$ (118,211)	\$ 183,147	\$ 6,273,375

Lake Simcoe Region Conservation Authority
DRAFT Schedule 5 – Planning & Development Services

Year Ended December 31	2023 Budget (Note 3)	2023 Actual	2022 Actual
Revenue:			
General Levy	\$ 505,115	\$ 505,115	\$ 495,211
Special Capital Levy & Municipal Partners	420,627	420,111	412,869
Provincial & Federal Funding	22,413	22,413	22,413
Revenue Generated by Authority	4,312,605	3,368,285	3,574,467
Other Revenue & Contributions	-	13	14,932
Total Revenue:	5,260,760	4,315,936	4,519,892
Expenses:			
Development Planning	2,840,437	2,194,067	2,543,609
Permitting & Enforcement	2,451,185	2,124,029	2,170,938
Total Gross Expenses:	5,291,622	4,318,096	4,714,547
Expenses included above related to:			
Tangible Capital Assets	-	-	5,563
Expenses before Amortization	5,291,622	4,318,096	4,708,984
Amortization	-	437	1,341
	5,291,622	4,318,532	4,710,325
Net deficit for the year	\$ (30,862)	\$ (2,596)	\$ (190,433)

Lake Simcoe Region Conservation Authority
DRAFT Schedule 6 – Water Risk Management

Year Ended December 31	2023 Budget (Note 3)	2023 Actual	2022 Actual
Revenue:			
General Levy	\$ 318,423	\$ 318,423	\$ 100,120
Special Capital Levy & Municipal Partners	3,161,879	1,548,776	1,935,292
Provincial & Federal Funding	1,195,197	1,040,384	978,343
Revenue Generated by Authority	1,726,178	1,140,524	1,014,313
Other Revenue & Contributions	6,145	62,464	25,686
Total Revenue:	6,407,822	4,110,571	4,053,754
Expenses:			
Flood Management & Warning	761,839	502,395	568,703
Source Water Protection	755,124	719,936	683,798
Water Management & Restoration	4,125,042	2,063,455	1,936,514
Water Science & Monitoring	584,713	591,101	586,942
Total Gross Expenses:	6,226,718	3,876,887	3,775,957
Expenses included above related to:			
Tangible Capital Assets	-	66,969	47,158
Expenses before Amortization	6,226,718	3,809,918	3,728,799
Amortization	-	29,974	29,552
	6,226,718	3,839,892	3,758,351
Net surplus for the year	\$ 181,104	\$ 270,679	\$ 295,403

Lake Simcoe Region Conservation Authority
DRAFT Schedule 7 – Watershed Studies & Strategies

Year Ended December 31	2023 Budget (Note 3)	2023 Actual	2022 Actual
Revenue:			
General Levy	\$ 177,676	\$ 177,676	\$ -
Special Capital Levy & Municipal Partners	1,402,109	1,519,269	838,975
Provincial & Federal Funding	249,296	127,260	457,155
Revenue Generated by Authority	87,475	87,117	5,433
Other Revenue	-	327	485
Total Revenue:	1,916,556	1,911,649	1,302,048
Expenses:			
Climate Change Adaptation	417,155	444,493	197,450
Research & Innovation	734,463	681,267	516,655
Watershed Subwatershed Planning	858,215	593,789	578,808
Total Gross Expenses:	2,009,833	1,719,549	1,292,913
Expenses included above related to:			
Tangible Capital Assets	-	58,079	-
Expenses before Amortization	2,009,833	1,661,470	1,292,913
Amortization	-	9,270	3,048
	2,009,833	1,670,740	1,295,961
Net surplus (deficit) for the year	\$ (93,278)	\$ 240,909	\$ 6,087

Lake Simcoe Region Conservation Authority
DRAFT Schedule 8 – Statement of Continuity of Reserves

Year Ended December 31

Reserve Category	Opening Balance January 1, 2023	Appropriations to/(from) Reserve	Ending Balance December 31, 2023
Asset Management	\$ 1,348,147	\$721,554	\$2,069,701
Working Capital	435,423	(62,379)	373,044
Rate Stabilization	3,284,108	1,812,825	5,096,933
Restricted	44,219	80,011	124,230
Grand Total	\$ 5,111,897	\$2,552,011	\$7,663,908

Lake Simcoe Region Conservation Authority
DRAFT Schedule 9 – Schedule of Accumulated Surplus

Year Ended December 31	2023 Actual		2022 Actual	
Opening Accumulated Surplus	\$	23,519,717	\$	15,524,307
Current Year Surplus		3,432,794		7,995,410
Ending Accumulated Surplus		26,952,511		23,519,717
Accumulated Surplus consists of:				
Tangible Capital Assets (net)		19,344,445		18,463,662
Unfunded Capital Leases		(55,842)		(55,842)
Reserves (Schedule 8)		7,663,908		5,111,897
Ending Accumulated Surplus	\$	26,952,511	\$	23,519,717

Lake Simcoe Region Conservation Authority

DRAFT Schedule 10 – Schedule of Tangible Capital Assets

December 31, 2023

	Land	Land Improvements	Building & Building Improvements	Computer & Computer Software	Furniture & Fixtures	Machinery & Equipment	Vehicles	Infrastructure	Work in Process	2023	2022
Cost											
Opening Balance	\$12,402,938	\$ 505,679	\$ 4,501,250	\$ 208,821	\$ 154,006	\$ 304,286	\$ 101,726	\$ 176,641	\$ 108,315	\$ 18,463,662	\$ 12,030,249
Additions	-	75,748	198,912	80,844	54,868	157,053	219,312	59,969	639,431	1,486,137	7,013,034
Disposals	-	-	(42,266)	(96,933)	-	-	-	-	(105,447)	(244,646)	(391,848)
Ending Balance	12,402,938	809,678	8,113,272	1,138,884	413,327	1,062,277	655,001	395,724	642,299	25,633,400	24,391,909
Accumulated Amortization											
Opening Balance	-	228,251	3,455,376	946,152	204,453	600,938	333,963	159,114	-	5,928,247	5,740,474
Amortization	-	31,394	207,231	67,589	19,569	74,956	49,746	9,736	-	460,221	399,668
Disposals	-	-	(3,874)	(95,639)	-	-	-	-	-	(99,513)	(211,895)
Ending Balance	-	259,645	3,658,733	918,102	224,022	675,894	383,709	168,850	-	6,288,955	5,928,247
Net Book Value	\$12,402,938	\$550,033	\$4,454,539	\$220,782	\$189,305	\$386,383	\$271,292	\$226,874	642,299	\$19,344,445	\$18,463,662

LAKE SIMCOE REGION CONSERVATION AUTHORITY

REPORT TO THE BOARD OF DIRECTORS

FOR THE YEAR ENDING DECEMBER 31, 2023

120 Bayview Parkway, Box 282
Newmarket, Ontario
L3Y 4X1

April 26, 2024

Dear Board of Directors,

Our report is designed to highlight and explain key issues which we believe to be relevant to the audit, including audit risks, the nature, extent, timing, and results of our audit work and the terms of our engagement, including fees. This report forms a significant part of our overall communication strategy with the Board of Directors and is designed to promote effective two-way communication throughout the audit process so that we may both share timely information. We are communicating only those matters of governance interest that come to our attention as a result of the performance of the audit. We are not required to design audit procedures for the specific purpose of identifying matters of governance interest.

Our audit and therefore this report will not necessarily identify all matters that may be of interest to the Board of Directors in fulfilling its responsibilities.

This report has been prepared solely for the use of the Board of Directors and should not be distributed without our prior consent. Consequently, we accept no responsibility to a third party that uses this communication.

Terms of Reference

Our overall responsibility is to form and express an opinion on the financial statements based on our audit procedures. The financial statements are prepared by management, with oversight by those charged with governance. The audit of the financial statements does not relieve management or those charged with governance of their responsibilities. The scope of our work, as confirmed in our engagement letter, and a summary of our proposed fees are set out below.

Engagement Objectives

- Forming and expressing an audit opinion on the financial statements.
- Present significant findings to the Board of Directors including key audit and accounting issues, any significant deficiencies in internal control and any other significant matters arising from our work.
- Provide timely and constructive management letters. This will include deficiencies in internal control identified during our audit.
- Consult regarding accounting and reporting matters are requested throughout the year.
- Work with management towards the timely issuance of financial statements.

Audit Strategy

Our overall audit strategy involved extensive partner and manager involvement in all aspects of the planning and execution of the audit and was based on our overall understanding of Lake Simcoe Region Conservation Authority.

We performed a risk based audit which allows us to focus our audit effort on higher risk areas and other areas of concern for management and the Board of Directors.

To assess risk accurately, we gained a detailed understanding of Lake Simcoe Region Conservation Authority's business and the environment it operates in. This allowed us to identify, assess and respond to the risks of material misstatement.

To identify, assess and respond to risk, we obtained an understanding of the system of internal control in place in order to consider the adequacy of these controls as a basis for the preparation of the financial statements, to determine whether adequate accounting records have been maintained and to assess the adequacy of these controls and records as a basis upon which to design and undertake our audit testing.

Based on our risk assessment, we designed an appropriate audit strategy to obtain sufficient assurance to enable us to report on the financial statements.

We chose audit procedures that we believed were the most effective and efficient to reduce audit risk to an acceptable low level. The procedures are a combination of testing the operating effectiveness of internal controls (when appropriate), substantive analytical procedures and other tests of detailed transactions.

Having planned our audit, we performed audit procedures, maintaining an appropriate degree of professional skepticism, in order to collect evidence to support our audit opinion.

Risks and Planned Audit Responses

Based on our knowledge of Lake Simcoe Region Conservation Authority's business, our past experience, and knowledge gained from management and you, we identified the following financial statement areas with significant risks; those risks of material misstatement that, in our judgment, required special consideration.

These risks arose mainly because of the complexity of the accounting rules, the extent of estimation and judgment involved in the valuation of these financial statement areas, and the existence of new accounting pronouncements that affect them.

Risk	Description	Audit Response
Management Override of Controls	Management is in a unique position to perpetrate fraud because of management's ability to directly or indirectly manipulate accounting records or prepare fraudulent financial statements by overriding controls that otherwise appear to be operating effectively.	In accordance with auditing standards, BDO has performed specific procedures that include testing journal entries, reviewing accounting estimates for biases, and obtaining and evaluating the business rationale for transactions that are outside the normal course of business for the Authority, if any. No significant issues were noted as a result of the above procedures.

Grant Revenue Recognition	There is a risk that the timing of grant revenue recognition is incorrect based on restrictions placed on the grant funding.	<p>BDO reviewed deferred revenue to ensure the balance was complete and accurate. BDO examined related income statement accounts and revenue recognition policies.</p> <p>Grant agreements were reviewed, and revenue recognition was analyzed based on restrictions included in the grant agreements. Controls surrounding purchases approval and expense coding was tested. No significant issues were noted as a result of the above procedures.</p>
Asset Retirement Obligation (ARO)	There is a risk of the asset retirement obligations haven't been captured by the organization and the remediation cost valued incorrectly	<p>BDO assessed whether all assets that fall in scope of PS 3280 were recognized appropriately by assessing the reasonableness of management's estimate. BDO recalculated the liability and agreed with management's assessment that there was no need record a liability.</p> <p>BDO assessed the memo to confirm that there was no adjustment required for ARO.</p>

Materiality

Misstatements, including omitted financial statement disclosures, are considered to be material if they, individually or in aggregate, could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

Judgments about materiality are made in light of surrounding circumstances and include an assessment of both quantitative and qualitative factors and can be affected by the size or nature of a misstatement, or a combination of both.

For purposes of our audit, preliminary materiality was set at \$517,000 for the year ended December 31, 2023.

Misstatements are considered to be clearly trivial for purposes of the audits when they are inconsequential both individually and in aggregate.

Independence

Our annual communication confirming our independence is included as an Appendix. Except as noted in the Appendix, we are not aware of any relationships between the entity and us that, in our professional judgment, may reasonably be thought to bear on our independence to date.

Auditor's Considerations of Possible Fraud and Illegal Activities

We are responsible for planning and performing the audit to obtain reasonable assurance that the financial statements are free of material misstatements, whether caused by error or fraud, by:

- Identifying and assessing the risks of material misstatement due to fraud;
- Obtaining sufficient and appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses; and
- Responding appropriately to fraud or suspected fraud identified during the audit.

The likelihood of not detecting a material misstatement resulting from fraud is higher than the likelihood of not detecting a material misstatement resulting from error because fraud may involve collusion as well as sophisticated and carefully organized schemes designed to conceal it.

During the audit, we performed risk assessment procedures and related activities to obtain an understanding of the entity and its environment, including the Authority's internal control, to obtain information for use in identifying the risks of material misstatement due to fraud and made inquiries of management regarding:

- Management's assessment of the risk that the financial statements may be materially misstated due to fraud, including the nature, extent and frequency of such assessments;
- Management's process for identifying and responding to the risks of fraud in the Authority, including any specific risks of fraud that management has identified or that have been brought to its attention, or classes of transactions, account balances, or disclosures for which a risk of fraud is likely to exist;
- Management's communication, if any, to those charged with governance regarding its processes for identifying and responding to the risks of fraud in Lake Simcoe Region Conservation Authority; and
- Management's communication, if any, to employees regarding its view on business practices and ethical behaviour.

In response to our risk assessment and our inquiries of management, we performed procedures to address the assessed risks, which may have included:

- Inquired of management, the Board of Directors, and others related to any knowledge of fraud, suspected fraud or alleged fraud;
- Performed disaggregated analytical procedures and consider unusual or unexpected relationships identified in the planning of our audit;
- Incorporated an element of unpredictability in the selection of the nature, timing and extent of our audit procedures; and
- Performed additional required procedures to address the risk of management's override of controls including:
 - Testing the appropriateness of a sample of adjusting journal entries and other adjustments for evidence of the possibility of material misstatement due to fraud;
 - Reviewing accounting estimates for biases that could result in material misstatements due to fraud, including a retrospective review of significant prior years' estimates; and
 - Evaluated the business rationale for significant unusual transactions.

Adjusted and Unadjusted Differences

No adjusted or unadjusted differences were identified through the course of our audit engagement. Should the Board of Directors agree with the assessment, we do not propose any adjustments.

Significant Findings, Accounting Policies, Estimates and Judgments

Management is responsible for determining the significant accounting policies. The choice of different accounting policy alternatives can have a significant effect on the financial position and results of operations of the Authority. The application of those policies often involves significant estimates and judgments by management.

We are of the view that nothing has come to our attention that indicates that the significant accounting policies, estimates and judgments made by management are not reasonable in the context of the financial statements taken as a whole.

Management Representations

During the course of our audit, management made certain representations to us. These representations were verbal or written and therefore explicit, or they were implied through the financial statements. Management provided representations in response to specific queries from us, as well as unsolicited representations. Such representations were part of the evidence gathered by us to be able to draw reasonable conclusions on which to base our audit opinion. These representations were documented by including in the audit working papers memoranda of discussions with management and written representations received from management.

A copy of the management representation letter which summarized the representations we have requested from management will be provided.

We wish to express our appreciation for the co-operation we received during the audit from Lake Simcoe Region Conservation Authority's management and staff who have assisted us in carrying out our work. We would be pleased to discuss with you the contents of this report and any other matters that you consider appropriate.

Yours truly,



Adam Delle Cese, CPA, CA
Partner
BDO Canada LLP
Chartered Professional Accountants, Licensed Public Accountants

APPENDICES

Appendix A: Independent auditor's report

Appendix B: Independence letter

Appendix C: Representation letter

APPENDIX A: INDEPENDENT AUDITOR'S REPORT

Independent Auditor's Report

To the Members of Lake Simcoe Region Conservation Authority

Opinion

We have audited the financial statements of Lake Simcoe Region Conservation Authority, which comprise the statement of financial position as at December 31, 2023, and the statements of operations, changes in net financial assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Lake Simcoe Region Conservation Authority as at December 31, 2023, and its results of operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of Lake Simcoe Region Conservation Authority in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing Lake Simcoe Region Conservation Authority's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate Lake Simcoe Region Conservation Authority or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing Lake Simcoe Region Conservation Authority's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Lake Simcoe Region Conservation Authority's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on Lake Simcoe Region Conservation Authority's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause Lake Simcoe Region Conservation Authority to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Chartered Professional Accountants, Licensed Public Accountants

Barrie, Ontario
April 26, 2024

APPENDIX B: INDEPENDENCE LETTER



Tel: (705) 726-6331
Fax: +1 (705) 722-6588
Toll-free: 1-866-275-8836

BDO Canada LLP
300 Lakeshore Drive
Suite 300
Barrie, Ontario
L4N 0B4

April 26, 2024

Members of the Board of Directors
Lake Simcoe Region Conservation Authority

Dear Members of the Board of Directors:

We have been engaged to audit the financial statements of Lake Simcoe Region Conservation Authority (the "Authority") for the year ended December 31, 2023.

Canadian generally accepted auditing standards require that we communicate at least annually with you regarding all relationships between the Authority and our Firm that, in our professional judgment, may reasonably be thought to bear on our independence.

In determining which relationships to report, the standards require us to consider independence rules and interpretations of the CPA profession and relevant legislation.

We have prepared the following comments to facilitate our discussion with you regarding independence matters arising since April 28, 2023, the date of our last letter.

We are aware of the following relationships between the Authority and us that, in our professional judgment, may reasonably be thought to have influenced our independence. The following relationships represent matters that have occurred from April 28, 2023 to April 26, 2024.

- We have provided assistance in the preparation of the financial statements, including adjusting journal entries and/or bookkeeping services. These services created a self-review threat to our independence since we subsequently expressed an opinion on whether the financial statements presented fairly, in all material respects, the financial position, results of operations and cash flows in accordance with Canadian Public Sector Accounting Standards.
- We, therefore, required that the following safeguards be put in place related to the above:
 - Management provided us with a trial balance and draft financial statements, including notes, prior to completion of our audit.
 - Management created the source data for all the accounting entries.
 - Management developed any underlying assumptions required with respect to the accounting treatment and measurement of the entries.
 - Management reviewed advice and comments provided and undertook their own analysis considering the Authority's circumstances and generally accepted accounting principles.

This letter is intended solely for the use of the Board of Directors, management and those charged with governance of the Authority and should not be used for any other purpose.



Yours truly,

BDO Canada LLP

Chartered Professional Accountants, Licensed Public Accountants

APPENDIX C: REPRESENTATION LETTER

Lake Simcoe Region Conservation Authority
120 Bayview Parkway, Box 282
Newmarket, Ontario
L3Y 4X1

April 26, 2024

BDO Canada LLP
Chartered Professional Accountants
300 Lakeshore Drive
Suite 300
Barrie Ontario
L4N 0B4

This representation letter is provided in connection with your audit of the financial statements of Lake Simcoe Region Conservation Authority for the year ended December 31, 2023, for the purpose of expressing an opinion as to whether the financial statements are presented fairly, in all material respects, in accordance with Canadian Public Sector Accounting Standards.

We confirm that to the best of our knowledge and belief, having made such inquiries as we considered necessary for the purpose of appropriately informing ourselves:

Financial Statements

We have fulfilled our responsibilities, as set out in the terms of the audit engagement dated November 9, 2023, for the preparation of the financial statements in accordance with Canadian Public Sector Accounting Standards; in particular, the financial statements are fairly presented in accordance therewith.

- The methods, significant assumptions, and data used in making accounting estimates and their related disclosures are appropriate to achieve recognition, measurement and/or disclosure that are reasonable in accordance with Canadian Public Sector Accounting Standards.
- Related party relationships and transactions have been appropriately accounted for and disclosed in accordance with the requirements of Canadian Public Sector Accounting Standards.
- All events subsequent to the date of the financial statements and for which Canadian Public Sector Accounting Standards require adjustment or disclosure have been adjusted or disclosed.
- The financial statements of the entity use appropriate accounting policies that have been properly disclosed and consistently applied.

Information Provided

- We have provided you with:
 - access to all information of which we are aware that is relevant to the preparation of the financial statements, such as records, documentation and other matters;
 - additional information that you have requested from us for the purpose of the audit; and
 - unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence.
- We are responsible for the design, implementation and maintenance of internal controls to prevent, detect and correct fraud and error, and have communicated to you all deficiencies in internal control of which we are aware.

- All transactions have been recorded in the accounting records and are reflected in the financial statements.
- We have disclosed to you all known instances of non-compliance or suspected non-compliance with laws and regulations whose effects should be considered when preparing the financial statements.
- We have disclosed to you the identity of the entity's related parties and all the related party relationships and transactions of which we are aware.

Fraud and Error

- We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
- We have disclosed to you all information in relation to fraud or suspected fraud that we are aware of and that affects the entity and involves:
 - management;
 - employees who have significant roles in internal control; or
 - others where the fraud could have a material effect on the financial statements.
- We have disclosed to you all information in relation to allegations of fraud, or suspected fraud, affecting the entity's financial statements communicated by employees, former employees, analysts, regulators, or others.

General Representations

- Where the value of any asset has been impaired, an appropriate provision has been made in the financial statements or has otherwise been disclosed to you.
- We have provided you with significant assumptions that in our opinion are reasonable and appropriately reflect our intent and ability to carry out specific courses of action on behalf of the entity when relevant to the use of fair value measurements or disclosures in the financial statements.
- We confirm that there are no derivatives or off-balance sheet financial instruments held at year end that have not been properly recorded or disclosed in the financial statements.
- Except as disclosed in the financial statements, there have been no changes to title, control over assets, liens or assets pledged as security for liabilities or collateral.
- There have been no plans or intentions that may materially affect the recognition, measurement, presentation or disclosure of assets and liabilities (actual and contingent).
- The nature of all material uncertainties have been appropriately measured and disclosed in the financial statements, including all estimates where it is reasonably possible that the estimate will change in the near term and the effect of the change could be material to the financial statements.
- There were no direct contingencies or provisions (including those associated with guarantees or indemnification provisions), unusual contractual obligations nor any substantial commitments, whether oral or written, other than in the ordinary course of business, which would materially affect the financial statements or financial position of the entity, except as disclosed in the financial statements.

Other Representations Where the Situation Exists

- We have informed you of all known actual or possible litigation and claims, whether or not they have been discussed with legal counsel. When applicable, these litigation and claims have been accounted for and disclosed in the financial statements.

Yours truly,

Signature

Position

Signature

Position

Staff Report

To: Board of Directors

From: Christa Sharp, Manager, Restoration Services

Date: April 17, 2024

Subject

Restoration Accomplishments for 2023

Recommendation

That Staff Report No. 25-24-BOD regarding an update on the Conservation Authority's Restoration Program and projects be received for information.

Purpose of this Staff Report

The purpose of this Staff Report No. 25-24-BOD is to provide an update on the Conservation Authority's Restoration Program 2023 accomplishments and upcoming projects for 2024.

Background

The Conservation Authority completed or funded 108 projects across the Lake Simcoe watershed in 2023. From stormwater retrofits, low impact development features, to community action projects, creating wetland habitat and agricultural projects, critical on-the-ground improvements to the watershed continue to be made. Projects are tracked for Key Performance Indicators, and some of these accomplishments include over 35 hectares of land being restored, over 3,400 metres of streambank being planted/stabilized, and 65 increased biodiversity and enhanced pollinator habitat.

Every year, staff choose their favourite projects, and for 2023 these projects included:

- Currie Street stormwater pond retrofit - City of Barrie
- Western Creek streambank erosion project – Town of Newmarket
- Agricultural washwater treatment system – Holland Marsh, Township of King
- Community action project – Township of Uxbridge
- Community action project - Town of Bradford West Gwillimbury
- Scanlon Creek restoration project - Town of Bradford West Gwillimbury
- Murray Drive stormwater improvements – Town of Aurora
- Controlled burn at Rogers Meadow - Town of East Gwillimbury
- Kawartha tree planting, and – City of Kawartha Lakes
- York Region natural heritage enhancements - Town of East Gwillimbury

These projects are highlighted on the Conservation Authority's website with additional details.

Over 85 projects are in progress for 2024, and the two projects below will be overviewed in the accompanying presentation:

- Beaverton low impact development – Township of Brock
- Vivian Creek wetland and drainage improvements- Town of East Gwillimbury

Staff look forward to working with all the great watershed partners to continue these great successes seen in 2023 and previous years.

Issues

There are no issues associated with this report.

Relevance to Conservation Authority Policy

Strategic Direction One of the Conservation Authority's Strategic Plan is to champion watershed health and climate resilience. A resilient watershed is achieved through nature-based restoration solutions and an increase in protected areas on rural, urban and agricultural lands. The development and implementation of the offsetting policies assist in achieving this goal by providing a consistent approach to enhancement and restoration throughout the watershed.

Impact on Conservation Authority Finances

There is no impact on Conservation Authority finance as the funding is within approved budgets. The total cost of the completed projects in 2023 was over \$4 million with a 1.6 million contribution from the Conservation Authority's funding programs.

Summary and Recommendations

It is therefore **Recommended That** Staff Report No. Staff Report No. 25-24-BOD regarding an update on the Conservation Authority's restoration program and projects be received for information.

Pre-Submission Review

This Staff Report has been reviewed by the General Manager, Development, Engineering and Restoration and the Chief Administrative Officer.

Signed by:

Glenn MacMillan
General Manager,
Development, Engineering and Restoration

Signed by:

Rob Baldwin
Chief Administrative Officer

Staff Report

To: Board of Directors

From: Don Goodyear, General Manager, Integrated Watershed Management

Date: April 26, 2024

Subject

Summary of 2024 Provincial and Municipal Funding Agreements

Recommendation

That Staff Report No. 26-24-BOD regarding recently secured Provincial and municipal funding be received for information.

Purpose of this Staff Report:

The purpose of this Staff Report No. 26-24-BOD is to provide the Board of Directors with a summary of funding agreements with the Ministry of Environment, Conservation, Parks in support of the Lake Simcoe Protection Plan, as well as agreements with municipal partners to inspect and provide rehabilitation and maintenance recommendations for stormwater assets.

Background:

Since 2012, the Conservation Authority has entered into numerous agreements with the Province for the delivery of projects that support implementation of the Lake Simcoe Protection Plan. In late-2023, staff began negotiations to establish new and amended agreements up to the 2024/25 fiscal year, and in some cases into 2026. Amendments to existing agreements are undertaken to incorporate new tasks and adjust timelines as well as funding amounts. As a result of these negotiations, the Conservation Authority has established five new agreements, and two previously negotiated agreements extend into this budget year. Following is a summary of the agreements, which advance initiatives supporting environmental monitoring, watershed planning, restoration, and research and innovation.

Lake Simcoe Tributary Monitoring and Study of Phosphorus and Dissolved Oxygen (continuation):

The primary objective of this project is to undertake the sampling and analysis necessary to calculate annual phosphorus loads to Lake Simcoe. Additionally, this project will investigate the observed disconnect between phosphorus loads and the dissolved oxygen concentrations. An improved understanding of changes to lake ecology will assist with adaptive management.

Timeframe: March 2023 to March 2025, Total Provincial funding: \$749,711.73

Promoting Urban Stormwater Restoration (continuation)

This project includes two components. The first involves supporting watershed municipalities in the adoption of stormwater management best practices through low impact development working group sessions, database enhancements to advance stormwater asset management, and knowledge sharing. The second involves advancing the planning and design of three innovative stormwater management projects within the Lake Simcoe watershed.

Timeframe: March 2023 to March 2025, Total Provincial funding: \$389,647.37

Water Balance Enhancements (new)

The objective of this project is to improve the monitoring data collection and accuracy of water balance calculations for Lake Simcoe, which in turn improves the accuracy of the phosphorus loading estimates. This project addresses gaps that have been identified in the precipitation monitoring network in the Lake Simcoe watershed, improves the accuracy of data collected by external agencies, improves methods used to model lake evaporative loss, and upgrades older monitoring equipment with up-to-date and more accurate equipment.

Timeframe: January 2024 to March 2025. Total Provincial funding: \$57,724

Improved Phosphorus Loading Estimates in Holland Marsh Polder (new)

The objective of this project is to increase the accuracy of phosphorus loading estimates by conducting high frequency sampling of pumping events at the Art Janse pumping station, and to improve pump tracking for improved pump volume calculations. The resulting data will improve phosphorus load estimations, as well as inform pumping and treatment operations that can reduce phosphorus loadings from the Holland Marsh to Lake Simcoe.

Timeframe: February 2024 to March 2025. Total Provincial funding: \$27,862

Winter de-icer application practices (new)

This agreement builds upon work done by the Conservation Authority, with Ministry support in recent years. Working with research partners at Toronto Metropolitan University, the Conservation Authority will be assessing the role that weather, changes to provincial policy, and changes to public expectations have had on the increased frequency of road salt applications that have been observed in recent years in the Lake Simcoe watershed. Teasing apart the drivers of this concerning new trend will allow for better focus on recommendations for action to our municipal and provincial colleagues.

Timeframe: March 2024 to April 2025. Total Provincial funding: \$119,670.73

Restoration Projects (new)

This agreement will allow the restoration team, working with member municipalities, to address high stormwater flows, pollutant loadings and degradation to natural heritage features.

These are some of the environmental issues facing Vivian Creek in East Gwillimbury and Ray Twinney Recreation complex in Newmarket. The Conservation Authority is working with these municipalities to implement stormwater projects in the Vivian Creek and Western Creek watersheds. Implementing these best management practices will reduce the environmental impact associated with high stormwater volumes, pollutant loadings and degradation to natural heritage features and functions.

Timeframe: March 2024 to April 2025. Total Provincial funding: \$100,000

Urban flood resilience (new)

This agreement will allow the Conservation Authority to pilot an assessment of the urban flood risk associated with climate change in a target subwatershed. Flood models for the Sophia Creek subwatershed in Barrie will be upgraded, and a suite of maps of the extent and depth of flooding expected in that area under various climate change scenarios and various storm events will be developed. This mapping will allow the Conservation Authority and City staff to assess how the risk to municipal infrastructure and private dwellings may change in the future as climate change progresses. Funding is currently being sought for a second phase of this project which would allow the Conservation Authority to conduct a cost-benefit assessment of various flood mitigation measures. Together, these two phases of this study will allow the Conservation Authority to develop staff capacity to answer questions of this sort for other member municipalities.

Timeframe: March 2024 to March 2025. Total Provincial funding: \$111,020.00

Municipal Stormwater Support Agreements:

The Conservation Authority has been developing the in house expertise to provide stormwater inspection and identification of maintenance prioritization need services to help municipal partners meet compliance requirements of O.Reg 208/19 (CLI ECA) and O.Reg 588/17 (Asset Management). In 2024 the Conservation Authority is providing Stormwater Facility Inspection support to seven watershed municipalities. The agreements provide various levels of support tailored to the needs of the municipalities. Comprehensive Inspection services, entailing inspection of stormwater ponds and low impact development features, sediment assessment surveys, hydraulic monitoring and maintenance prioritization, are being conducted in Aurora, Newmarket, and Georgina. Comprehensive Inspection services are also being conducted in King in partnership with Toronto and Region Conservation Authority as the Township straddles the watershed divide. Hybrid Inspection services are being conducted in East Gwillimbury with the aim of developing capacity with East Gwillimbury staff. Installation of stormwater pond hydraulic monitoring infrastructure, along with a year of monitoring, is being conducted in the Towns of Innisfil and Bradford West Gwillimbury.

Timeframe: March 2024 to March 2025. Municipal funding: \$510,633

Issues:

Partnerships with the Province through these agreements help advance shared priorities and embody the Conservation Authority's mission of collaborating to protect and restore the Lake Simcoe watershed with innovative research, policy and action. Improving water quality and flood resilience through innovative stormwater management projects by the Restoration team provides direct benefit to the watershed, and refining our understanding of lake and watershed stressors and responses to them through enhanced monitoring and research is foundational to adaptive management. The outcomes from each agreement enable the Conservation Authority to better protect and restore the Lake Simcoe watershed.

The municipal stormwater agreements represent a growing partnership to address regulatory changes around stormwater management. These agreements assist municipalities in their compliance with Provincial asset management regulations and Linear Infrastructure Environmental Compliance Approvals and improve the management of stormwater infrastructure. This, in turn, increases watershed resilience as effectively maintained stormwater infrastructure provides water quality and flood mitigation benefits.

Relevance to Conservation Authority Policy:

All agreements will be undertaken in compliance with any related Conservation Authority policy.

Impact on Conservation Authority Finances:

In accordance with individual agreements, funds will be used to support expenses such as staff salary, equipment, and consultant services. Staff salaries for all new agreements are charged at full cost recovery rates that account for non-billable hours such as vacation. Each agreement also includes an overhead administration charge of 18% of staff salary.

Total new revenue from these agreements (i.e. not included in 2024 budget) is \$416,236.70, which will be incorporated into a forthcoming budget restatement.

Summary and Recommendations:

Negotiations with the Province have resulted in five new agreements and two on-going agreements in support of the Lake Simcoe Protection Plan. Seven agreements have also been established with municipal partners to assist with stormwater management. The agreements augment existing Conservation Authority programs such as Restoration Services, Watershed Planning, Research and Innovation and Environmental Science and Monitoring, significantly increasing capacity and outcomes.

It is therefore **Recommended That** Staff Report No. 26-24-BOD regarding recently secured Provincial and municipal funding be received for information.

Pre-Submission Review:

This Staff Report has been reviewed by the Chief Administrative Officer.

Signed by:

Signed by:

Don Goodyear
General Manager, Integrated Watershed
Management

Rob Baldwin
Chief Administrative Officer

Staff Report

To: Board of Directors

From: Mark. Critch, General Manager, Corporate and Financial Services/CFO

Date: April 16, 2024

Subject

2024 Budget Companion Document

Recommendation

That Staff Report No. 27-24-BOD regarding the Conservation Authority's 2024 Budget Companion document be received for information.

Purpose of this Staff Report:

The purpose of this Staff Report No. 27-24-BOD is to provide the Board of Directors with the 2024 Budget Companion Document for review and for future reference. The Budget Companion is yearly document produced inhouse to provide additional budget details beyond what is provided in the Budget document, such as details of the programs and services delivered by Lake Simcoe Region Conservation Authority.

Background:

Building off the approval of the 2024 Budget at the March Board of Directors meeting, staff have been working to provide additional context to the budget through a companion document that is being provided to each funding municipality. The Budget Companion document will also be made available on the Conservation Authority's website for public viewing. This companion document provides a fully transparent view into the budget, allowing residents and partners an opportunity to see where every staff resource has been assigned and how every budget dollar is being spent in 2024.

Issues:

There are no issues associated with this report. In fact, during the review of programs and services, the Lake Simcoe Region Conservation Authority's Budget Companion document was held up as the standard for program transparency for other Conservation Authorities to follow. Our Communications team has been instrumental in the creation of the Budget Companion document over the last 5 years, making our budget information readable to more than financial professionals. Program managers are the subject matter experts, focusing on the accomplishments from the previous year and our planned outcomes for the year ahead.

Relevance to Conservation Authority Policy:

There is no requirement to provide the annual Budget Companion document, as all the legislative components are covered in the Budget document for 2024. The Budget Companion addresses a number of Strategic Priorities found in *Transformation 2022-2024*:

- 3.3 Target audiences are aware of our organizations purpose, programs and services.
- 3.4 Watershed communities consider us a trusted, transparent and inclusive organization.
- 4.1 Proactive financial management and reliable funding sources support sustainable operations.
- 4.2 Internal and External clients receive excellent service and have their diverse needs met.
- 4.4 Effective and efficient business processes demonstrate a commitment to continuous improvement and environmental sustainability.

Impact on Conservation Authority Finances:

There are no direct financial implications associated with this report. Staff time involved in the 2024 Budget Companion Document has been included in the Board approved 2024 Budget.

Summary and Recommendations:

It is therefore **Recommended That** Staff Report No. No. 27-24-BOD regarding the Conservation Authority's 2024 Budget Companion document be received for information.

Pre-Submission Review:

This Staff Report has been reviewed by the General Manager, Corporate & Financial Services/CFO and the Chief Administrative Officer.

Signed by:

Signed by:

Mark Critch
General Manager, Corporate and Financial
Services, CFO

Rob Baldwin
Chief Administrative Officer

Attachments:

1. 2024 Budget Companion Document



Lake Simcoe Region
conservation authority

2024

Budget Companion

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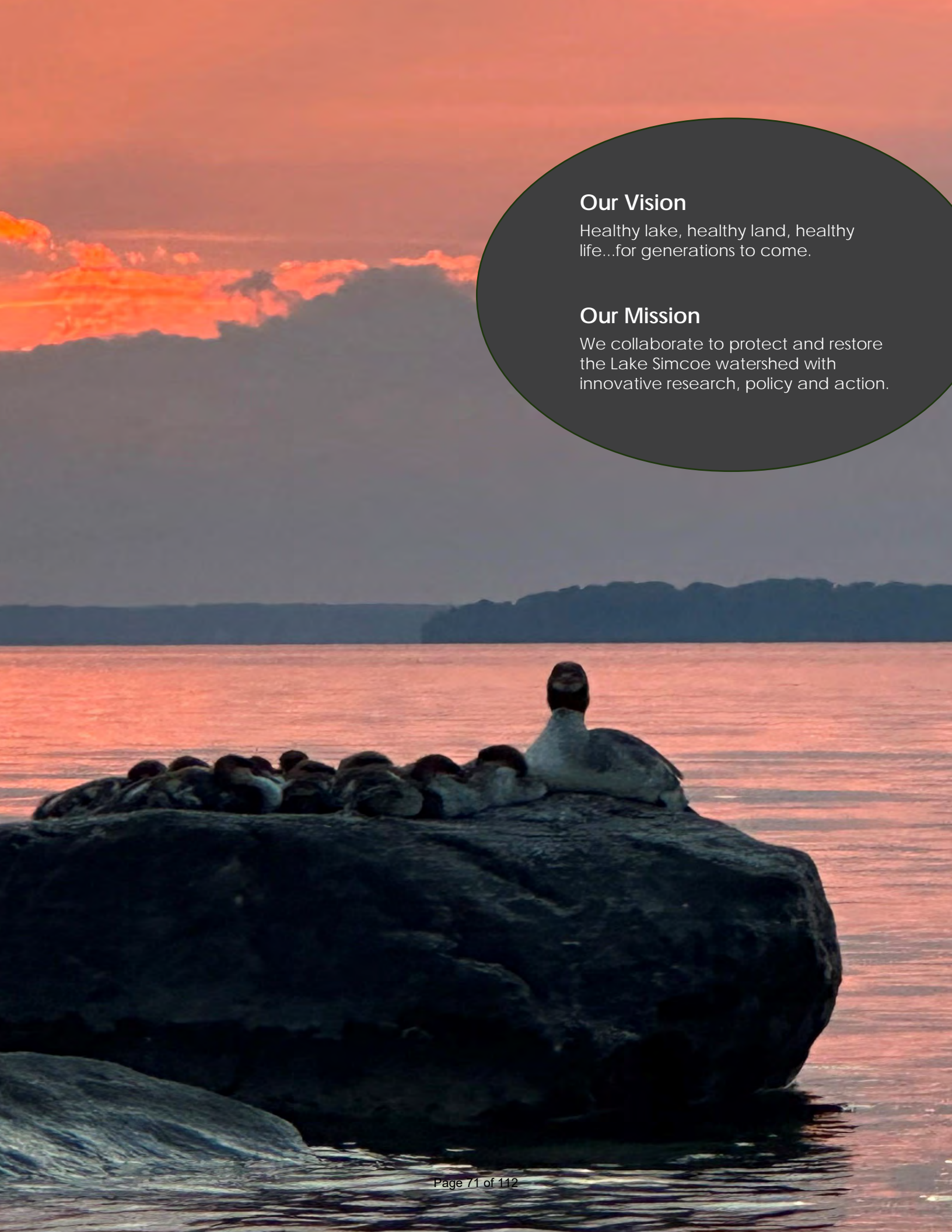
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Our Vision

Healthy lake, healthy land, healthy life...for generations to come.

Our Mission

We collaborate to protect and restore the Lake Simcoe watershed with innovative research, policy and action.



A Bit About Us and the Watershed

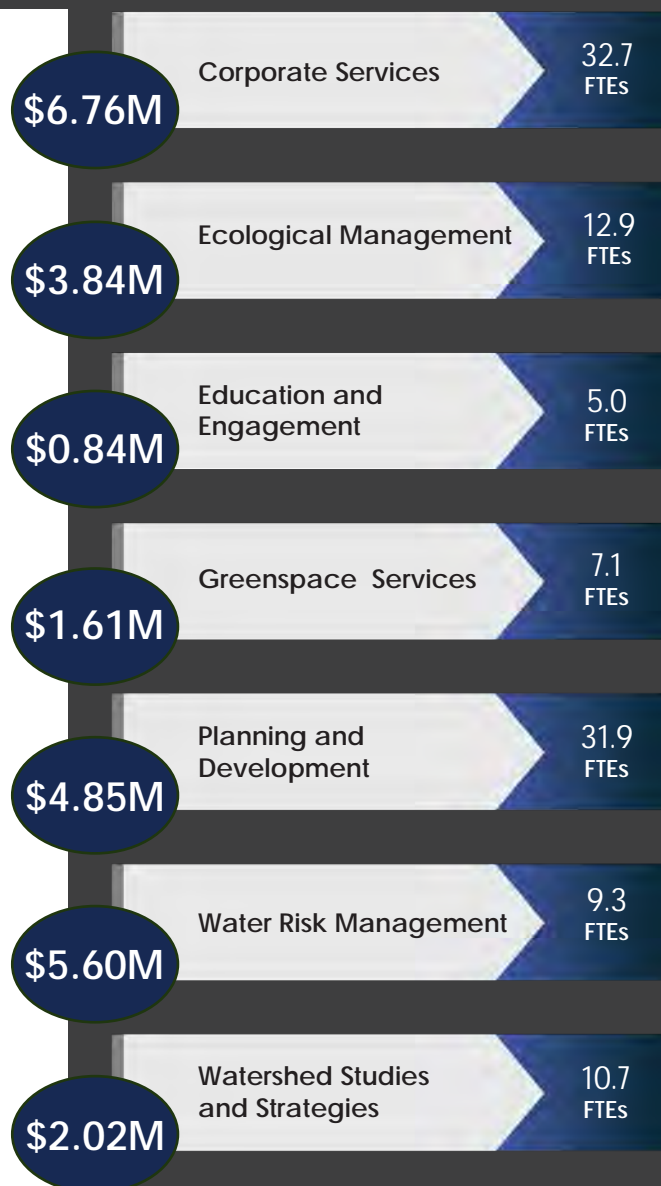
The Lake Simcoe watershed, which is 3,400 square kilometres, sweeps across 20 municipalities, from the Oak Ridges Moraine in the south to the Oro Moraine in the north, through York and Durham Regions, Simcoe County and cities of Kawartha Lakes, Barrie, and Orillia.

The watershed has been inhabited and cared for by Indigenous Peoples since creation, and we recognize and thank the Williams Treaties First Nations, including the Chippewas of Georgina Island, Rama and Beausoleil and the Mississaugas of Alderville, Curve Lake, Hiawatha, the Credit and Scugog Island, for their historic connection and unwavering care for this land and water.

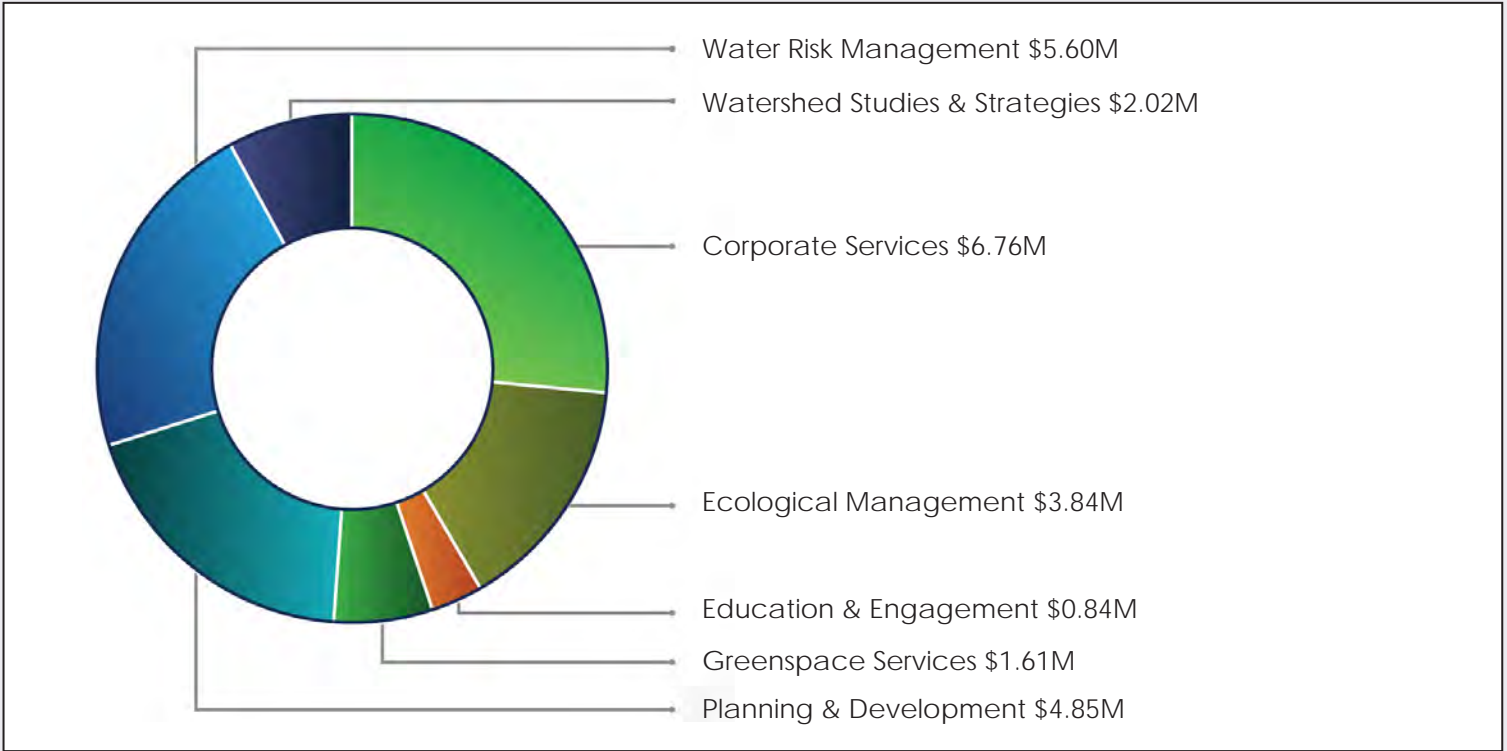
We are the Lake Simcoe Region Conservation Authority. We are a local watershed management organization incorporated under the province of Ontario's *Conservation Authorities Act*, and for over 70 years now, we have been focused on conservation, restoration, and management of this incredible ecological gem.

To deliver on our mandate and commitments, we employ over 100 full-time, part-time, contract and seasonal staff across numerous professional fields who provide expertise within the following seven service areas, which are detailed in the following pages:

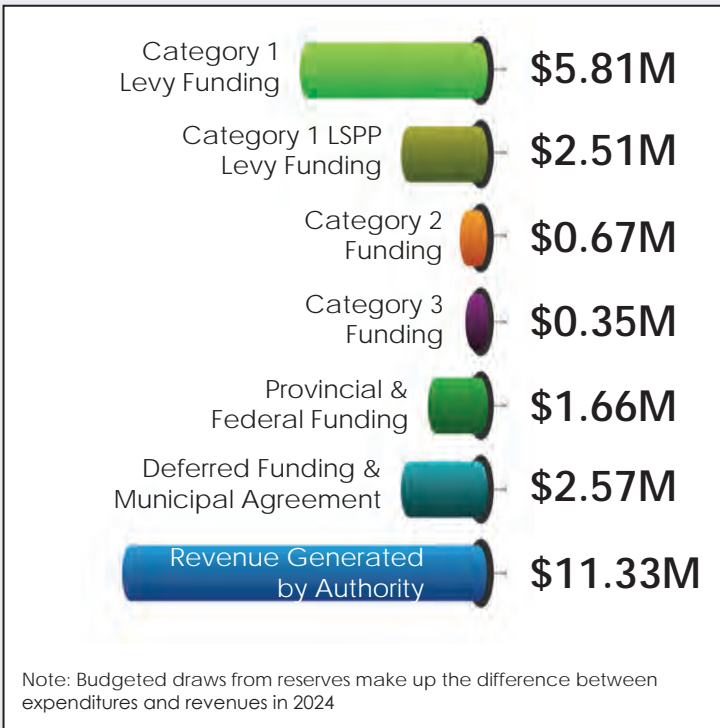
- Corporate Services
- Ecological Management
- Education & Engagement
- Greenspace Services
- Planning & Development Services
- Water Risk Management
- Watershed Studies & Strategies



2024 Budget Summary \$25.51M, Total FTEs 109.6



Revenue Source \$24.91M



Expenditure Type \$25.51M



Capital, Projects and Operating Split

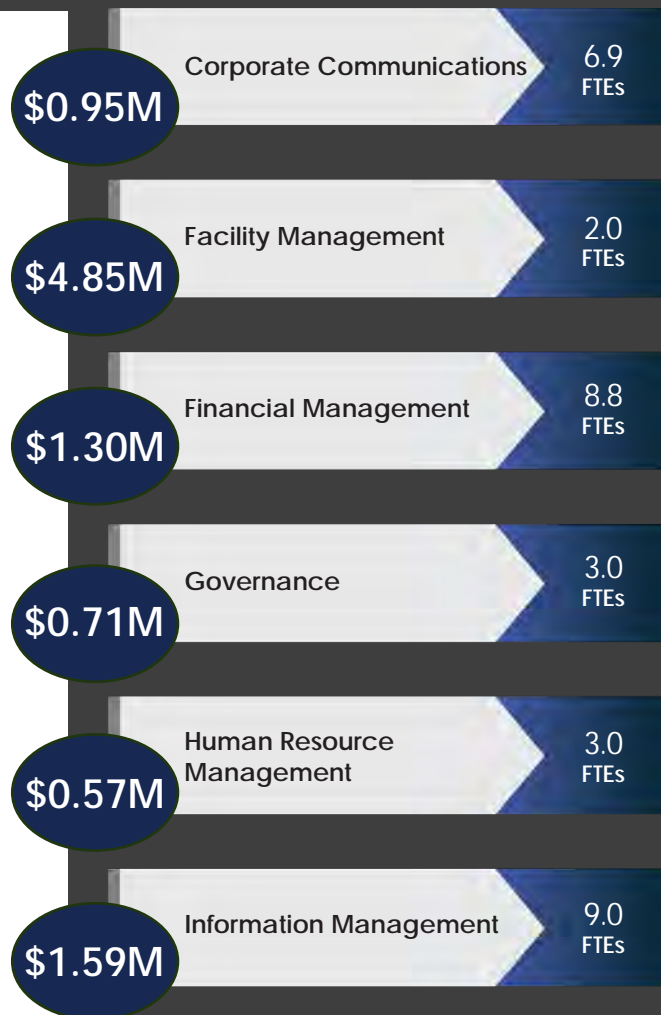




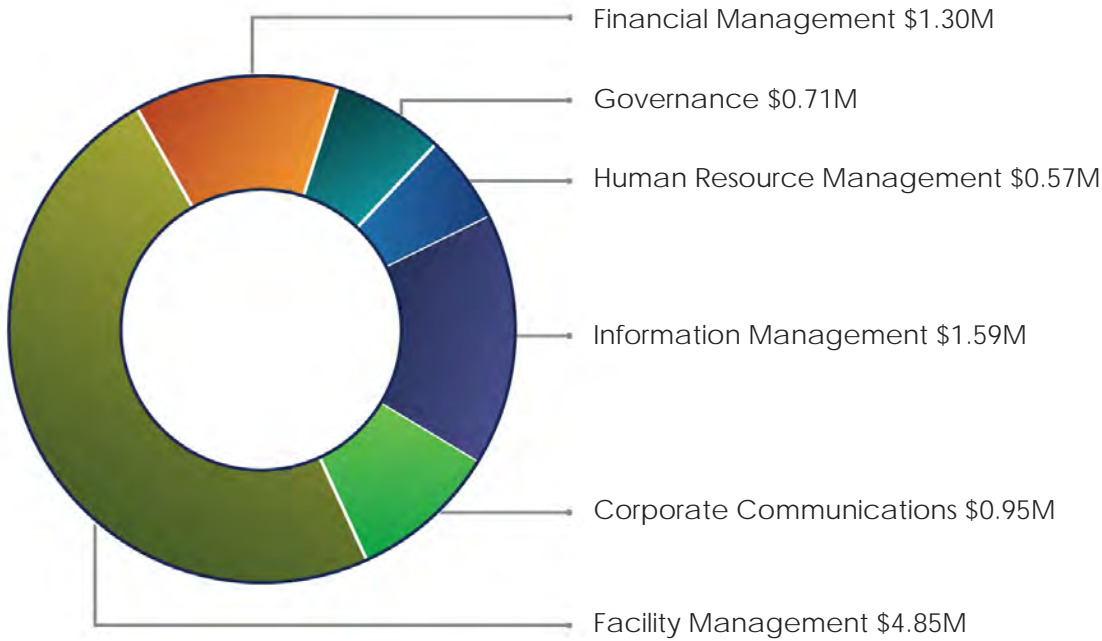
Corporate Services

Corporate Services provides leadership and management in the delivery of services central to the successful functioning of the entire organization. Corporate Services consists of the following program areas:

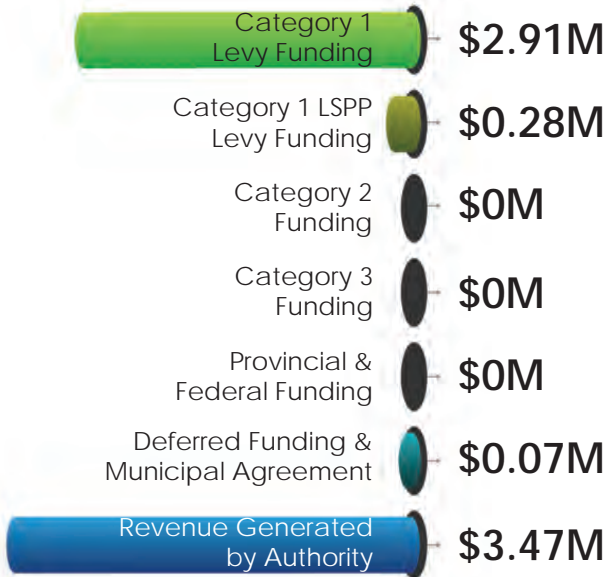
- Corporate Communications
- Facility Management
- Financial Management
- Governance
- Human Resource Management
- Information Management



2024 Corporate Services Budget \$6.76M, 32.7 FTEs

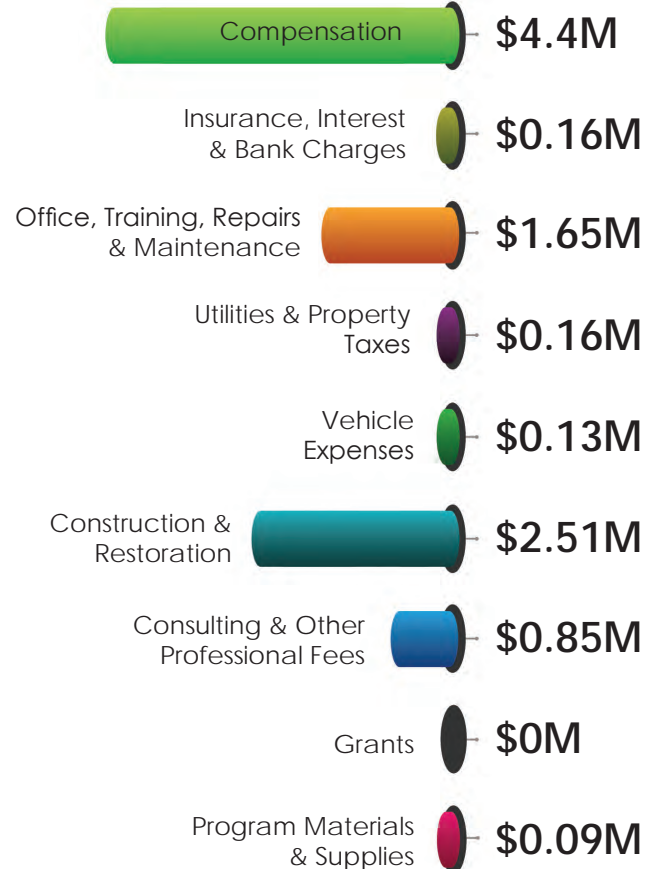


Revenue Source \$6.73M



Note: Budgeted draws from reserves make up the difference between expenditures and revenues in 2024

Expenditure Type \$9.97M



*less internal fee for service of \$3.19M

Capital, Projects and Operating Split



2023 Achievements

- Provided input and communications expertise into the Subwatershed Plans online platform.
- Expanded the reach of the Do-It-Yourself seedling program, with a 34 % increase in community interest.
- Migrated our corporate website containing more than 500 pages to a new, fully accessible platform.
- Responded to several media requests, as well as monitored and tracked more than 100 media articles related to our watershed.

Fast Facts

- Achieved a 14 % growth in subscribers to our education programs and events contact lists.
- Presented 19 watershed residents with Conservation awards at our Conservation Awards Gala.

Corporate Communications

Corporate Communications and Engagement Services provides strategic communications and marketing oversight and delivers a broad range of initiatives to inform, inspire, influence, and motivate government partners, groups, and people of all ages across our communities to achieve a healthier watershed.

2024 Focus

- Lead the development and launch of the new strategic plan.
- Build on the momentum of our successful social media strategy to further engage with our audiences.
- Build and strengthen relationships with news media and continue to establish the Conservation Authority as the subject matter expert on environmental issues related to lake and watershed health.
- Collaborate on delivery of the Watershed-based Resource Management Strategy, Conservation Areas Strategy, and Subwatershed Plans platform.
- Continue to influence strategic and targeted communications to increase participation in and understanding of Conservation Authority programs and services.

Outlook

- Our reputation continues to gain positive momentum, with increasing interest and coverage by news media, growing social media reach, and impressive levels of engagement with our community partners, watershed residents, and all levels of government.
- Increased online activity and targeted communications and marketing, is leading to higher levels of social media followers and increased knowledge of our programs and services.

Service Pressures

- The news media landscape continues to evolve, as evidenced by the closure of several community newspapers and radio stations, and we are faced with challenges in reaching some of our target audiences.
- As a result, we are increasingly using social media to direct people to our online content to make them aware of the programs and services we offer.





Facility Management

Facility Management oversees the management of all assets (buildings and infrastructure, vehicles, and equipment). This includes purchases, leases, repairs, scheduled maintenance, licenses, insurance, utilities, and taxes.

2024 Focus

- Complete design and permitting stages for the development of the new Scanlon Creek Nature Centre and begin facility construction.
- Retrofit washrooms at Head Office to maintain assets, improve operations, and enhance professional appearance.
- Continue asset replacement program with wall painting at Head Office, and implementation of phase 2 of the office chair replacements.
- Install additional parking lot lights and security cameras at Scanlon Creek Conservation Area to enhance employee safety and infrastructure protection.
- Undertake parking lot, entrance, and landscape upgrades at Head Office to enhance professional appearance and meet accessibility requirements.
- Replace electrical power poles along the corridor servicing the Scanlon Creek Operations and Nature Centres to improve safety and reduce risk of service interruptions.
- Install high-quality audio and visual equipment in meeting rooms at Head Office and the Operations Centre.

Outlook

- Inflation, supply chain disruptions, and availability of materials is anticipated to continue to impact current and future maintenance and construction projects and green fleet vehicle replacements.
- Recent renovation of the Operations Centre and construction of a new Nature Centre will mean that asset management and maintenance focus will shift to the older Head Office.

Service Pressures

- Adapting facility and fleet vehicle service levels to meet new and evolving business delivery models, as well as employee health and safety requirements.
- Supply chains and market fluctuations continue to impact service and material costs, causing delays of up to six months for some scheduled projects and product deliveries.
- Ongoing maintenance of the existing Nature Centre is required to ensure the safe delivery of Education programs during the development of the new facility.

Fast Facts

- The Scanlon Creek Operations and Nature Centres are illuminated and heated using electricity, reducing the carbon footprint for these facilities. The new Scanlon Creek Nature Centre will also be powered using electricity and will be constructed and operated to be net-zero.

2023 Achievements

- Completed flat roof replacements at Head Office, protecting the building while increasing insulation and operating efficiency.
- Improved employee safety and facility security at Scanlon Creek Conservation Area through the installation of walkway, parking lot lighting, and security cameras.
- Began employee office chair asset replacement, completing phase 1 of 4.
- Cleared brush and trees along the entire length of the powerline servicing the Scanlon Creek Operations and Nature Centres to improve power supply and business operation continuity.



Fast Facts

- 2023 is our 8th consecutive year without an appeal related to our Freedom of Information requests.

Financial Management

Financial Management is responsible for day-to-day financial operations such as payroll and accounts payable/receivable as well as budgeting, procurement, risk management, procured legal services, quarterly and annual financial reporting, records management, freedom of information requests/reporting, and reception services.

2024 Focus

- Ensure the 2024 Budget is approved at each funding municipality, using the new funding categories, and abiding by the new budget process set out by the province.
- Introduce a new Purchase Order module that will improve record keeping, accuracy at year-end, and enable improved forecasting.
- Continue work on our records management project, seeking Board approval of a policy and retention schedule, following a legal review completed in 2023.
- Continue to streamline and refine the budget process with funding municipalities for the 2025 Budget, leveraging our learnings from the first year of the new budget process.
- Make improvements to multi-year budgeting, enabling a better understanding of our longer term operating and capital needs, in line with municipal budgeting.

Outlook

- Significant fiscal restraints, new processes developed through remote work, and our drive for business excellence will continue to spur new program and process improvements.
- High Construction Price Index challenges our ability to accurately forecast costs in the capital budget.

Service Pressures

- Changes to the **Conservation Authorities Act** will change our future budgets starting in 2024, including how we request levy funding from our municipal funding partners.
- Increasing complexity of budget, forecasting, and financial reporting related to project accounting and additional grant submissions with limited staff capacity.

2023 Achievements

- Implemented new payment software to enable certain online payments for clients in various programs in efforts to improve client satisfaction and reduce staff time. The new payment software has resulted in \$10,000-15,000 savings.
- Streamlined staff's ability to work effectively in a "3-office" environment through the implementation of new electronic workflow processes related to purchase orders and expense claims processing.
- Transitioned to Bids and Tenders as the new procurement platform which will increase exposure to more vendors resulting in competitive bidding that will lead to better pricing. Electronic bidding will reduce paper usage, improve communication, and allow for better management of procurement records.
- Met with member municipalities to proactively discuss changes to the budget process, the introduction of mandatory Memorandums of Understanding, and answer any questions pertaining to the changes under the **Conservation Authorities Act**.

Governance

The Chief Administrative Officer provides expert knowledge, strategic advice, and recommendations to the Board of Directors on policy, program, and budget decisions. The Chief Administrative Officer also provides operational leadership to more than 100 staff to guide and influence processes, decisions, and implementation, to advance our mission.

2024 Focus

- Revise the current strategic plan and develop a reporting dashboard for implementation from 2025 onwards.
- Finalize all aspects of transition and ensure all legislated deliverables are completed as required in **Bill 229** and supporting regulations.
- Implement all required changes with **O.Reg.41/24** and amend Conservation Authority development guidelines and bylaws accordingly.

Outlook

- **Conservation Authorities Act** changes will change the structure, funding, and delivery of our programs and services for a stronger and more secure future.
- The federal government's commitment to improving the health of Lake Simcoe provides excellent funding and partnership opportunities for critical watershed restoration projects into the future.

Service Pressures

- Regulatory and mandated changes to Conservation Authority programs and services continue requiring ongoing implementation and engagement with core partners and public.
- Inflationary pressures, workforce changes, and ongoing response across all levels of government require constant attention and effective change management.

Fast Facts

- Online, annually, we publish a Board-approved budget, a description of all programs and services (Budget Companion), as well as an audited financial statement.
- Our primary municipal watershed funders are Durham & York Regions, Bradford West Gwillimbury, Innisfil, New Tecumseth, Oro-Medonte, Ramara, Barrie, and Kawartha Lakes.



2023 Achievements

- Operationalized the changes and requirements of regulations under the **Conservation Authorities Act** ensuring compliance.
- Completed transfer of properties to the Town of Georgina.
- Continued as a member of the Conservation Ontario Board of Directors helping guide all conservation authorities.

Fast Facts

- June 2023 marked the 5-year anniversary of the Conservation Authority's endorsement of the Inclusion Charter for York Region, demonstrating our commitment to create an inclusive environment where diversity is celebrated and where everyone can develop to their full potential.
- 77% of full-time staff have worked for the Conservation Authority for 5 or more years.

Human Resource Management

Human Resources is responsible for the effective support and management of people in the organization through the provision of services such as recruitment and retention, health and safety, performance management, employee relations, learning and development, benefits and compensation design, and administration and policy development.

2024 Focus

- Begin implementing recommendations in the Diversity, Equity, Inclusion, and Belonging framework.
- Continue to enhance our health and safety program through a partnership with the Workplace Safety and Insurance Board (WSIB) and their Health and Safety Excellence Program.
- Strengthen employee and leadership professional development and explore opportunities to increase collaboration internally and externally.
- Leverage technology to create efficiencies and enhance human resources, and health and safety workflow processes.

Outlook

- Effective talent management practices are essential for attracting, motivating, engaging, developing, and retaining staff. Prioritizing succession planning and development opportunities is imperative to creating a resilient workforce, and to ensuring success and competitiveness as an employer.

Service Pressures

- Ongoing changes to provincial environmental legislation challenges how we address employee concerns and provide support and guidance.

2023 Achievements

- Completed phase 1 of the Diversity, Equity, Inclusion, and Belonging Strategy, developing a framework with short and long-term recommendations to guide future policy and program development.
- Undertook an organizational review of all positions and completed a market evaluation of compensation to ensure competitiveness as well as our ability to attract and retain talent.

Information Management

Information Management is responsible for providing and managing secure, reliable, and integrated information technology solutions that align with our business and strategic goals while delivering excellence in client service for staff.

2024 Focus

- Assist Engineering and Regulations Teams to complete a major update to the hazard mapping regulations in accordance with new provincial legislation.
- Develop a new, and much more accurate, Light Detection and Ranging (LiDAR)-based elevation surface for the entire Lake Simcoe watershed that will support floodplain mapping to better predict flooding events.
- Advance the work of our new Information Management Steering Committee to better guide our digital transformation of key business processes. This includes developing an updated corporate information management vision and a digital strategy.
- Continue to implement security measures to protect our systems and data from cyber attacks and improve backup and disaster recovery systems.
- Implement a cloud-based phone system, that will be integrated with Microsoft Teams and Microsoft 365, to replace the existing landline phone system.

Outlook

- Digitally transform our numerous business processes to improve efficiency and accessibility of information technology services.
- Increased digital workspaces will allow staff to effectively work from different locations and deliver quality customer service from any location.
- Make good use of Artificial Intelligence and avoid related security breaches.

Service Pressures

- Content management and records management is shifting business processes to digital formats leading to greater efficiency but creating change management challenges at the same time.
- Cyber security threats require us to balance costs while keeping our network running smoothly and protecting stored private data.
- Establishing a data and records management system is a critical and integral part of our digital transformation but will also involve change management challenges.

Fast Facts

- There are now more than 60 billion elevation points derived from LiDAR covering the Lake Simcoe watershed.
- More than 1 million spam emails attempt to infiltrate our email boxes each year.
- There were 1,600 datasets downloaded from the Open Data and Partner GIS data portal in 2023.

2023 Achievements

- Completed security assessment and added additional layers of security to our network to keep our data safer and reduce the risk of being compromised by the global hacking epidemic.
- Upgraded our regulations business application to help staff be more efficient in delivering customer services.
- Acquired new and more accurate elevation data to support improved floodplain mapping.
- Upgraded the Geographic Information System infrastructure software and hardware to allow faster access to our geographic information system.

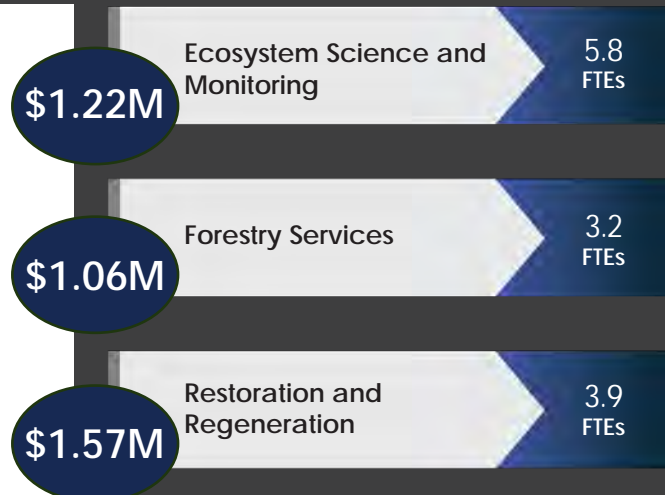




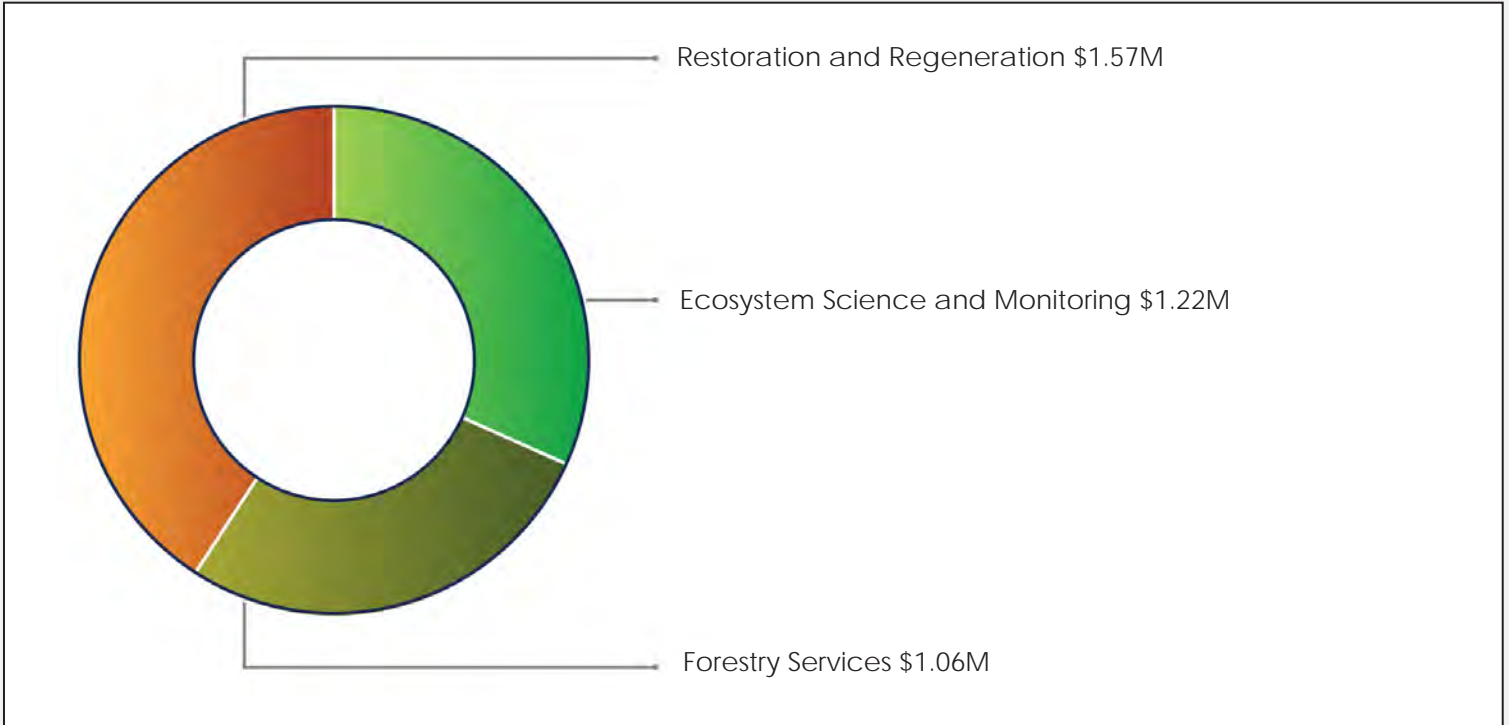
Ecological Management

The goal of Ecological Management is to manage natural heritage systems (forest, wetlands, lakes, rivers, etc.) within the watershed. We do this through monitoring, to understand the current state of our watershed, and then by identifying and implementing restoration projects. Ecological Management consists of the following program areas:

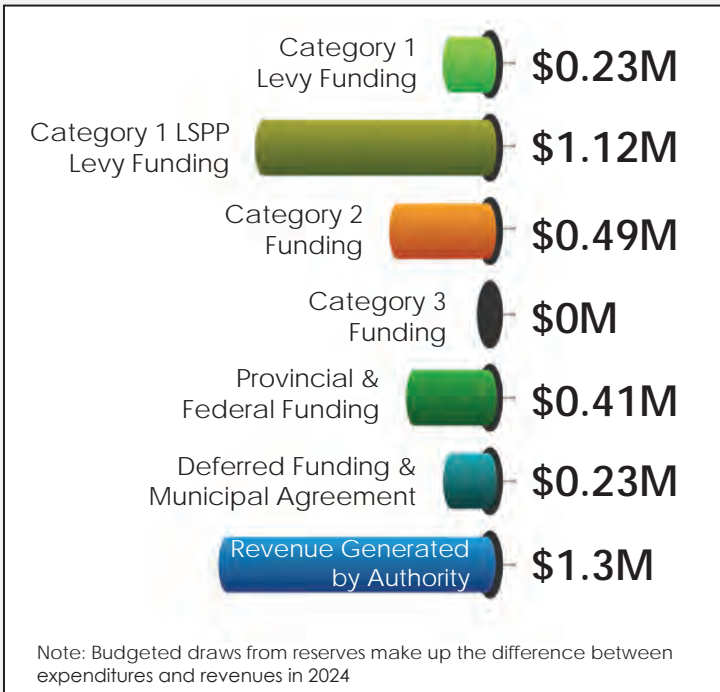
- Ecosystem Science and Monitoring
- Forestry Services
- Restoration and Regeneration



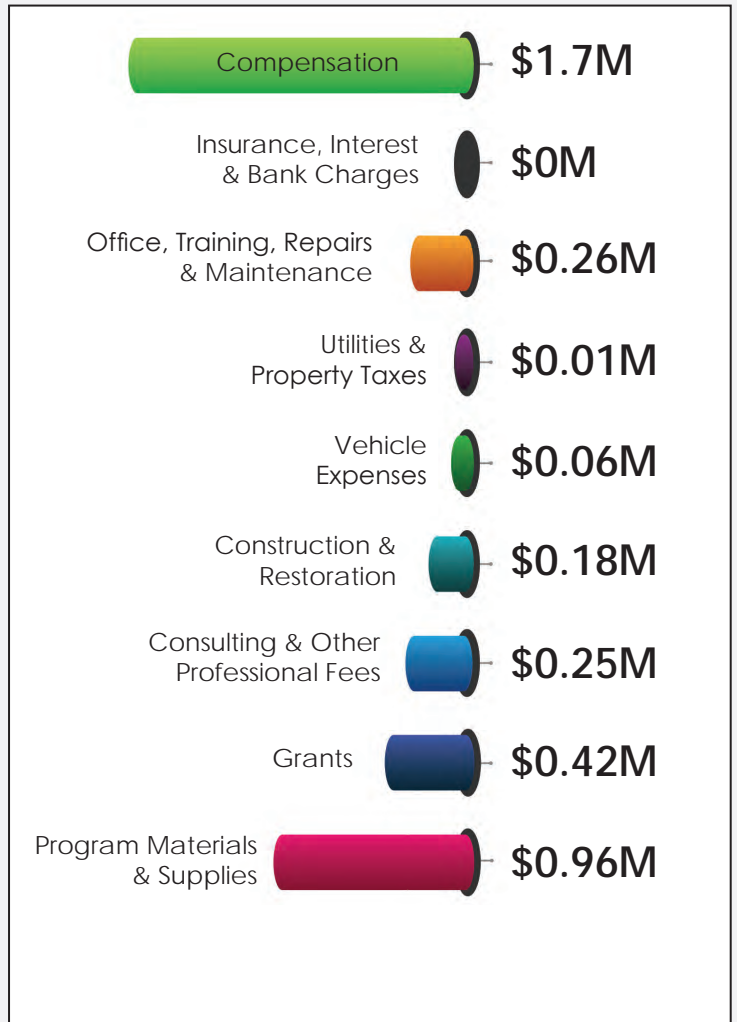
2024 Ecological Management Budget \$3.84M, 12.9 FTEs



Revenue Source \$3.79M



Expenditure Type \$3.84M



Capital, Projects and Operating Split



Fast Facts

- 2 peer-reviewed journal articles were published in 2023, about the invasive aquatic plant starry stonewort and the effects of winter salt on oxygen and nutrients in freshwater sediments.
- Fish population monitoring was conducted at 38 sites with 5,294 fish captured, counted, identified, weighed, and released.

2023 Achievements

- Collected invasive mussel samples from 715 sites throughout Lake Simcoe in efforts to study the role of mussels in the phosphorus loads and dissolved oxygen relationship.
- Completed calculation of phosphorus loads to Lake Simcoe for hydrologic years 2018 - 2020. The 2020 phosphorus load, at 58 tonnes, was one of the lowest recorded in the last 2 decades.
- Completed a fall sample collection of chemical contaminants in the water and sediment of Lake Simcoe and its tributaries. Sampling included contaminants such as heavy metals, hydrocarbons and pesticides, and emerging contaminants such as Per- and polyfluoroalkyl substances (PFAS).
- Completed a year of enhanced water quality sampling of the Holland Marsh pump-off water collecting over 150 samples and calculating phosphorus load for the 2022 hydrologic year.
- Investigated the relationship between phosphorus loads and lake dissolved oxygen, through enhanced aquatic plant, invasive mussel, and water quality sampling.
- Continued collection of water quality samples at 22 stations and biologic monitoring at 38 sites.



Ecosystem Science and Monitoring

The Ecosystem Science and Monitoring program assesses the health of Lake Simcoe's nearshore zone, the status of fish and aquatic insect populations, and evaluates tributary water quality to support science-based management decisions.

2024 Focus

- Continue to investigate the phosphorus loads and dissolved oxygen relationship focusing on aquatic plants through a lake-wide plant survey.
- Conduct a second round of spring chemical contaminants sampling of water and sediment in watershed tributaries and Lake Simcoe.
- Continue to study changing nutrient cycling dynamics in Lake Simcoe through enhanced water quality sampling, aquatic plant sampling, and invasive mussel sampling.

Outlook

- Monitoring data continues to be a critical component of watershed planning and management actions as climate change and invasive species impact the ecology of the Lake Simcoe watershed.

Service Pressures

- Maintaining a robust ecosystem research program can only be supported through continued external funding such as Provincial Lake Simcoe Protection Plan support.



Fast Facts

- Planted more than 56,400 trees and shrubs on 62 sites, establishing over 25.7 hectares of new forest and canopy cover across the watershed, in partnership with private and public landowners and external funding partners.
- Sold 6,300 seedlings to over 60 landowners through our annual Do-It-Yourself Planting Program.
- Visited 365 sites across Newmarket and Whitchurch-Stouffville and collected data from 3,500 trees. The information will allow us to calculate the ecosystem services they provide including carbon sequestration, stormwater runoff, and air pollution reduction, and building energy-efficiency contributions. The results will aid the municipalities in decision-making and urban forest management.

Forestry Services

The Forestry Services program aims to implement best forest management practices that contribute to watershed and community health.

2024 Focus

- Implement field data collection for urban forest studies in East Gwillimbury and Georgina, and final report preparation for Newmarket and Whitchurch-Stouffville studies.
- Continue to implement afforestation program upgrades in response to changing climatic conditions, and building resilience to address shorter, unpredictable planting seasons, and shifts in suitable planting stock.
- Prepare a forest stand inventory for the new Lake Simcoe Conservation Preserve to inform property master plan development.

Outlook

- External funding opportunities for landowner grants to support tree planting continue to be strong due to the significant focus on climate change impacts arising from various national and world events.

Service Pressures

- A Vulnerability Assessment for the York Regional Forest confirmed that the frequency of severe windstorms, torrential downpours, and ice storms will require dedicated resources to respond to clean-up.
- Climate change, invasive species, and diseases threaten forest health and canopy cover, requiring innovative approaches to planting and forest management.
- Competing land use pressures in the watershed, including agriculture, urban development, and other environmental issues will continue to present challenges for securing large areas for tree planting initiatives.

2023 Achievements

- Completed field data collection for urban forest studies in Newmarket and Whitchurch-Stouffville. Funded by York Region and the local municipalities, the studies will quantify tree and canopy cover, carbon sequestration and community benefits, and project change through time.
- Installed 25 leaf cluster bat habitat structures at Scanlon Creek, Rogers Reservoir, and Luck Conservation Areas.
- Updated and renewed the Durham Regional Forest Management Agreement with Durham Region for 6 properties in Uxbridge Township.
- Renewed partnerships with York Region and Forests Ontario to support continued delivery of tree planting services to increase natural heritage cover, address climate change impacts, and contribute to overall community health.

Restoration and Regeneration

The Restoration and Regeneration program implements natural heritage, agricultural best management practices, and watercourse restoration projects to enhance, restore, and create natural features to improve water quality, control water quantity, and infiltration within the watershed.

2024 Focus

- Continue to focus on reporting our projects using key performance indicators and other environmental benefits.
- Discover new opportunities to implement restoration projects with public and private landholders to achieve ecological gains.
- Conduct ongoing outreach with the agricultural community to secure commitments to implement restoration projects and environmental best management practices.

Outlook

- Through the Ecological Offsetting program and upcoming government grants, we have exciting opportunities to deliver and support natural heritage restoration projects across the watershed.

Service Pressures

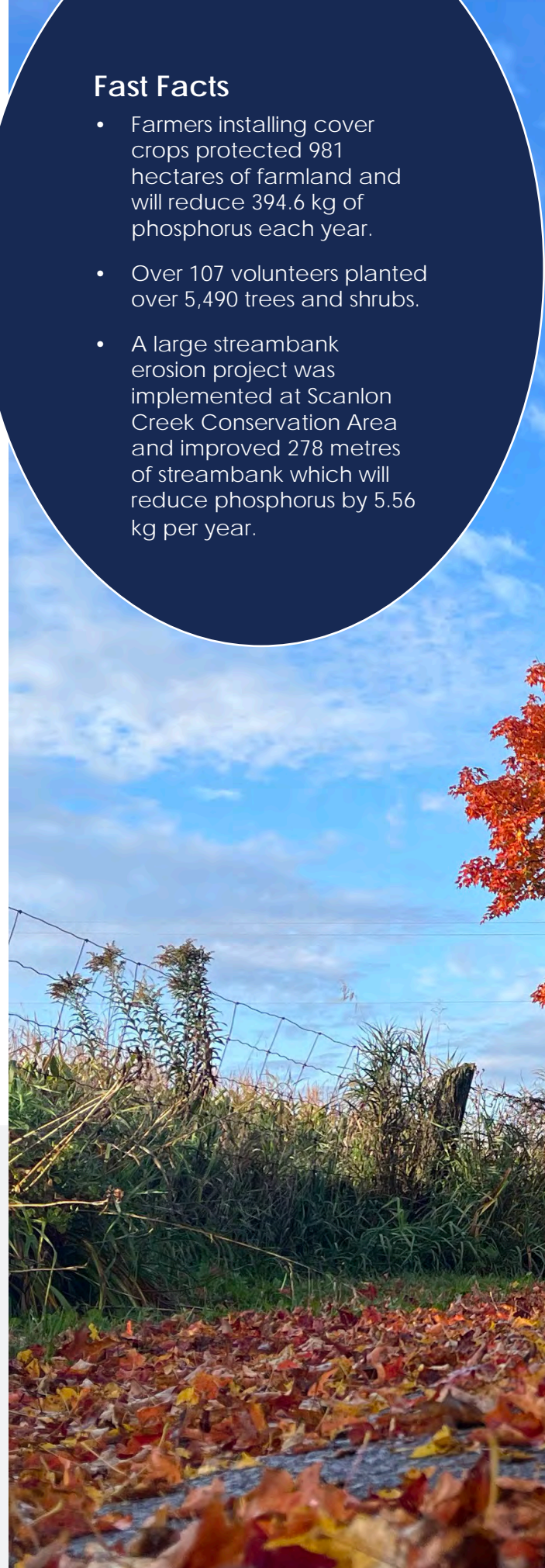
- Restoration projects take many years to implement and partner delays are unpredictable.
- Added pressures from the effects of climate change and severe weather events are ever-changing and impact how projects should be implemented.

2023 Achievements

- Provided over 108 grants to private landowners and community groups through our Restoration Assistance program.
- Helped increase biodiversity and enhance pollinator habitat through 63% of the projects completed this year.
- Continued partnerships with our watershed partners to host community events, planting trees and shrubs, removing invasive species, and engaging community volunteers.

Fast Facts

- Farmers installing cover crops protected 981 hectares of farmland and will reduce 394.6 kg of phosphorus each year.
- Over 107 volunteers planted over 5,490 trees and shrubs.
- A large streambank erosion project was implemented at Scanlon Creek Conservation Area and improved 278 metres of streambank which will reduce phosphorus by 5.56 kg per year.







Education & Engagement

The purpose of Education and Engagement is to engage learners of all ages, interests and abilities through programmed learning experiences that raise awareness, impart knowledge, create understanding, and inspire action that leads to real and lasting change. Education and Engagement consists of the following program areas:

- Community Programming
- School Programming

\$0.14M

Community Programming

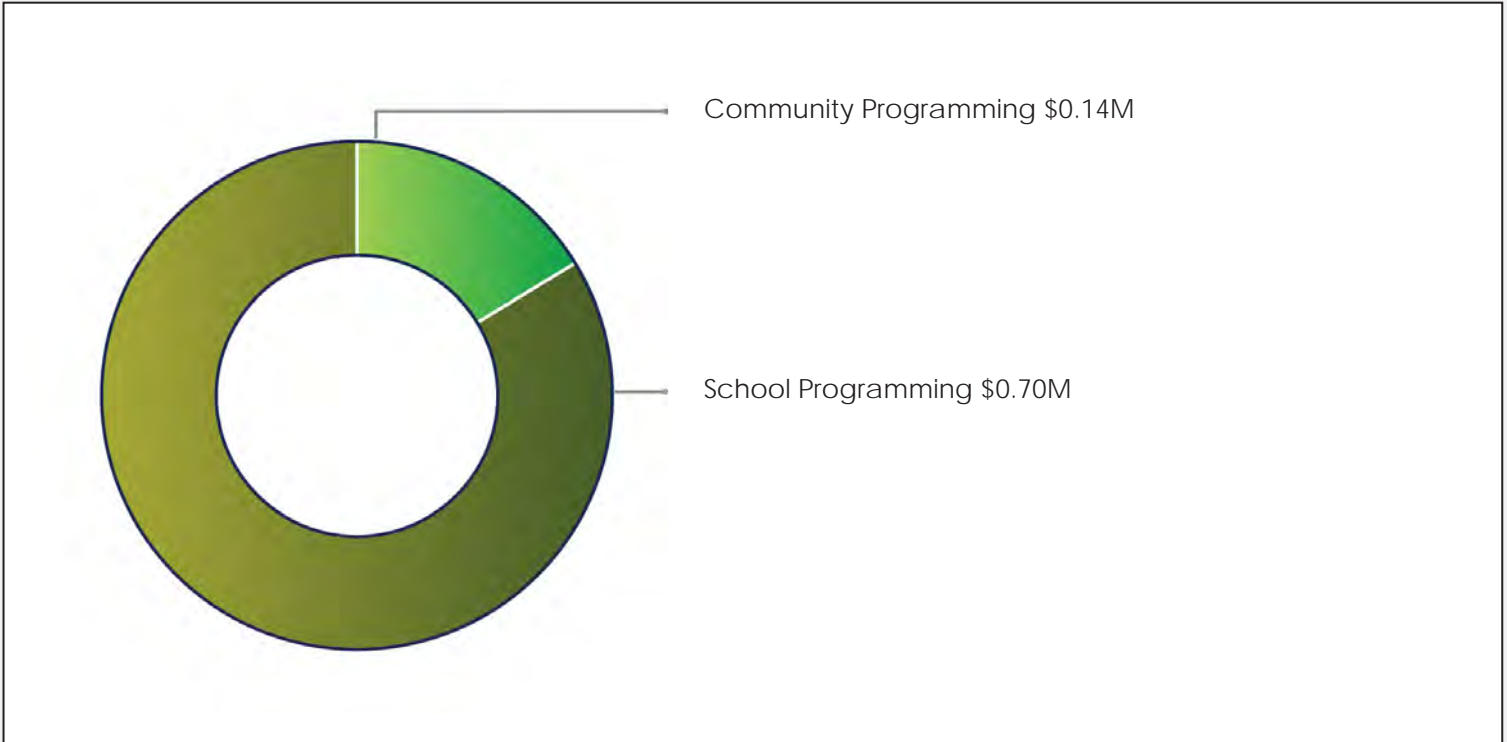
0.3
FTEs

\$0.70M

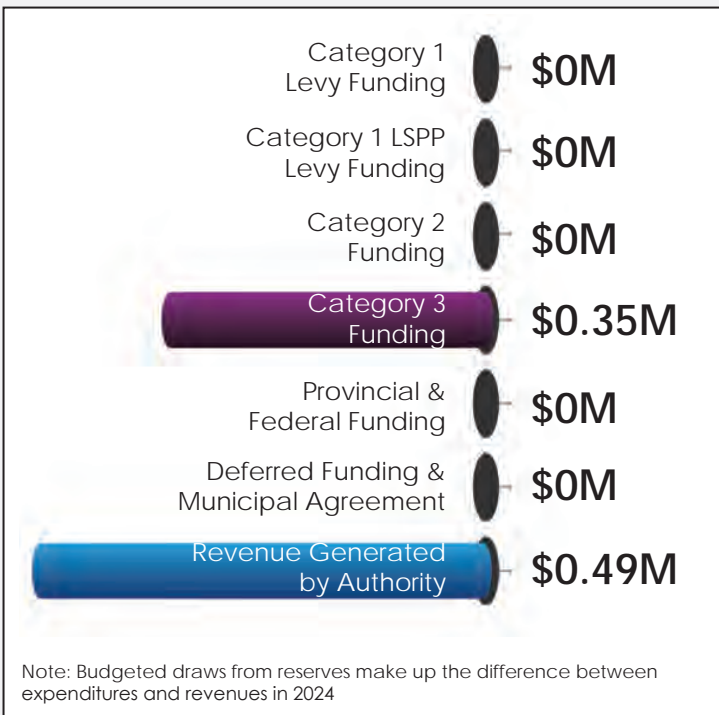
School Programming

4.7
FTEs

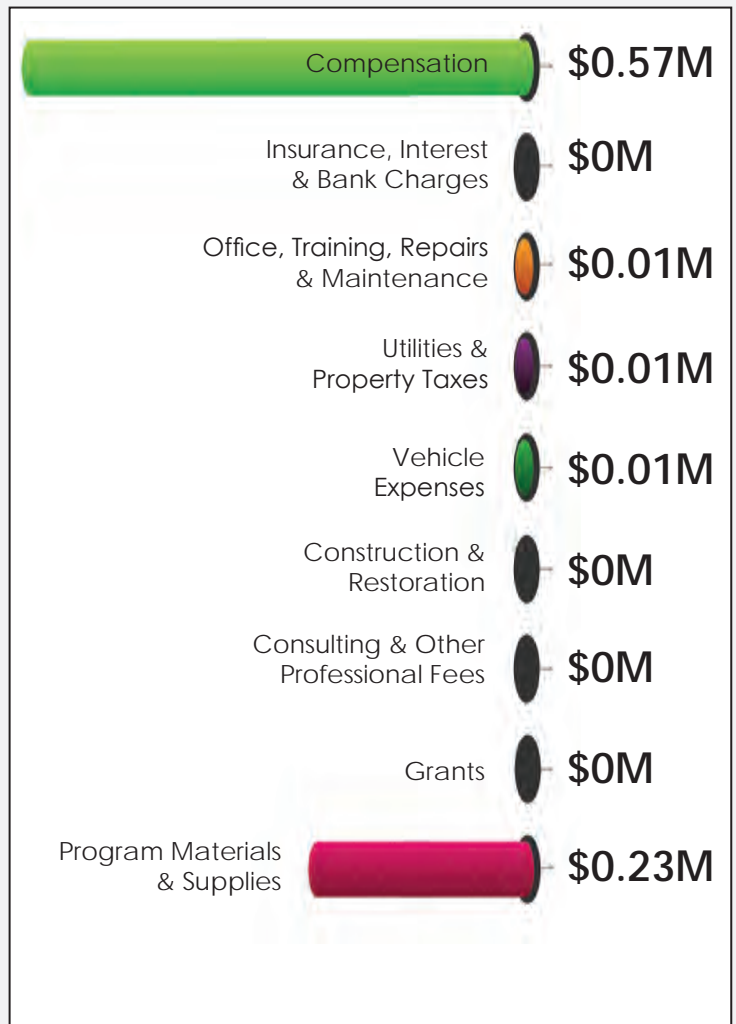
2024 Education & Engagement Budget \$0.84M, 5.0 FTEs



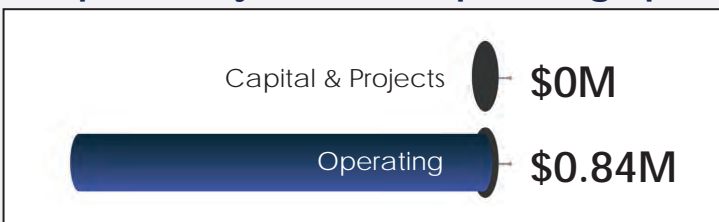
Revenue Source \$0.84M



Expenditure Type \$0.84M



Capital, Projects and Operating Split



Community Programming

Community programming provides unique learning opportunities for children, youth, and adults, thereby enhancing participants' connections to the health of the Lake Simcoe watershed.

2024 Focus

- Expand Forest School Summer Camp from 1 to 4 weeks in response to community demand.
- Forge new partnership with YMCA of Simcoe Muskoka for summer camp programming at Scanlon Creek Conservation Area.

Outlook

- Public interest in visiting our properties is translating into opportunities for new and re-envisioned community programs.
- New partnerships established with local businesses through fundraising initiatives for the new Nature Centre present exciting opportunities for community collaborations.

Service Pressures

Challenges in striking a balance between programs that are close to full cost recovery and accessible to everyone.

2023 Achievements

- Hosted members of Ontario Nature's Youth Council for a full-day of learning about climate change and wetlands as nature-based climate solutions.
- Offered, together with 10 community partners, fun outdoor programming for children and youth enrolled in various summer camps.
- Delivered Spring into Scanlon March Break Camp and Forest School Summer Camp with all spaces filled and waiting lists generated from overwhelming interest.

Fast Facts

- Engaged with 1,815 children, youth, and adults through various in-person and virtual community programs and events.
- Hosted an interactive booth with hands-on activities for children and their families during Empower Simcoe's EarlyON Community Picnic in Bradford.
- Debuted a new activity called 'Ice Fishing Frenzy' at the City of Barrie's Winterfest.





Fast Facts

- Nearly 13,500 student engagements through field trips, in-person schoolyard visits, and virtual program delivery.
- The Education team grew to 7 strong in 2023 through the addition of 3 new contract staff to meet operational demands.
- Delivered a session entitled 'Climate Change in the Lake Simcoe Watershed' at the Simcoe County District School Board's 'May the EcoForce Be With You' spring conference.

School Programming

School Programming provides provincial curriculum-connected, experiential, and engaging programs and services for students and teachers from kindergarten to Grade 12.

2024 Focus

- Launch 'Forests of the Future' program to provide new technology-based learning opportunities about climate change and carbon sequestration.
- Implement new waitlist system for programs and services to maximize revenue while improving internal efficiency, communication, and client service.
- Pilot new program, in partnership with a local school board, to offer land-based learning opportunities delivered by Indigenous educators to select Grade 5 classes visiting Scanlon Creek Conservation Area.

Outlook

- Our school programs and services continue to experience higher demand than ever before, providing an opportunity to build partnerships and generate more revenue.
- Our proven adaptability and innovation demonstrate that we will continue to succeed and remain key players in education programs and service delivery.

Service Pressures

- Longer-term consequences from COVID-19, such as learning loss, require adjustments to program content, resources, and delivery to meet student needs which impact staff workplans.

2023 Achievements

- Expanded the York Region District School Board contract to include field trips for secondary students to the Scanlon Creek Nature Centre bringing the total number of student participants to more than 4,100.
- Enhanced the Grade 4 integrated learning program to make more explicit links to climate change education, mental health and wellbeing, and the Conservation Authority vision.
- Increased the scope of school board contracts to include more students and teachers within existing programs, as well as the introduction of new programs targeting more grades.
- Offered our first series of educator professional development workshops for new teachers and their school mentors in the New Teacher Induction Program.
- Received \$150,000 over 2 years for new climate learning hub as the recipient of RBC Tech for Nature grant.



Greenspace Services

Greenspace Services ensures that valuable greenspace is enhanced and restored and that recreational opportunities are provided in safe, well maintained natural settings, so that our watershed residents can enjoy connections to nature and a high quality of life. Greenspace Services consists of the following program areas:

- Land Management
- Land Securement

\$1.36M

Land Management

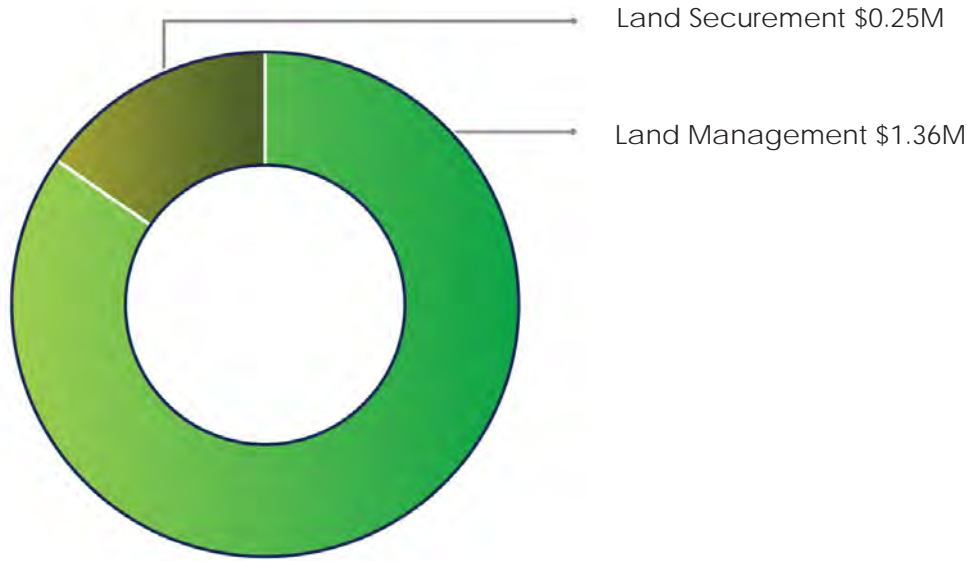
6.1
FTEs

\$0.25M

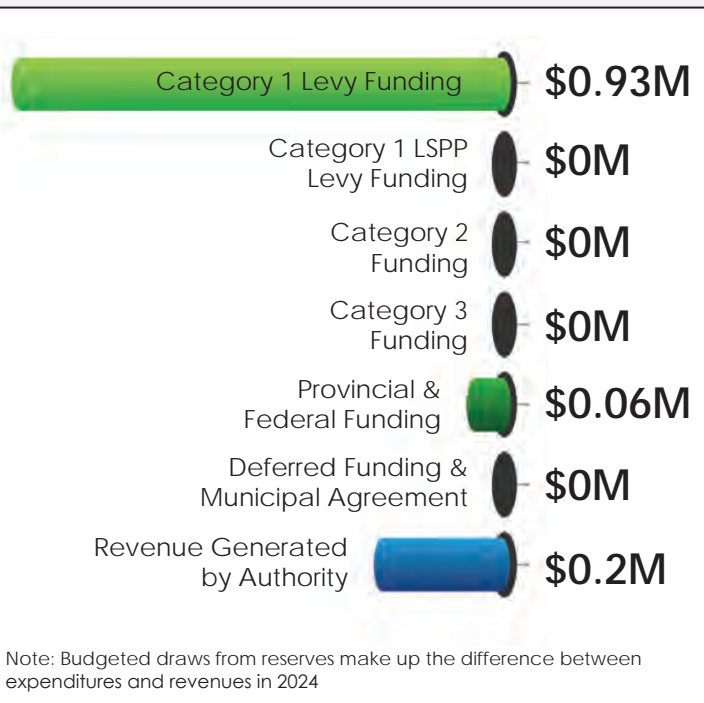
Land Securement

1.0
FTEs

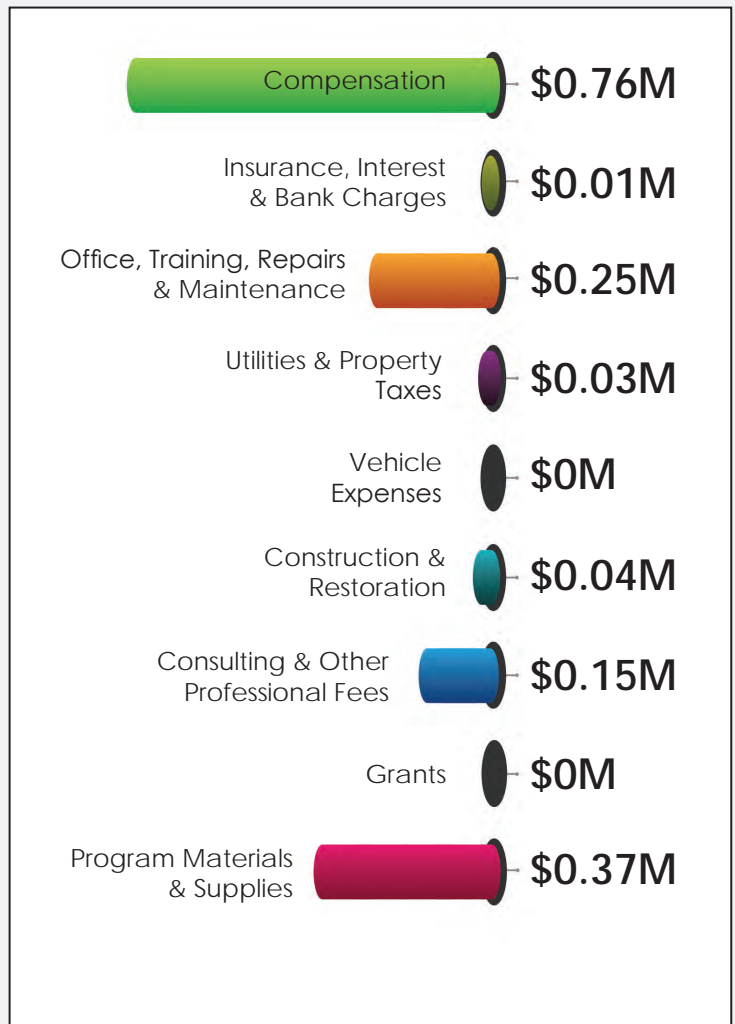
2024 Greenspace Services Budget \$1.61M, 7.1 FTEs



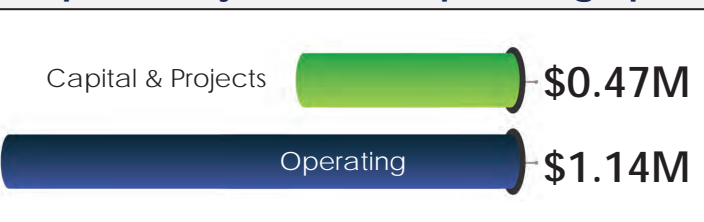
Revenue Source \$1.19M



Expenditure Type \$1.61M



Capital, Projects and Operating Split



Fast Facts

- We protect more than 2,350 hectares of land in the Lake Simcoe watershed.
- More than 153,000 people visited our most popular conservation areas in 2023.
- The Lake Simcoe Conservation Preserve provides habitat for over 290 plants and 110 wildlife species and includes 38 vegetation community types.



2023 Achievements

- Completed and began implementing the Conservation Areas Signage Strategy. New roadside entry signs were installed at Scanlon Creek, Whitchurch, Pangman Springs, and Thornton Bales Conservation Areas.
- Completed trail and infrastructure upgrades at Beaver River Trail Conservation Area with support through the Federal Development Tourism Relief Program.
- Undertook trail improvements at Scanlon Creek Conservation Area.
- Installed trees and benches at Rogers Reservoir and Scanlon Creek Conservation Areas, continuing our Memorial Program in partnership with the Lake Simcoe Conservation Foundation.
- Completed the first year monitoring of bat habitat structures at 3 conservation areas.
- Continued active management of invasive plant species at Rogers Reservoir and Scanlon Creek Conservation Areas.
- Installed perimeter fencing and signage at the new Lake Simcoe Conservation Preserve.

Land Management

The goal of our Land Management program is to strike a balance between conserving the natural environment and facilitating opportunities for outdoor recreation, education, and awareness.

2024 Focus

- Finalize the development of a Conservation Areas Strategy, as directed by the **Conservation Authorities Act**.
- Initiate the Master Planning process and traditional Indigenous ecological knowledge study for the Lake Simcoe Conservation Preserve.
- Design and construct accessible trail linkages at Scanlon Creek Conservation Area, providing improved access to facilities.
- Implement Phase 2 of the Conservation Areas Signage Strategy, including property identification, regulatory, and wayfinding signage.
- Undertake parking lot and trail upgrades at Whitchurch, Pangman Springs, and Beaver River Conservation Areas to improve visitor experience.

Outlook

- Identification of conservation areas as a Category 1, mandated service under the **Conservation Authorities Act**, has confirmed support for ongoing investment in visitor service infrastructure such as trails, signage, and parking lots.

Service Pressures

- Conservation lands in urban areas face added pressures from increased levels of trail use, encroachment and encampments by people experiencing homelessness.
- Aging infrastructure (roads, trails, signage, etc.) to support recreational activities on our lands continues to require significant resources to ensure effective maintenance and management.

Land Securement

Our Land Securement program continues to seek to enhance our landholdings through donations, easements and/or purchases, while taking steps to ensure our property portfolio aligns with Conservation Authority management objectives. This includes securing lands to connect communities with greenspace, and to restore, enhance or create ecological features to support the watershed’s natural heritage systems.

2024 Focus

- Continue implementing Priority 1 and 2 initiatives as part of our Land Disposition Strategy.
- Undertake an Indigenous Land Visioning project with local First Nation partners and begin long-term planning for the Lake Simcoe Conservation Preserve, consulting with community stakeholders and partners to establish management priorities, restoration targets, opportunities for Indigenous cultural engagement, and to identify opportunities for passive recreation.
- Continue to seek opportunities for strategic land acquisition based on our Natural Heritage System Land Securement Project (2019-2025) and Ecological Offsetting Program.

Outlook

- Costs associated with the purchase of property and the associated legal fees continue to rise.
- Access to consistent funding for land securement initiatives continues to be challenging, which increases reliance on monetary donations, grants, and government funding programs.

Service Pressures

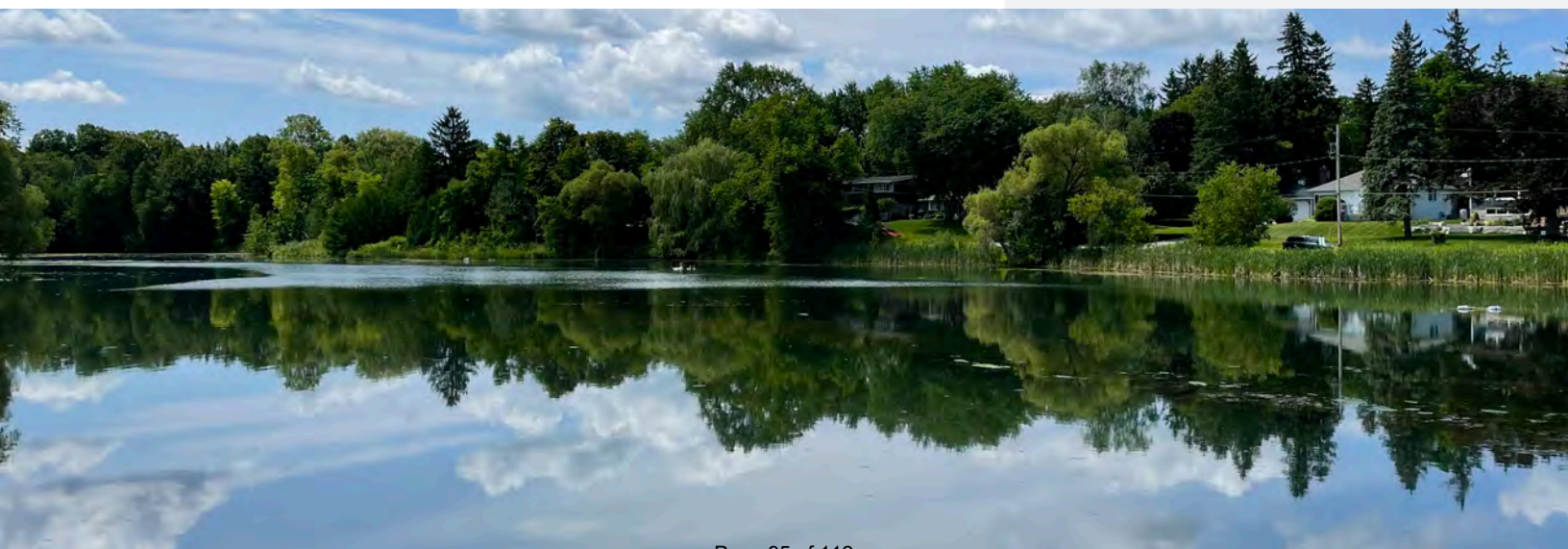
- Infrastructure development within the watershed continues to impact conservation lands, requiring agreements to facilitate access and ensure protection of environmental features.

Fast Facts

- Enrollment of the Lake Simcoe Conservation Preserve, our largest collection of protected lands at 446 hectares, in the Conservation Lands Tax Incentive program and designation of the lands as Environmental Protection has reduced the property tax burden significantly. Revenues derived from agricultural leases are being invested in property management.

2023 Achievements

- Completed a Baseline Documentation Report, Stewardship Plan, and Opportunities and Constraints mapping for our new 360-hectare Lake Simcoe Conservation Preserve, detailing existing site conditions and significant ecological features, and providing general stewardship recommendations for managing the lands.
- Continued to advance our Land Disposition Strategy, including transfer of Franklin Beach, Holmes Point, and Willow Beach Conservation Areas and Keswick North Watercourse, to the Town of Georgina.





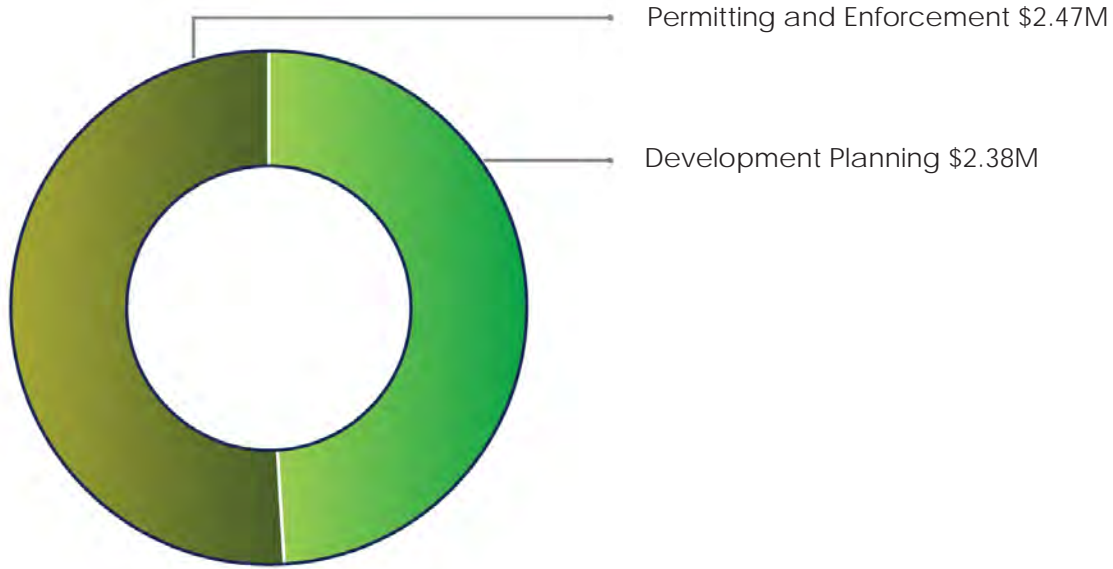
Planning & Development

Planning and Development Services ensures that development in the watershed progresses in a sustainable manner that will protect natural heritage features, direct development away from natural hazard lands, and will protect our water resources. We follow a planning-first principle which ensures that planning permissions are in place before we consider any further approvals under the **Conservation Authorities Act**. Planning and Development Services consists of the following program areas:

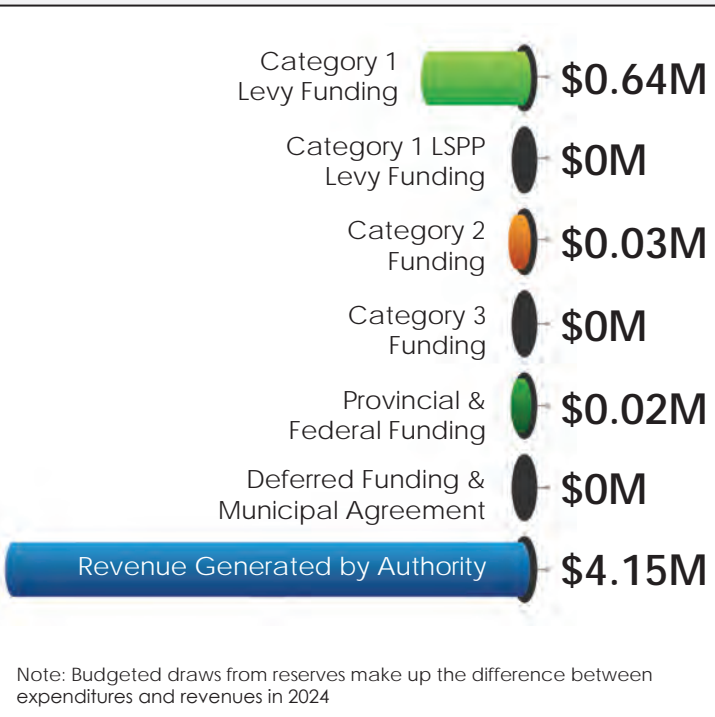
- Development Planning
- Permitting and Enforcement



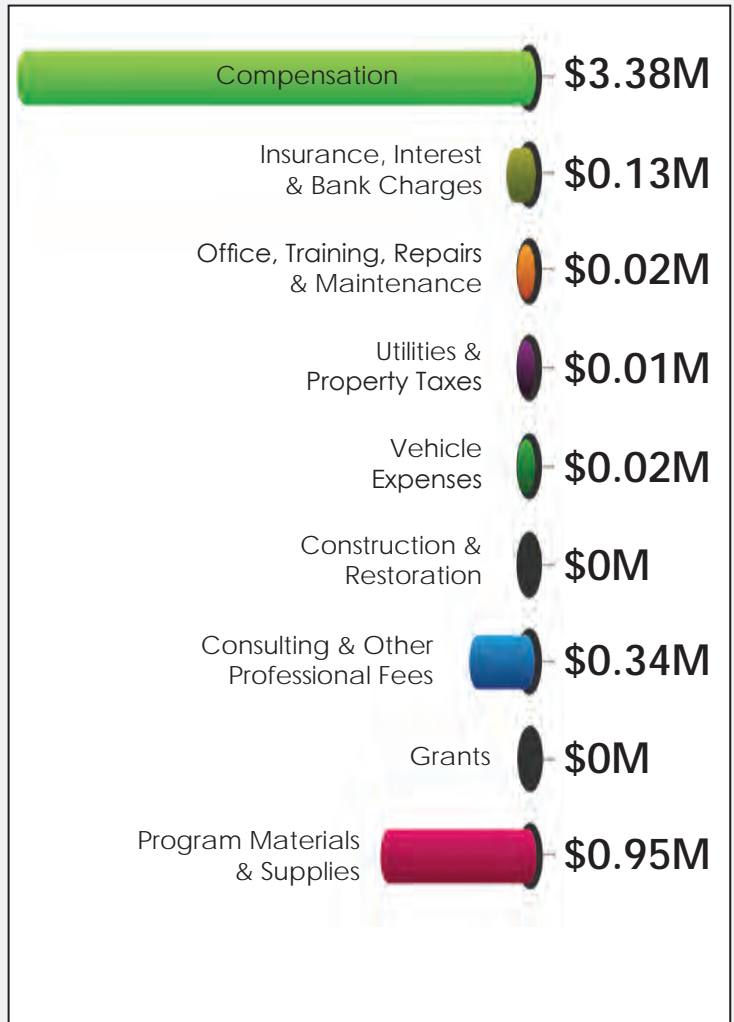
2024 Planning & Development Budget \$4.85M, 31.9 FTEs



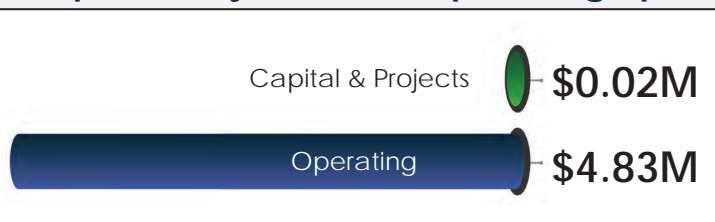
Revenue Source \$4.84M



Expenditure Type \$4.85M



Capital, Projects and Operating Split



Fast Facts

- Received 857 applications made under the **Planning Act**.
- Reviewed 257 Hydrogeology and 139 Natural Heritage submissions.
- Reviewed 526 engineering submissions in support of the **Planning Act**, and permit applications.
- Provided 340 pre-consultation responses on concept submissions.



2023 Achievements

- Collaborated with municipal partners to identify practices to ensure timely approvals of **Planning Act** applications.
- Provided technical education sessions to industry partners on natural heritage and watershed planning.
- Created standards and checklists for digital submissions to ensure streamlined reviews.
- Reviewed and updated Planning Memorandums of Understanding based on municipal needs and changes resulting from provincial legislation (i.e. **Bill 229**, **Bill 108** and **Bill 23**).
- Assisted municipal partners with comprehensive updates to Official Plan, Secondary Plan, and Zoning By-law documents.

Development Planning

The Development Planning program provides technical expertise in natural heritage, hydrogeology, engineering, and stormwater management. We deliver proactive and innovative guidance through our review of development applications on stormwater management, groundwater recharge, and phosphorus loading. We work with our municipal partners to influence sustainable development that protects source water areas, people, and property by integrating environmental considerations into the planning process. This is achieved through the identification and mapping of natural features, pre-consultation, and policy development and implementation.

2024 Focus

- Finalize the Planning and Development Procedural Manual to provide guidance to industry partners in the preparation of submission materials.
- Continue to provide opportunities for continuous learning and development for staff through professional training.
- Continue to review and update our Planning Memorandums of Understanding based on changes resulting from provincial legislation (i.e. **Bill 229**, **Bill 108** and **Bill 23**).

Service Pressures

- Maintaining a high caliber of client service and balanced fees can be challenging due to constant fluctuations in the housing market.
- Reduction in timelines for municipal plan review will impact the Conservation Authority review timeframes.
- Quality of technical submissions continues to decline, increasing the amount of staff time required, which is compounded by reduced approval timelines in the **Planning Act**.

Outlook

- As growth pressure in the Lake Simcoe watershed persists, staff must balance between increased population, meeting community demands, and preserving the environment.
- Legislative changes have altered review roles and responsibilities of the Conservation Authority. We continue to provide planning advice to municipal partners in our capacity.

Permitting and Enforcement

The Permitting and Enforcement program is responsible for implementing and enforcing the relevant legislation under the **Conservation Authorities Act**, including **Regulation 41/24**, and the **Lake Simcoe Protection Act** and Plan. This legislation specifies that our permission is required prior to undertaking development within lands identified as hazard lands.

Hazard lands are defined as lands that could be unsafe for development because of naturally occurring processes associated with flooding, erosion, dynamic beaches or unstable soil or bedrock. This includes, wetlands and areas adjacent to wetlands, areas adjacent to rivers and stream valleys, watercourse, and shorelines. The goal of regulating development within hazard lands is to protect people and property and limit social disruption that would occur as a result of a natural hazard event. This is achieved through the identification and mapping of hazard lands, pre-consultation and policy development, and implementation.

2024 Focus

- Improve client service strategies and track and evaluate customer service surveys.
- Review and update existing hazard mapping to reflect legislative changes and updated shoreline hazard mapping.
- Undertake a re-review of the Development Services Fee Schedule.
- Update policies and procedures according to the new provincial regulations.

Outlook

- Customer service remains a top priority while implementing our mandate of protecting people and property. We will continue to monitor emerging issues and government priorities and use collaborative approaches and adaptability to ensure consistent decision making and prioritization of services and delivery to the public and our municipal partners.

Service Pressures

- Uncertainty around future legislation and regulatory changes.
- An increase in the complexity of files, combined with reduced timelines for review, results in difficulty balancing efficiency and comprehensive reviews.

Fast Facts

- Reviewed 1,192 applications and issued 804 permits.
- Responded to 1,845 general inquiries from the public.
- Responded to 233 complaints about potential unauthorized development.

2023 Achievements

- Met 97% of the timelines under Conservation Authority Liaison Committee standards.
- Reviewed and commented on 20 Environmental Assessments including 2 major infrastructure projects: the Bradford By-Pass and York Sewage Solutions.
- Updated our Enforcement and Compliance Fee schedule to promote voluntary compliance.
- Obtained guilty verdicts on 22 Counts of developing without approvals, with over \$100,000 in fines issued by the courts.
- Worked with Conservation Ontario and the Regulatory Compliance Committee to present on updating and streamlining enforcement protocols and procedures.

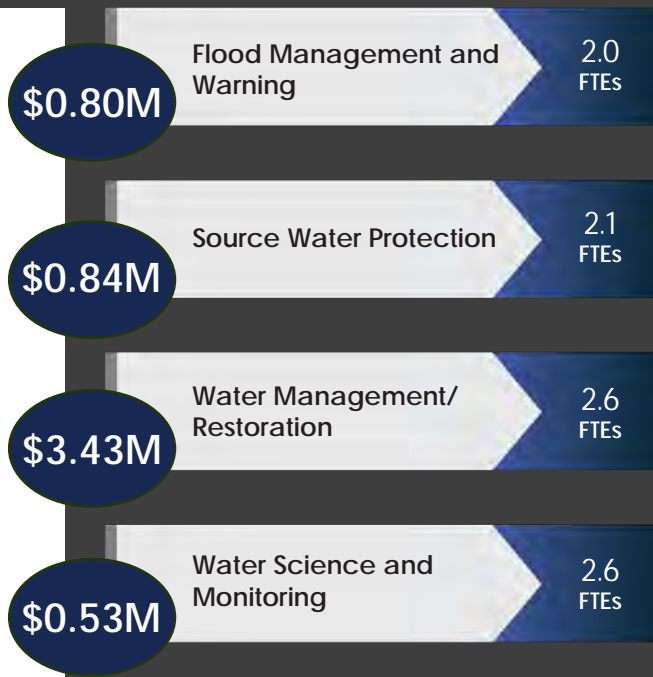




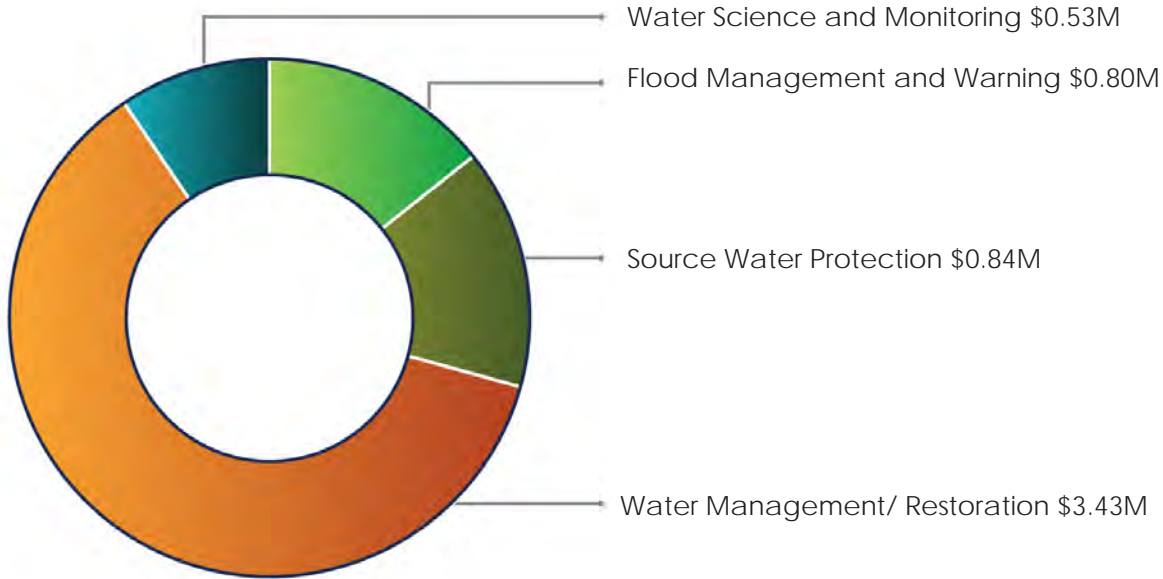
Water Risk Management

The goal of Water Risk Management is to ensure that we have a safe, clean, and adequate supply of drinking water, to undertake restoration projects to protect and manage water and to engage in research activities to inform decision making. Water Risk Management consists of the following program areas:

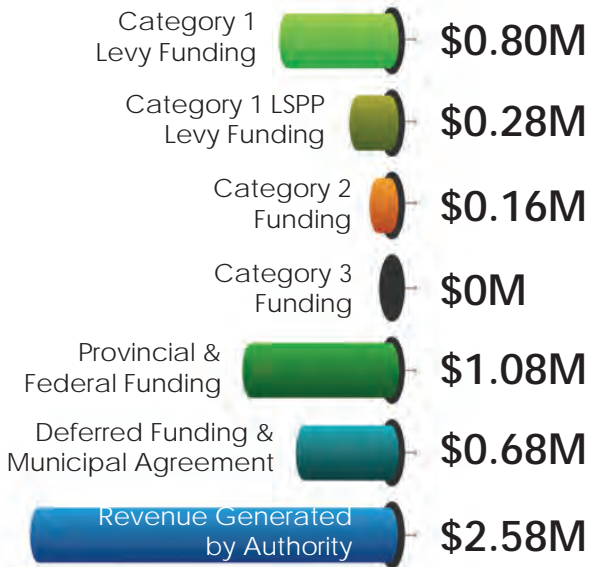
- Flood Management and Warning
- Source Water Protection
- Water Management/Restoration
- Water Science and Monitoring



2024 Water Risk Management Budget \$5.60M, 9.3FTEs

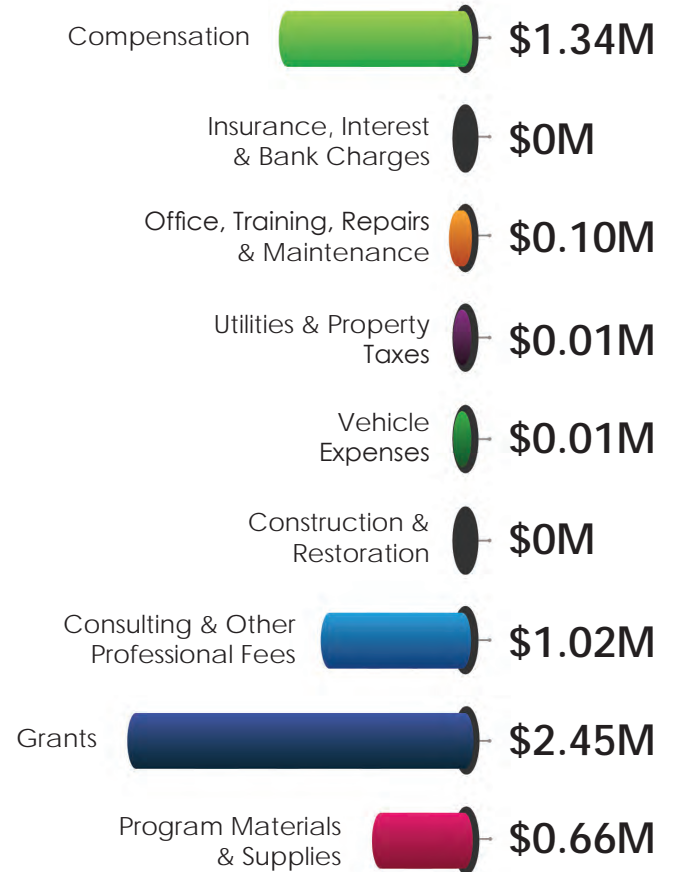


Revenue Source \$5.58M

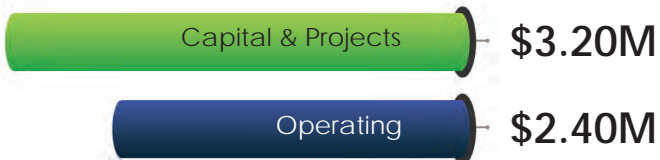


Note: Budgeted draws from reserves make up the difference between expenditures and revenues in 2024

Expenditure Type \$5.60M



Capital, Projects and Operating Split





Fast Facts

- Issued 15 riverine flood messages and 1 shoreline hazard message.
- Monitored 14 stream flow gauges, 5 precipitation gauges, and 8 snow survey sites.
- Co-organized and hosted a Flood Forecasting and Warning seminar for municipal partners in conjunction with Toronto and Region Conservation Authority, Credit Valley Conservation, and Conservation Halton.

Flood Management and Warning

The goal of the Flood Management and Warning program is to reduce the risk to people, property, and infrastructure (roads, bridges, etc.) from hazards due to flooding.

2024 Focus

- Continue to focus on Development Plan Reviews to reduce the risk of flooding in the Lake Simcoe watershed.
- Continue to monitor weather forecasts and watershed conditions to inform flood messaging and support partners and stakeholders.
- Explore and adapt our role in rapidly changing stormwater management and regulatory requirements to provide innovative support to our municipal and industry partners.

Outlook

- The changing climate is creating more extreme weather events and increasing the likelihood of winter runoff flooding and ice damage to properties.
- Leveraging the new data sets available from Light Detection and Ranging (LiDAR) to update floodplain mapping to help predict flooding events more accurately.

Service Pressures

- Climate change creates significant challenges on how to better predict both the frequency and extent of significant weather events.
- Reduced financial resources due to provincial funding reductions.

2023 Achievements

- Completed work to update the floodplains in the Barrie Creek subwatersheds, in conjunction with the City of Barrie, Tatham Engineering, and DM Wills Associates. The value of the combined work is approximately \$224,000.
- Worked with the Science and Monitoring business unit to install a new Lake Simcoe water level gauge.
- Modernized the workflow for floodplain mapping updates between the Engineering and Information Services and Technology teams.

Source Water Protection

The Source Water Protection program ensures sustainable and safe sources of clean drinking water to residents, within the South Georgian Bay Lake Simcoe Source Protection Region, by making sure legislative requirements within the **Clean Water Act** and policies in the Source Protection Plan are implemented.

2024 Focus

- Continue to review and amend the source protection plan to incorporate new municipal drinking water systems, as required by **Regulation 205 of the Safe Drinking Water Act**.
- Amend the Source Protection Plan to incorporate the Source Protection Committee’s revised policies, and initiate consultation on the draft amendment, as directed by ministerial order.

Service Pressures

- **The Safe Drinking Water Act** requires amendments to the Source Protection Plan before any new (or expanded) municipal drinking water system can be put into use. The rate of growth and development in our source protection area will result in a significant workload for years to come.
- Continued provincial funding of this program is needed to ensure service levels are maintained and no delays occur to the approval of any new (or expanded) drinking water systems.

Outlook

- Our legislated requirements under the **Clean Water Act** will continue to define our pivotal role as the lead Source Protection Authority; this includes supporting the Source Protection Committee and reviewing and amending the Source Protection Plan.

Fast Facts

- Over the past year, Source Protection staff have undertaken amendments to the Source Protection Plan to address proposed changes at 10 municipal drinking water systems and to address growth projections or replace aging infrastructure.
- There are currently 284 municipal wells, and 16 water treatment plants in the South Georgian Bay Lake Simcoe Source Protection Region.

2023 Achievements

- Completed our annual report to the minister on plan implementation.
- Coordinated with watershed municipalities to ensure new drinking water systems were added to the Source Protection Plan.
- Completed a review of Source Protection Plan policies, to ensure they remain appropriate given recent changes to provincial policy.





Fast Facts

- The York Region Infrastructure protection project naturalized 122 metres of streambank and reduces 5.72 kg of phosphorus per year.
- The City of Barrie stormwater and stream retrofit project improved creek habitat and will reduce phosphorus by 57.36 kg per year.
- We began a partnership with the Town of Georgina to install 14 catch basin inserts.

Water Management/Restoration

The Water Management/Restoration program aims to improve water quality and better manage water quantity during storm events through the implementation of low impact development and innovative stormwater pond retrofits.

2024 Focus

- Foster ongoing collaboration with private and commercial landowners to effectively manage stormwater infrastructure and maximize environmental benefits.
- Collaborate with local municipalities to successfully implement stormwater retrofit projects.
- Utilize the recently finalized designs to effectively address stormwater concerns to implement construction projects in our urban environment.

Service Pressures

- Restoration projects take many years to implement and partner delays are unpredictable.
- It continues to be challenging to find public and/or private land suitable for stormwater related restoration projects.
- Added pressures from the effects of climate change and severe weather events increase the importance of implementing stormwater projects.

Outlook

We will continue to cultivate partnership opportunities with municipalities to identify, support, and implement urban restoration projects, including low impact development retrofits, through in-kind work and funding through the phosphorus and water balance offsetting programs.

2023 Achievements

- Partnered with the Town of Newmarket and York Region on a streambank protection project which aimed to protect local infrastructure, help naturalize the stream, and reduce phosphorus.
- Funded a large stormwater retrofit and streambank erosion project in the City of Barrie to reduce the amount of stormwater runoff and contaminants.
- Continued partnerships with municipal partners on designs for parking lot and stormwater retrofits in Innisfil, Bradford, Brock, and Newmarket.

Water Science and Monitoring

The Water Science and Monitoring program is essential to informing our understanding of watershed processes, identifying emerging issues, and documenting environmental trends. This information is used to allow us to adapt our management activities to achieve our mission of a healthy Lake Simcoe and watershed.

2024 Focus

- Conduct pre-construction performance monitoring of a stormwater facility slated for retrofit to compare with future post-construction performance monitoring results.
- Develop an implementation strategy for interested municipalities to complete Consolidated Linear Environmental Compliance Approval pilot project.
- Continue to develop environmental flow methodology for the Lake Simcoe watershed.
- Continue to operate and maintain 14 stream flow monitoring stations, 1 lake level station, 5 weather stations, and 11 groundwater monitoring stations.

Outlook

- The changing climate and increased extreme weather events indicate that our stream flow monitoring network plays a key role in helping us to know how to respond to local impacts.
- Stormwater management and performance monitoring continue to grow our understanding of stormwater runoff impacts and treatment.

Service Pressures

- Challenges continue around predictability and certainty of project-specific funding agreements with municipal and provincial partners.

Fast Facts

- 96 water quality samples were collected as part of stormwater performance monitoring projects.
- Our stream flow monitoring stations generate approximately 1.5 million data points annually.

2023 Achievements

- Finalized the 2-year study measuring phosphorus loading from 3 urban residential catchments of different ages.
- Conducted performance monitoring of 2 stormwater pond retrofits comparing the facility to design criteria or with pre-construction monitoring performance.
- Conducted monitoring of Hawkestone Creek flows and water levels to develop an environmental flow framework for the Hawkestone Creek watershed that can be implemented across all Lake Simcoe watersheds.
- Installed a new year-round lake level monitoring station at the Beaverton pier to improve access to real-time lake level data and improve accuracy of lake level measurement.
- Continued work on a pilot project to develop a receiver monitoring program for municipal stormwater infrastructure to assist municipal partners in meeting the requirement.

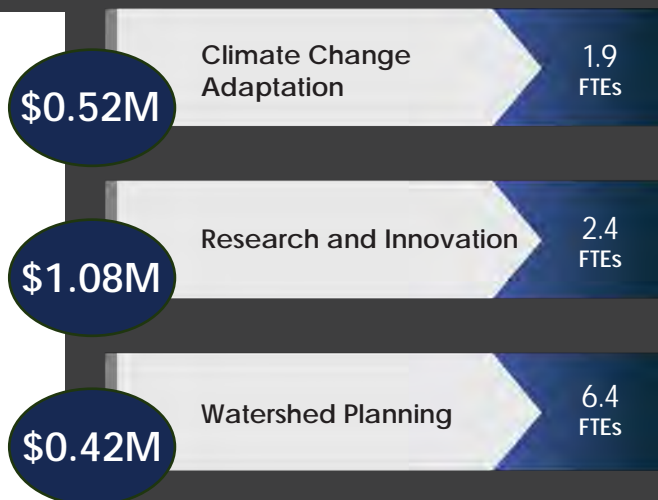




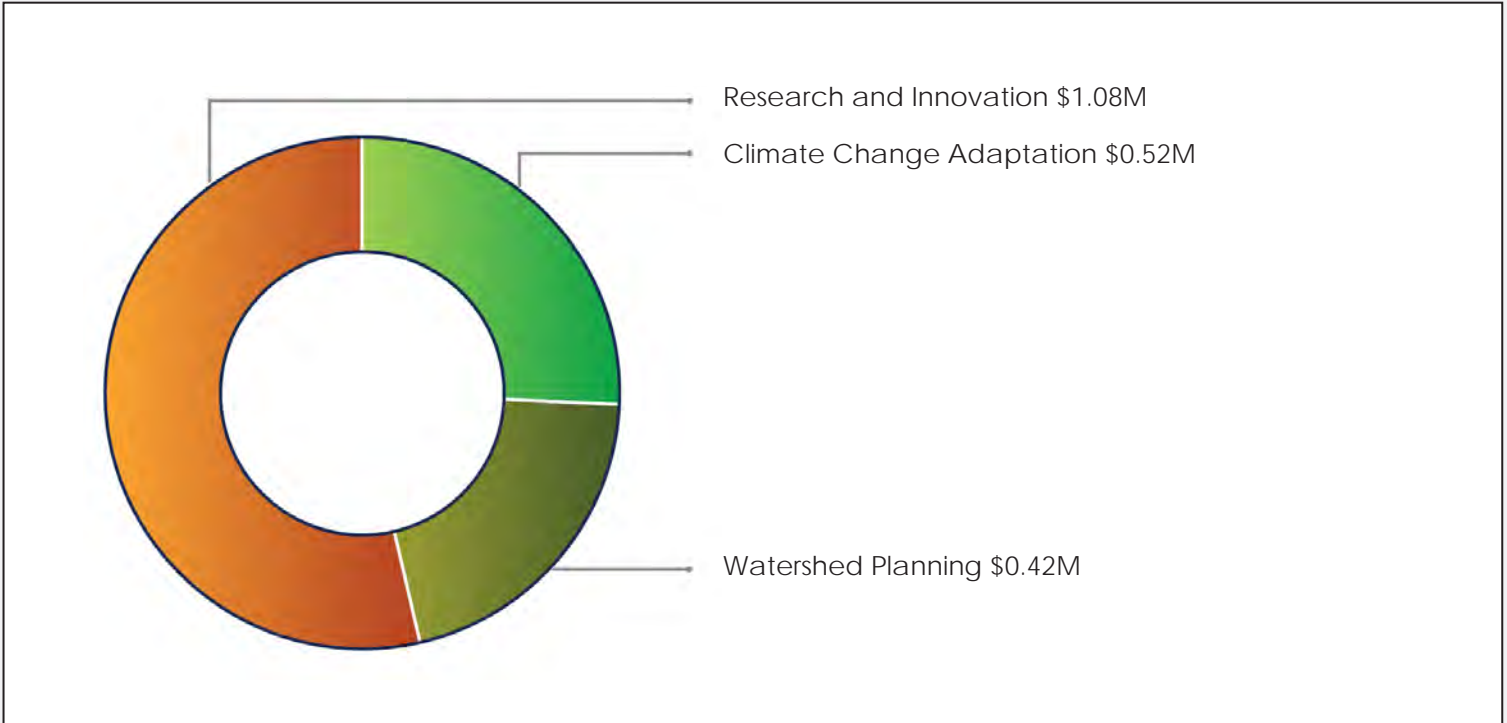
Watershed Studies & Strategies

Watershed Studies and Strategies focuses on conducting research and science to inform the decisions that we make regarding our policies, regulations, and restoration works. Watershed Studies and Strategies consists of the following program areas:

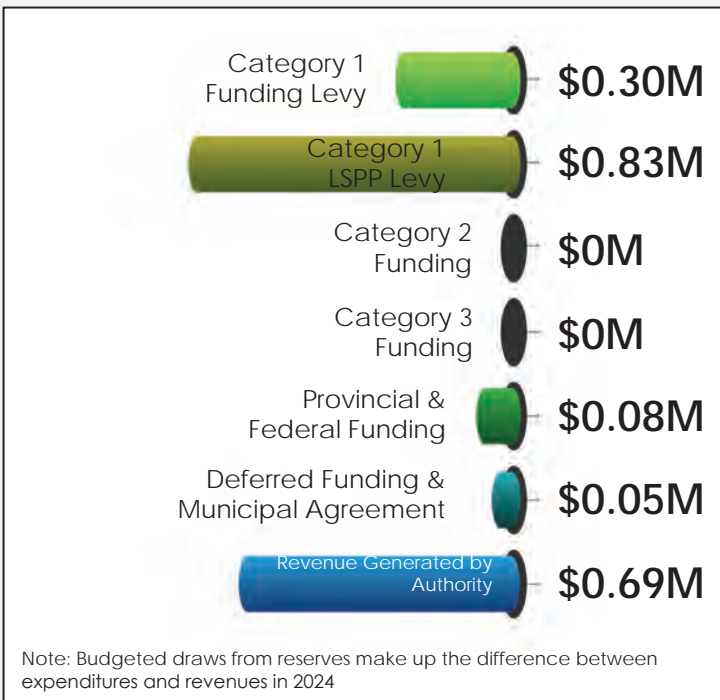
- Climate Change Adaptation
- Research and Innovation
- Watershed Planning



2024 Watershed Studies & Strategies Budget \$2.02M, 10.7FTEs



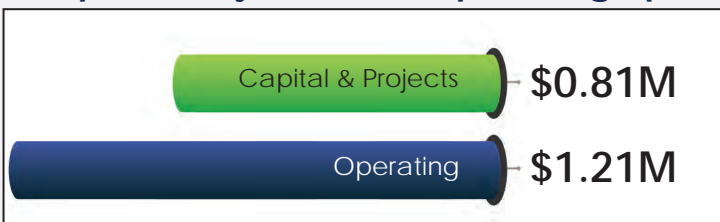
Revenue Source \$1.96M



Expenditure Type \$2.02M



Capital, Projects and Operating Split



Fast Facts

- The average length of time ice covers Lake Simcoe has decreased from 126 days between 1852 – 1873 to 91 days between 2001 – 2020.
- 1 hectare of restored wetland sequesters an equivalent of the annual carbon emissions of 2 people living in the Lake Simcoe watershed.

2023 Achievements

- Continued to develop our understanding of carbon sequestration rates in the Lake Simcoe watershed and what the Conservation Authority and member municipalities can do to increase the amount of carbon being sequestered. This included:
 - monitoring sequestration in select restoration projects,
 - beginning a pilot project to monitor sequestration in street trees,
 - developing a methodology to monitor methane emissions from wetlands, and
 - assessing the role of natural succession in carbon sequestration.
- Assessed how our restoration programs may need to adjust to a changing climate, particularly as it relates to stream restoration.
- Provided guidance and input into climate change working groups and committees to ensure continued collaboration with partners.



Climate Change

The Climate Change program aims to ensure climate resilience within the Lake Simcoe watershed, with a focus on our communities, water resources, and natural heritage systems. Our actions and desired outcomes are directed by our climate change mitigation and adaptation strategies.

2024 Focus

- Expand and build understanding of carbon sequestration projects and their contribution to meet municipal net-zero goals.
- Assess the impacts that climate change has and will have on the delivery of our Conservation Authority programs and services.
- Strengthen our role in guiding, advising, and supporting municipal climate change working groups.

Service Pressures

- The climate continues to change, and we continue to experience extreme weather events. The Conservation Authority plays a vital role in helping municipalities achieve the climate targets set for their communities.
- Resource challenges can limit our ability to deliver our full range of climate change related programs and services.

Outlook

- Climate change continues to be an area of concern for watershed residents, member municipalities, and other levels of government. Nature-based solutions, while not the full solution to the climate crisis, have the potential to make significant contributions to both climate change adaptation and mitigation. The Conservation Authority has a significant role in ensuring that this potential is met in the Lake Simcoe watershed.

Research and Innovation

Research and Innovation supports and advances management approaches to mitigate human activities that negatively impact the health and quality of Lake Simcoe and its watershed. These approaches must be outcome oriented, cost-effective, easy to implement, and transferrable.

2024 Focus

- Complete Lake Simcoe watershed municipal stormwater database semi-automation pilot project.
- Deliver 5 fee-for-service municipal stormwater management facilities inspection and maintenance programs.
- Lead 4 municipal working group sessions.
- Deliver a municipal pre-treatment versus end-of-pipe stormwater management maintenance feasibility study focusing on sediment and leaf litter removal.
- Continue to develop and deliver training to support municipal low impact development inspection and maintenance activities using best practices.

Outlook

- Identifying maintenance efficiencies using pre-treatment and other infrastructure options for sediment and leaf litter removal will benefit operation programs to support cost savings and collaborative municipal stormwater management planning.

Service Pressures

- Finding sustainable external funding to support continued innovations.
- Ongoing regulatory changes for municipal stormwater management.



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Fast Facts

- Provided inspection and maintenance training to 100+ municipal staff and other stormwater professionals.
- Performed stormwater management inspection and maintenance services for 124 stormwater management facilities.
- The Sustainable Technologies Evaluation Program Low Impact Development Wiki Guide had 43,654 users in 2023.

2023 Achievements

- Completed an environmental co-benefits of low impact development stormwater feasibility study for York Region.
- Continued technical services in support of adoption or adaptation of the Lake Simcoe watershed municipal stormwater management database for watershed municipalities.
- Delivered 2 fee-for-service municipal stormwater management facilities inspection and maintenance programs, as well as a field day and virtual training session for our watershed municipalities and other jurisdictions in Ontario.
- Developed 2 system-wide stormwater management operation and maintenance manuals for Lake Simcoe watershed municipalities.
- Led 4 municipal working group sessions to support improved low impact development inspection and maintenance planning and execution.
- Delivered 3 stormwater management technical working group sessions.
- Delivered 3 full-day courses to municipal and industry practitioners on sustainable infrastructure, low impact development, and climate resilience.
- Supported release of low impact development Treatment Train Tool Version 2.2 through the collaborative Sustainable Technologies Evaluation Program partnership.

Watershed Planning

Watershed Planning involves identifying factors affecting watershed health, selecting preferred solutions to address these impacts, and then monitoring progress and adapting plans to achieve desired outcomes. Watershed planning is essential to improving the health of Lake Simcoe and the watershed and is a legislated requirement of several provincial policies, including the **Lake Simcoe Protection Act** and Plan.

2024 Focus

- Finalize development of the online Subwatershed Plans platform and share with partners to assist in municipal planning needs.
- Finalize the internal and external consultations and complete the Watershed-based Resource Management Strategy.

Outlook

- The Watershed Planning program, informed by watershed and subwatershed plans, continues to provide critical guidance in watershed science in land use planning to member municipalities and the development industry.

Service Pressures

- Funding constraints limit our capacity to complete critical studies needed to update and implement modernized subwatershed plans.

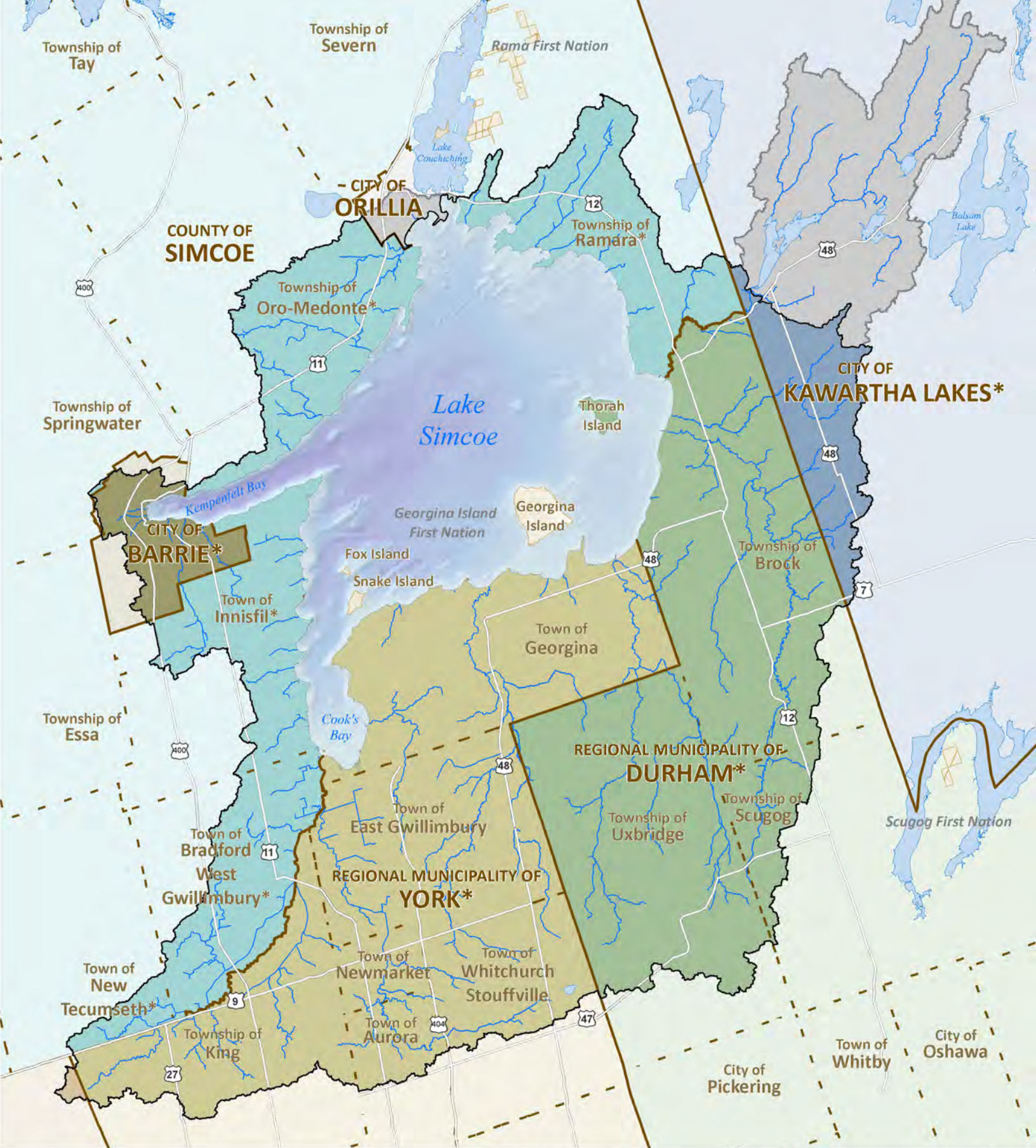
Fast Facts

- Since the 1970s, chloride levels in Lake Simcoe have increased by over 500 %. The highest levels found were in Western Creek in November 2023 at 14,204 mg/L. As a reference sea water salt concentration is 20,000 mg/L.

2023 Achievements

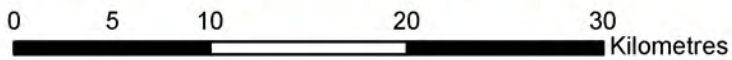
- Continued the development of modernizing the subwatershed planning and began the development of a new online platform that will ensure that the plans are easier to access, explore, and update.
- Co-hosted Salt Forum 2023, a workshop of conservation authority staff, winter maintenance professionals, and municipal staff to discuss joint interest in improving winter maintenance practices.
- Began the development of a Watershed-based Resource Management Strategy, one of the new provincially mandated programs and services required of conservation authorities.





Legend

-  Lake Simcoe Watershed
-  LSRCA Jurisdiction
-  Watercourse
-  Major Road
-  Upper / Single Tier Municipality
-  Lower Tier Municipality
-  * Member Municipality, LSRCA







This product was produced by the Lake Simcoe Region Conservation Authority and some information depicted on this map may have been compiled from various sources. While every effort has been made to accurately depict the information, data / mapping errors may exist. This map has been produced for illustrative purposes only.

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Lake Simcoe Region Conservation Authority (LSRCA) is the leading environmental protection agency in the Lake Simcoe watershed. For over 70 years, we've been collaborating with community, government, and other partners to protect and restore the environmental health and quality of Lake Simcoe and its watershed.

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If you require this document in an alternate format, please contact us at 905-895-1281.



Lake Simcoe Conservation Foundation (LSCF) is the leading environmental charity in our watershed, raising funds from individuals and organizations for the critical environmental programs and projects of Lake Simcoe Region Conservation Authority. It is one of only a few environmental charities nationwide that has been accredited in Imagine Canada's Standards Program after demonstrating excellence in operations in the charitable sector. Contact them directly for information about how you can support their important fundraising activities.

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