

Board Meeting Highlights

July 26, 2024

Announcements

- a) Lake Simcoe Conservation Foundation Executive Director, Cheryl Taylor was pleased to announce that Kumi Canada has generously donated \$100K to the Connect Campaign to build a new Nature Centre at Scanlon Creek Conservation Area. She went on to note that not only has Kumi Canada made this incredible donation to the Connect Campaign, but Kumi has also very generously sponsored the new food pantry at the Nature Centre with \$2K for the 2024 summer camp season. This donation ensures summer camp participants have access to fruit, healthy snacks and drinks to keep them fuelled throughout the day.
- b) CAO Baldwin advised that notice was recently received from the Township of Ramara that Councillor Joe Gough would be replacing Councillor Sherri Bell as their representative on the Board of Directors. Due to the timing of this notification, there was insufficient time for staff to advise Councillor Gough of the July meeting. Accordingly, Councillor Gough will be invited to the next meeting in September.

Presentations:

a) **Blue-Green Algal Blooms on Lake Simcoe**

Dr. Brian Ginn, the Conservation Authority's Limnologist, delivered a presentation on the blue-green algal bloom reported in Lake Simcoe in July 2024. He noted that although there have been reports of isolated surface scums of blue-green algae in the past, these were of small size (3-4 feet in diameter) and usually occurred later in the year. This year's bloom was the earliest and most widespread algal bloom recently reported on Lake Simcoe, occurring in early July and being found lake-wide with the exception of Kempenfelt Bay. Conservation Authority staff reported the bloom to the Ministry of Environment, Conservation and Parks' Spills Action Centre, then monitored the bloom size and locations throughout July, working closely with partners at the provincial, regional, and municipal levels. Conservation Authority staff will continue to monitor lake conditions for a return of the bloom during the rest of the ice-free season and will research the causative conditions that led to this bloom.

Dr. Ginn went on to note that an invasive aquatic plant species, water soldier, has also been reported in the shallow waters of southern Cook's Bay.

To view this presentation, please click this link: [Blue-green Algal Blooms on Lake-Simcoe Update](#)

b) Second Quarter 2024 Financial Report and Year-End Forecast

General Manager, Corporate and Financial Services/CFO, Mark Critch, provided a presentation on the Second Quarter 2024 Financial Report and Year-End Forecast, advising there was an operational surplus in the amount of \$1,010K as of June 30th, made up mostly in Corporate Services and Planning and Development. He advised that the 2024 Annual Priorities and projects are progressing well and within budget, with many carrying over into 2025. Reserve activity is expected to be in line with the 2024 budget, and a surplus is forecast for year-end.

To view this presentation, please click this link: [Second-Quarter-2024-Financial-Report](#)

c) New Online Platform to Support Subwatershed Planning

Integrated Watershed Management Specialist, Pam Strong, provided an overview of the new Subwatershed Plans Online Platform, noting that subwatershed plans summarize watershed conditions, identify issues, outline solutions, and provide recommendations, all of which are critical to growth management and adhering to provincial legislation.

The Conservation Authority's existing plans were static, outdated documents. Staff sought input from subwatershed plan users and found that users would prefer an easy to navigate virtual platform with more concise information, with the ability to keep information current.

Conservation Authority staff then developed a framework for a web-based platform that includes information regarding water quality, water quantity, aquatic habitat, terrestrial natural heritage, lake health, climate change, and land use change on a watershed basis.

Working with Conservation Authority GIS staff to develop the platform and associated dashboards and maps, a soft launch in March 2024 allowed for review and input. The full platform launch took place in early July, with the expected framework completion by the end of 2024 with the development of plans and associated recommendations occurring through 2025 and 2026. Ms. Strong provided a demonstration of the [Subwatershed Plans Online Platform](#) for Board members.

To view this presentation, please click this link: [Subwatershed-Plans-Online-Platform Presentation](#)

d) Updated Asset Management Plan for 2024

General Manager, Corporate and Financial Services/CFO, Mark Critch, provided an update to the Conservation Authority's Asset Management Plan for 2024. He explained that with the use of a federal grant in 2020, staff contracted AW Hooker for a building condition assessment which identified an infrastructure gap of \$29.4M. Staff have worked diligently since that time to increase contribution levels and stabilize long-term replacement costs, without immediately seeking municipal funding support through the tax levy. Some basic principles and assumptions used to evaluate the current state and develop a short- and long-term financial strategy included:

- a) 100% Long-term funding is not currently required;
- b) Inflation of 3% was used for this report;
- c) A dedicated Asset Management reserve with \$2.1M (December 2023) available for use through the rate stabilization fund as an option;
- d) Asset management planning typically assumes “like for like” replacements, meaning that the replacement asset cost is based on a similar quality asset being purchased;
- e) No new capital requests included in this asset management update, with the exception of the new Nature Centre at Scanlon Creek Conservation Area; and
- f) Natural ecological assets such as forests, wetlands, ecological land holdings are not covered in this analysis.

Staff then reviewed the following areas as options to decrease the previously identified infrastructure deficit of \$29.4 million:

- a) Asset Rationalization;
- b) Examine options around deferred revenue;
- c) Review and adjust useful life of assets to better align with industry best standards;
- d) Make progress on Land Disposition Strategy;
- e) Examine all external funding options, relying on increasing tax levy only as a last resort; and
- f) Revisit all lease vs buy options.

The outcome of these mitigation strategies enabled:

1. Reducing asset replacements (no longer needed): \$1.3M;
2. Changes to deferred revenue (revenue recognition) at 2023 year-end has made \$1.0M available in reserves;
3. Adjusting useful life of assets to better align with industry best practices: \$1.0M;
4. Disposing of asset obligations on land outside the Acquisition/Disposition Strategy: \$2.3M; and
5. Increasing reserves, establishing priority annual levy funding, contribution agreements and 0.5% infrastructure levy: \$17.7M.

Staff recommendations and next steps include:

1. Developing the 2025 Budget with the 0.5% infrastructure levy as a priority;
2. Continuing to build asset management funding into all new funding agreements;
3. Actively pursuing disposition of land and other assets, in line with the Acquisition and Disposition Strategy;
4. Focusing on assumptions, due to high degree of sensitivity to changes in contribution, inflation and interest rates; and
5. Bring the next full review to the Board of Directors in 2029, unless there is a significant change to financial projections.

To view this presentation, please click this link: [Asset-Management-Financial-Strategy-Update](#)

Staff Reports:

Second Quarter 2024 Financial Report and Year-End Forecast

The Board received Staff Report No. 37-24-BOD regarding the Conservation Authority's Second Quarter 2024 Financial Report and Year-End Forecast.

New Online Platform to Support Subwatershed Planning

The Board received Staff Report No. 38-24-BOD regarding the Conservation Authority's new subwatershed plans online platform.

Updated Asset Management Plan for 2024

The Board received Staff Report No. 39-24-BOD regarding an update to the Conservation Authority's Asset Management Plan for 2024.

2024 Budget Restatement

The Board received Staff Report No. 40-24-BOD regarding the restatement of the approved 2024 Budget and approved staff's request to allocate deferred funds to be used for support of ongoing projects.

Mid-year Planning and Development Statistics

The Board received Staff Report No. No. 41-24-BOD regarding monitoring of development services applications for the period January 1 through June 30, 2024.

2024 Annual Priorities Status Update

The Board received Staff Report No. 42-24-BOD regarding the second quarter status of the Conservation Authority's 2024 Annual Priorities.

Conservation Areas Strategy

The Board received Staff Report No. 43-24-BOD regarding the Conservation Authority's Conservation Areas Strategy.

Appointment of a new Environmental Compliance Officer under Section 30.1 of the Conservation Authorities Act

The Board received Staff Report No. 44-24-BOD regarding the designation of Ms. Tatyana Vukovic as an Environmental Compliance Officer under Section 30.1 of the *Conservation Authorities Act* and approved Ms. Vukovic's appointment as an Environmental Compliance Officer under Section 30.1 of the *Conservation Authorities Act*.

Confidential Legal Matter

The Board received Staff Report No. 45-24-BOD regarding a confidential legal matter.

Confidential Legal Matter

The Board received Staff Report No. 46-24-BOD regarding a confidential legal matter.

For more information or to see the full agenda package, visit [LSRCA's Board of Directors' webpage](#).