

# Draft 2025 Budget

Board of Directors

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**Lake Simcoe Region**  
conservation authority



Member of Conservation Ontario

# Presentation Outline

1. What's New for the 2025 budget?
2. 2025 Budget Assumptions Re-visited
3. 2025 Annual Priorities
4. 2025 Budget
5. Overview of Reserves
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# What's New for the 2025 Budget?

1. Our timelines have shifted forward, from March/April approval to January
2. Fee Freeze, imposed by the Province of Ontario, continues into 2025
3. Construction of the New Nature Centre at Scanlon Creek to start in early 2025, with expected completion by March 2026



# 2025 Annual Priorities

1. Commence construction of the new Nature Centre at Scanlon Creek
2. Advance work on Lake Simcoe Conservation Preserve \*
3. Continue critical lake ecology research
4. Develop an Indigenous relations framework \*
5. Multi-year Talent Management Strategy

\* Indicates direct 2025 investment (from reserves)

# 2025 Annual Priorities

6. Corporate Re-branding \*
7. Flood Forecasting, Warning & Low Water program audit
8. Conservation Authority Advocacy \*
9. Finalize Watershed Indicators
10. Digital Strategy – Internal Business Portal \*

\* Indicates direct 2025 investment (from reserves)



# Proposed 2025 Budget

Guidelines – Approved by the Board of Directors in May 2024

	Guideline	Draft Budget
Inflation	Up to 2.50%	When applicable
COLA	Up to 3.00%	3.00%
Growth/Strategic Initiatives	Up to 1.50%	0.00%
Category 1, 2 and 3 funding	2.00%	2.00%
Asset Management Infrastructure Levy	0.50%	0.50%



# Operating and Capital Budget

Budget	2024 Approved*	2025 Draft Budget	Change
Operating	\$15.0M	\$15.8M	\$0.8M
Capital	<u>12.1M</u>	<u>15.5M</u>	<u>3.4M</u>
<b>Total</b>	<b>\$27.1M</b>	<b>\$31.3M</b>	<b>\$4.2M</b>

\*Restated 2024 Budget(approved July 2024 through Staff Report No. 40-24-BOD)

# Expenditures By Service Areas

Service Area	2024 Budget*	2025 Budget	+/-
Corporate	\$2.7M	\$3.1M	\$0.4M
Ecological Management	1.9M	2.0M	0.1M
Education & Engagement	0.8M	0.9M	0.1M
Greenspace Services	1.1M	1.1M	0.0M
Planning & Development Services	4.8M	5.0M	0.2M
Water Risk Management	2.4M	2.6M	0.2M
Watershed Studies & Strategies	1.2M	1.1M	(0.1M)
Capital	<u>12.1M</u>	<u>15.5M</u>	<u>3.4M</u>
<b>Total Expenditures</b>	<b>\$27.1M</b>	<b>\$31.3M</b>	<b>\$4.2M</b>

\*Restated 2024 Budget (approved July 2024 through Staff Report No. 40-24-BOD)



# Summary of Revenues

Revenue Category	Restated 2024*	Draft 2025 Budget	+/-
Category 1 Levy Funding (2.00%)	\$5.5M	\$5.6M	\$0.1M
Category 1 Funding – Special Benefiting	0.0M	0.2M	0.2M
Category 1 Lake Simcoe Protection Plan (2.00%)	2.9M	2.9M	0.1M
Category 2 Funding (2.00%)	0.6M	0.6M	0.0M
Category 3 Funding (2.00%)	0.4M	0.4M	0.0M
Provincial and Federal Funding	2.0M	2.2M	0.2M
Deferred Funding & Municipal Agreements	3.0M	1.4M	(1.6M)
Revenue Generated by Authority	<u>12.2M</u>	<u>18.0M</u>	<u>5.8M</u>
<b>TOTAL</b>	<b>\$26.5M</b>	<b>\$31.3M</b>	<b>\$4.8M</b>

\*Restated 2024 Budget (approved July 2024 through Staff Report No. 40-24-BOD)

# 2025 Municipal Funding – Increasing 2.0%

In 000s	2024 Approved (restated)*	2025 Draft Budget	Increase/ (Decrease)
Region of York	6,071	6,184	113
Region of Durham**	520	530	10
Town of Bradford-West Gwillimbury	464	474	10
City of Barrie	1,475	1,506	31
Town of Innisfil	408	421	13
Town of New Tecumseth	46	46	1
Township of Oro-Medonte	95	98	3
Township of Ramara	80	82	2
City of Kawartha Lakes	62	63	1
City of Orillia***	76	78	2
<b>Total</b>	<b>9,297</b>	<b>9,483</b>	<b>186</b>
			<b>2.00%</b>

\* 2024 Budget includes all Board approved restatements for in-year funding and changes related to LSPP allocation adjustments

\*\* Excludes \$200K for Category 1 Special Benefit funding from Durham Region for Floodplain Mapping

\*\*\* City of Orillia’s funding obligation is only for the LSPP portion of the budget

# 2025 Operating Budget Highlights

1. There are no new FTE's being added in 2025
2. Cost of Living increase for 2025 is established at 3%, in line with local municipalities and conservation authorities
3. Updates to floodplain mapping for Beaver River and Whites Creek watershed is being funded through Special Benefiting funding from the Region of Durham
4. Efficiencies found in the 2025 Budget:
  - a) Co-managed IT support for Network Security
  - b) Multi year savings from external Procurement Audit
  - c) Switch of landline phones to Teams phones



# 2025 Budget: Reserve Activity

	2025 Opening Balance*	2025 Transfers	2025 Draws	Projected Ending Balance
Rate Stabilization	\$3,967	\$818	(\$639)	\$4,146
Asset Management	2,376	304	(344)	2,336
Working Capital	306	-	(292)	14
Restricted	<u>1,709</u>	<u>133</u>	-	<u>1,842</u>
<b>Total Reserves</b>	<b>\$8,358</b>	<b>\$1,255</b>	<b>(\$1,275)</b>	<b>\$8,338</b>

\*Estimated Opening Balance for January 1, 2025



# 2025 Capital and Projects Budget

<b>Projects</b>	<b>Amount in 000s</b>
Offsetting (Water Balance, Ecological and Phosphorous)	\$3,935
Simcoe Hydrology and Coefficient Monitoring	661
Restoration	440
Other Projects	370
Climate Change Studies	310
Stormwater Management Inspection and Maintenance	299
Landcover Update	209
Watershed Plan Modernization	169
	<b>\$6,393</b>
<b>Capital Purchases and Projects</b>	<b>Amount in 000s</b>
Scanlon Creek Nature Centre	\$8,125
Asset Management: Infrastructure and Building	660
Asset Management: Machinery and Equipment	149
Lake Simcoe Preserve	165
	<b>\$9,099</b>
<b>Total Capital and Projects</b>	<b>\$15,492</b>

# Looking Ahead to 2026: Areas for Improvement

1. Looking to establish multiyear budget assumptions to better inform our municipal funding partners
2. Need to begin internal budget discussions earlier to provide better context to budget assumptions related to the new Nature Centre
3. Budget Companion document is under development with release expected later in Q1 2025
4. Opportunity to engage earlier with finance leads at funding municipalities, increasing two-way communication and improving transparency



# 2025 Budget Story

1. Draft budget will be available for 30 days following Board approval, adhering to all legislative requirements
2. 2025 Budget is within all Board approved assumptions
3. Upon request, staff have presented to Councils'/senior staff at 4 municipalities. At/near all budget targets.
4. New Nature Centre construction begins in January, no municipal funding used for the capital portion
5. 2025 Operating and Capital Budget is prudent and practical; balancing additional investments in our staff, our assets, our research and our annual priorities



# Questions?