

# 2025 Budget Assumptions

Board of Directors

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**Lake Simcoe Region**  
conservation authority



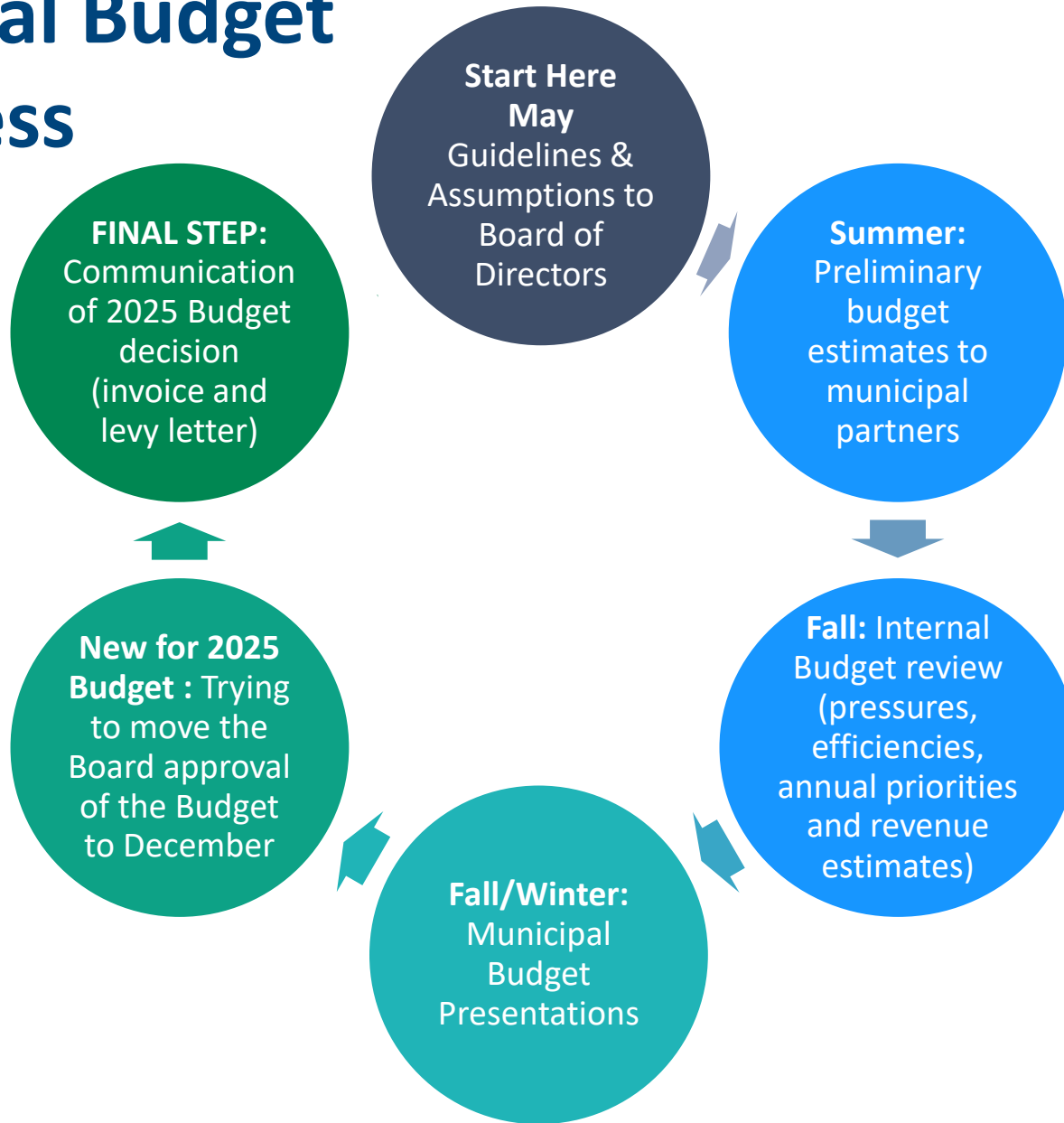
Member of Conservation Ontario

# 2025 Budget – Presentation Outline

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# Annual Budget Process



# Purpose of the Budget Assumptions

1. Sets clear organizational direction for budget targets
2. Enables staff to work with municipal funding partners to secure preliminary budget approval
3. Internally, it allows staff to build the 2025 budget and reduces re-work
4. Provides the Board of Directors the opportunity to influence the general direction of the budget
5. Strengthens the advocacy role of Conservation Authority Board members at municipal Budget Presentations



# 2025 Standard Budget Assumptions

1. The Conservation Authority recognizes the challenges being faced by our Municipal funding partners
2. Incorporate lessons learned from 2024 forecast
3. Revenue from the Foundation continues to be used for education and projects
4. Interest Income (above budget assumption) to surplus
5. Only use reserves for pilot projects, multi-year funding, grant placeholders and one-time purchases
6. Continue to “Respect the Taxpayer” and understand the context of budget requests



# Budget Recommendations: Governing Principles

1. Inflation and COLA in line with local comparators, adjusting for municipal funding challenges
2. Use municipal targets to guide budget development, where feasible
3. Recommended Investment in new Strategic Initiatives:  
Up to 1.5% increase
4. Long Term Funding for Asset Management will be addressed in a financial strategy being tabled in the June. Small placeholder being included in 2025 budget.



# Review of COLA Comparators

<b>Municipalities</b>	<b>2025 CUPE agreement</b>	<b>2024 CUPE agreement</b>	<b>2023 CUPE agreement</b>
<b>Region of York, CUPE 905</b>	2.00%	2.00%	2.00%
<b>City of Barrie, CUPE 2380</b>	2.00%	2.00%	2.00%
<b>Region of Durham, CUPE 1764</b>	N/A	1.50%	1.50%
<b>Conservation Authorities</b>	<b>2025 COLA</b>	<b>2024 COLA</b>	<b>2023 COLA</b>
<b>Toronto and Region Conservation Authority</b>	Up to 3.00%	2.00%	1.99%
<b>Nottawasaga Valley Conservation Authority</b>	Projecting 3.00%	5.90%	5.30%
<b>Lake Simcoe Region Conservation Authority</b>	TBD	2.00%	2.00%



# Financial Impact

2025 Recommended Municipal Levy	Increase	Estimated Amount
Category 1 Mandatory Levy	2.00%	\$116.2K
Category 1 Lake Simcoe Protection Plan (Mandatory)	2.00%	50.2K
Category 2 Funding	2.00%	13.4K
Category 3 Funding	2.00%	7.0K
<b>TOTAL Municipal Funding Increase</b>	<b>2.00%</b>	<b>\$186.8K</b>
Estimated Cost of 2025 Budget Assumptions		
COLA (including Performance-based step increases)	up to 3.00%	\$228.6K
Inflation	up to 2.50%	31.6K
Strategic Initiative	up to 1.50%	124.8K
Asset Management	up to 0.50%	41.6K
Efficiencies/Additional Revenue /Program Adjustments		(239.8K)
<b>Total</b>		<b>\$186.8K</b>



# Summary of Budget Recommendations

1. Inflation: up to 2.50% for applicable expenditures (2024: 2.00%)
2. COLA: up to 3.00% (2024: 2.00%) plus applicable step increases
3. Infrastructure levy for Asset Mgmt: up to 0.50% (2024: 0.50%)
4. Investment in Strategic Priorities: 1.50% (2024: 0.00%)
5. No additional new FTEs in 2025, unless they are fully funded from grants and/or fees
6. Municipal Funding Increase (all categories): Up to 2.00% (2024 – average Levy increase: 2.00%).



# Next Steps for 2025 Budget

1. Staff will use Board approved budget assumptions to develop 2025 Budget
2. Staff will host on-line financial updates for municipal funding partners; sharing preliminary budgets early to enable coordination with municipal budget cycles
3. Staff will continue to look for efficiencies and cost savings to support the 2025 Budget
4. Staff will use predictive information from 2024 Forecast to develop 2025 Budget
5. 2025 Budget presentations to funding partners will begin in the early fall/winter



# Questions?