

# 2024 Q2 Financial Update and Forecast

Board of Directors

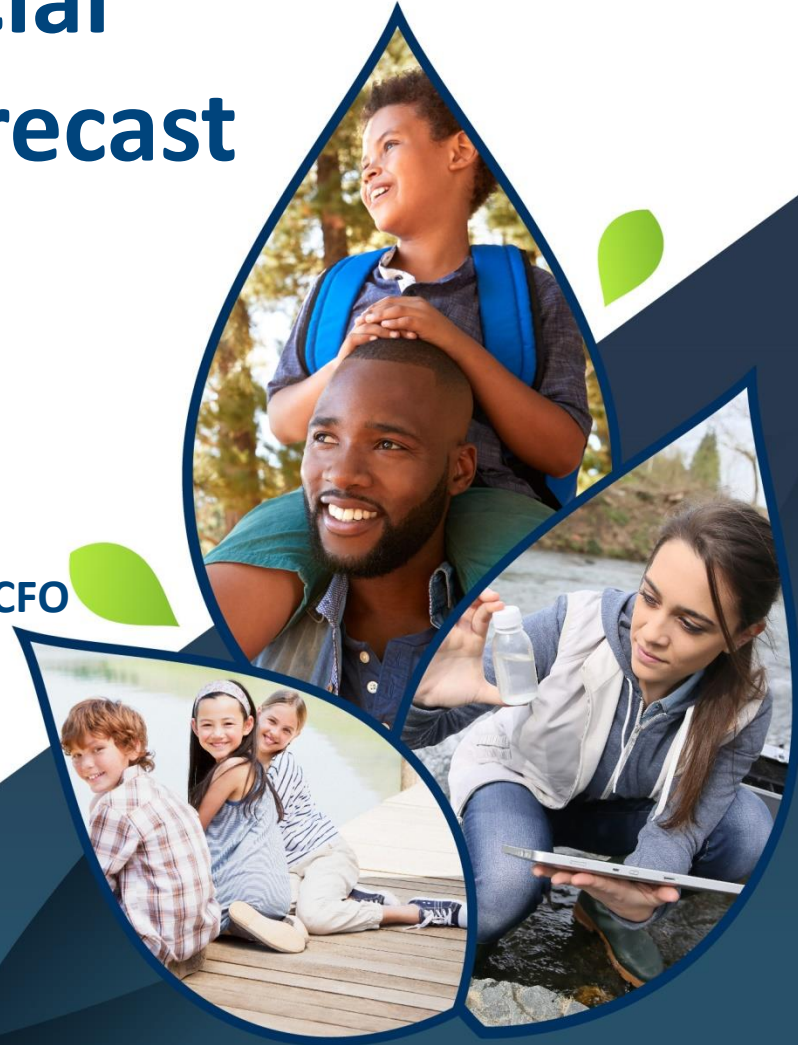
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**Lake Simcoe Region**  
conservation authority



Member of Conservation Ontario

# Presentation Outline

1. Executive Summary
2. Year to Date Second Quarter Highlights
3. Progress on Projects and Capital Investments
4. Highlights for the 2024 Forecast at June
5. Next Steps: Opportunities and Risks
6. Questions



# Executive Summary

1. Operational surplus on June 30<sup>th</sup> is \$1,010K.
2. Progressing well on Annual Priorities for 2024.
3. Forecasting a surplus for year end, staff monitoring the impact of new funding categories
4. Projects are progressing well and are within budget, many will carry over into 2025
5. Reserve activity expected to be in line with 2024 Budget.



# Second Quarter Highlights

Service Area	Surplus/ (Deficit)	Drivers
Corporate Services	\$ 318K	Open positions in HR, Communications and Finance, operational savings in network support, training, equipment leases
Ecological Management	85K	Salary Gapping – project work and additional revenues
Education and Engagement	82K	Salary gapping and increased funding from School and Community programming by adding additional spaces without additional costs.
Greenspace Services	55K	Under in operational expenses (consulting and materials for invasive species management work)
Planning and Development Services	408K	Salary Gapping (open full-time positions and gapping for replacement staff) and under in legal expenses.
Water Risk Management	42K	Under in operational expenses (consulting for flood mapping work and vehicle rentals)
Watershed Studies & Strategies	20K	Under in operational expenses (consulting)
<b>Total</b>	<b>\$ 1,010K</b>	<b>Overall Operational Surplus at June 30; 5.5% of \$18.2M Operating budget</b>



# 2024 Projects

2024 Projects	Total Project Value	Expenditures at June 30,2024
Offsetting Projects	\$3.9M	\$0.5M
Restoration Projects	1.2M	0.4M
Stormwater Management Inspection and Maintenance	1.0M	0.3M
Lake Simcoe Monitoring Projects	0.6M	0.4M
Urban Forest Study Projects	0.3M	0.1M
Lake Simcoe Preserve	0.2M	0.0M
Climate Change Studies	0.2M	0.0M
Infrastructure Hazard Projects	0.1M	0.0M
Other Projects	<u>0.2M</u>	<u>0.0M</u>
<b>Total</b>	<b>\$7.7M</b>	<b>\$1.7M</b>

# What's Happening in our Projects

1. Our progress is often determined by our partners (municipal and landowners) schedule and timelines
2. Seasonality – most progress in the summer and fall months
3. Projects aren't typically completed within the calendar year, with many funding agreements spanning into 2025



# 2024 Capital Investments

2024 Capital Investments	Total Investment	Expenditures at June 30, 2024
Scanlon Creek Nature Centre	\$3.0M	\$0.3M
Infrastructure and Building	0.9M	0.0M
Vehicles	0.3M	0.2M
Machinery and Equipment	<u>0.2M</u>	<u>0.1M</u>
<b>Total</b>	<b>\$4.4M</b>	<b>\$0.6M</b>

# Highlights of the Forecast at June 30

Forecasted Appropriations to/(from) Reserves for 2024	Budget	Forecast
1. Operational Programming Surplus	-	\$882K
2. 2024 Budgeted Reserve Draws	(1,765K)	(1,193K)
3. 2024 Budgeted Reserve Contributions	1,173K	1,419K
4. Expense related to transfer of priority properties	-	(1,156K)
<b>Total Forecasted Reserve Activity</b>	<b>\$(592K)</b>	<b>\$(500K)</b>



# Next Steps – Opportunities & Risks

1. Staff are monitoring key in-year trends identified in Q2 forecast:
  - Savings in Operational expenses
  - Open FTE positions
2. Monitoring 2024 Funding categories and related impact on financial surplus/(deficit) position.
3. Trends in forecast will be used to inform the 2025 Operational Budget:
  - Employee Training
  - Planning Fees – impact of the fee review



# Questions?