



Board of Directors
Meeting No. BOD-03-25
Friday, May 23, 2025
9:30 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, July 25, 2025
120 Bayview Parkway, Newmarket

Lake Simcoe Conservation Foundation

36th Annual Conservation Dinner

Wednesday June 18, 2025
The Manor at Carrying Place

6th Annual Invitational Golf Tournament

Monday, August 25, 2025
Eagles Nest 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 - 6

Recommended: That the content of the Agenda for the May 23, 2025 meeting of the Board of Directors be approved as presented.

IV. Adoption of Minutes

a) Board of Directors

Pages 7 - 13

Included in the agenda is a copy of the minutes of the Board of Directors' Meeting, No. BOD-02-25, held on Friday, March 28, 2025.

Recommended: That the minutes of the Board of Directors' Meeting, No. BOD-02-25, held on Friday, March 28, 2025 be approved as circulated.

V. Announcements

VI. Presentations

a) 2024 Draft Audited Financial Statement

Pages 14 - 59

Mr. Adam Delle Cese of BDO Canada LLP, will provide an overview of the Conservation Authority's 2024 Audit and 2024 Draft Audited Financial Statements. This presentation will be provided at the meeting.

Recommended: That the presentation by Mr. Adam Delle Cese of BDO Canada LLP, regarding the Conservation Authority's 2024 Audit and 2024 Draft Audited Financial Statements be received for information.

Staff Report No. 15-25-BOD regarding Conservation Authority's 2024 Unaudited Financial Statements is included in the agenda.

Recommended: That Staff Report No. 15-25-BOD regarding the Conservation Authority's 2024 Draft Audited Financial Statements be received; and

Further that the 2024 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 2024 Draft Audited Financial Statements be approved; and

Further that the pending 2024 Audited Financial Statements be distributed to the Minister of Environment, Conservation and Parks, the Conservation Authority's banker, and be made available on the Conservation Authority's website.

b) Transformation 2022–2024: Final Strategic Plan Progress Report

Pages 60 - 69

CAO, Rob Baldwin, will update on the progress on the Conservation Authority's Strategic Plan, **Transformation 2022-2024**. 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 CAO, Rob Baldwin, regarding the progress made on the Conservation Authority's Strategic Plan, Transformation 2022-2024 be received for information.

Staff Report No. 16-25-BOD regarding the progress on the Conservation Authority's Strategic Plan, Transformation 2022-2024 is included in the agenda.

Recommended: That the Staff Report No. 16-25-BOD regarding the progress made on the Conservation Authority's Strategic Plan: **Transformation 2022-2024** be received for information.

c) 2026 Budget Assumptions

Pages 70 - 76

General Manager, Corporate and Financial Services/CFO, Mark Critch, will present the 2026 Budget Assumptions. 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 General Manager, Corporate and Financial Services/CFO, Mark Critch, regarding the 2026 Budget Assumptions be received for information.

Staff Report No. 17-25-BOD regarding the 2026 Budget Assumptions is included in the agenda.

Recommended: That Staff Report No. 17-25-BOD regarding the Conservation Authority's recommended budget assumptions for the 2026 fiscal year be approved.

d) Determination 2025-2028, the Conservation Authority's Strategic Plan

Pages 77 - 85

CAO, Rob Baldwin, will provide a presentation on Determination 2025-2028, the Conservation Authority's refreshed Strategic Plan. 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 CAO Rob Baldwin on Determination 2025-2028, the Lake Simcoe Region Conservation Authority's Strategic Plan be received for information.

Staff Report No. 18-25-BOD regarding Determination 2025-2028 is included in the agenda.

Recommended: That Staff Report No. 18-25-BOD regarding the completion of Determination 2025-2028 - Lake Simcoe Region Conservation Authority's Strategic Plan be received; and

Further that Determination 2025 - 2028 - Lake Simcoe Region Conservation Authority's Strategic Plan be approved.

e) Lake Simcoe Region Conservation Authority's History and Role in salt management for both public and private sectors

Pages 86 - 93

Director, Watershed Science & Monitoring, Dave Lembcke, together with Manager, Watershed Plans and Strategies, Bill Thompson, will provide an overview of the Conservation Authority's historical involvement and efforts to date on the issue of salt management. 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 Director, Watershed Science & Monitoring, Dave Lembcke and Manager, Watershed Plans and Strategies, Bill Thompson, regarding the Conservation Authority's historical involvement and efforts to date on the issue of salt management be received for information.

Staff Report No. 19-25-BOD regarding Conservation Authority's history and role in salt management is included in the agenda.

Recommended: That Staff Report No. 19-25-BOD regarding the Conservation Authority's history and role in road salt management in both the public and private sectors be received; and

Further That the accompanying template Council resolution be forwarded to watershed municipalities and conservation authorities; and

Further That staff be directed to continue collaborating with and supporting Provincial staff and Ministers to advance a limited liability approach for Ontario.

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 5 and 6 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 confidential land matters.

Recommended: That the Board move to Closed Session to deal with confidential land matters; 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

A verbal update on a Confidential Land Matter will be provided at the meeting.

Recommended: That the update on a Confidential land matter be received for information.

b) Confidential Land Matter

A verbal update on a Confidential Land Matter will be provided at the meeting.

Recommended: That the update on a Confidential land matter be received for information.

XIII. Other Business

Next Meeting

The next meeting of the Board of Directors will be held on Friday, July 25, 2025. 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. Offsetting Program Results - Reconciliation to December 31, 2024

Pages 94 - 99

Recommended: That Staff Report No. 20-25-BOD regarding a reconciliation of the Conservation Authority's Offsetting Cash in Lieu funds and Key Performance Indicators be received for information.

2. Shared Services - Strengthening among Conservation Authority Foundations

Pages 100 - 102

Recommended: That Staff Report No. 21-25-BOD regarding the Lake Simcoe Conservation Foundation's shared services offering to strengthen Conservation Authority Foundations be received for information.

Lake Simcoe Region Conservation Authority

Board of Directors' Meeting

Board of Directors' Meeting No. BOD-02-25

Friday, March 28, 2025

120 Bayview Parkway, Newmarket

Meeting Minutes

Members Present

Councillor C. Riepma (Chair), Mayor R. Greenlaw (Vice Chair), Councillor A. Courser, Councillor F. Drodge, Councillor A. Eek, Councillor P. Ferragine, Regional Councillor B. Garrod, Councillor J. Gough, Councillor S. Harrison-McIntyre, Councillor D. Le Roy, Mayor I. Lovatt, Councillor C. Pettingill, Mayor M. Quirk, Councillor Roy-DiClemente, Deputy Mayor and Regional Councillor T. Vegh

Members Absent

Regional Chairman E. Jolliffe, Councillor M. Thompson, Councillor E. Yeo

Staff Present

R. Baldwin, T. Barnett, A. Brown, M. Critch, A. Cullen, P. Davies, B. Ginn, D. Goodyear, D. Lembcke, G. MacMillan, G. Peat, C. Taylor, B. Thompson, K. Toffan, M. Touw, K. Yemm

Guests Present

C. Malcolmson, C. Parker

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: J. Gough

Seconded by: A. Eek

BOD-027-25 **Resolved That** the content of the Agenda for the March 28, 2025 meeting of the Board of Directors be approved as presented. **Carried**

IV. Adoption of Minutes

a) Board of Directors' Meeting

Moved by: R. Greenlaw

Seconded by: T. Roy-DiClemente

BOD-028-25 **Resolved That** the minutes of the Board of Directors' Annual General Meeting, No. BOD-01-25, held on Friday, January 24, 2025 be approved as circulated.

Carried

V. Announcements

- a) CAO Rob Baldwin updated on some Development Services and Engineering Department changes, where Ken Cheney is now the Director, Flood Management, Chris Currie is now Manager, Regulations, and Ashlea Brown is now Senior Director, Development Services and a member of the Executive Leadership Team.
- b) CAO Rob Baldwin advised of a recent Federal announcement where the Conservation Authority received approximately \$412K over three years for a project exploring the reduction of phosphorus loads to Lake Simcoe by prioritizing agricultural best practices and assessing their effectiveness under a changing climate.
- c) CAO Rob Baldwin advised that with Premier Ford's cabinet announcement, conservation authorities have returned to the Ministry of the Environment, Conservation and Parks, under Minister Todd McCarthy, who is also an MPP in the Lake Simcoe watershed.
- d) CAO Rob Baldwin reminded Board members of the Scanlon Creek Nature Centre Groundbreaking Ceremony taking place in the afternoon of March 28th.
- e) CAO Baldwin advised that the Staff Chili Contest is back on this spring, with Mabel Davis and Scanlon Creek staff hosting office contests, with the two office winners bringing their creations to the Board following the May meeting for a winner to be chosen.

VI. Presentations

a) Fourth Quarter 2024 Draft Unaudited Financial Report

General Manager, Corporate and Financial Services/CFO, Mark Critch, provided a presentation on the Fourth Quarter 2024 Draft Unaudited Financial Report, noting there was an operational surplus position of \$1,160K at year-end, which is lower than the \$1,300K provided at Q3. He advised that the main drivers of this surplus include open positions in the Corporate Services area, and salary gapping and a decrease in legal expenses in the Planning and Development area. He reviewed the reserve activity for 2024, noting that reserve draws were lower than

budgeted as anticipated at Q3. GM Critch noted the 2024 Audited Financial Statements will require Board of Directors' approval at their May 2025 meeting.

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

Moved by: T. Vegh

Seconded by: I. Lovatt

BOD-029-25 **Resolved That** the presentation by General Manager, Corporate and Financial Services/CFO, Mark Critch, on the Conservation Authority's Fourth Quarter 2024 Draft Unaudited Financial Report be received for information. **Carried**

Included in the agenda was Staff Report No. 07-25-BOD regarding the Conservation Authority's Fourth Quarter 2024 Draft Unaudited Financial Report.

Moved by: T. Vegh

Seconded by: I. Lovatt

BOD-030-25 **Resolved That** Staff Report No. 07-25-BOD regarding the Conservation Authority's Fourth Quarter 2024 Draft Unaudited Financial Report be received for information. **Carried**

VII. Hearings

There were no Hearings at this meeting.

VIII. Deputations

a) Rescue Lake Simcoe Coalition

Ms. Claire Malcolmson made a deputation on behalf of the Rescue Lake Simcoe Coalition regarding their work with the Ontario Salt Pollution Coalition on limited liability for winter road and parking lot maintenance. Ms. Malcolmson noted that the group is asking municipalities to pass a resolution urging the Province of Ontario to develop limited liability legislation and to create and fund an expert stakeholder advisory committee for the purposes of advising the province and municipalities on the best courses of action to protect freshwater ecosystems and drinking water from the impacts of salt pollution.

Councillor Eek noted that Conservation Authority staff have been leading this initiative for years and asked for staff to provide some guidance on this matter, including the requested resolution. CAO Baldwin noted that staff have brought this matter before the Board a few times in recent years and in 2023 circulated a template resolution for municipalities to consider.

CAO Baldwin offered for staff to bring a presentation and staff report to the next meeting regarding the Conservation Authority's involvement to date on the issue of salt and winter road maintenance, as well as an updated template resolution for use by municipalities.

Moved by: C. Pettingill

Seconded by: A. Courser

BOD-031-25 **Resolved That** the deputation by Ms. Claire Malcolmson of the Rescue Lake Simcoe Coalition regarding the Ontario Salt Pollution Coalition be received; and

Further that staff be directed to bring a report and template resolution back to the next meeting for the Board's consideration. **Carried**

IX. Determination of Items Requiring Separate Discussion

X. Adoption of Items not Requiring Separate Discussion

Items No. 2, 3, 4, 5 and 6 were identified under items not requiring separate discussion.

Moved by: A. Eek

Seconded by: P. Ferragine

BOD-032-25 **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. Municipal Freedom of Information and Protection of Privacy Act: 2024 Annual Statistical Report

BOD-033-25 **Resolved That** Staff Report No. 08-25-BOD regarding the Municipal Freedom of Information and Protection of Privacy Act 2024 Statistical Report be received for information. **Carried**

3. 2025 Conservation Awards Program and Ceremony

BOD-034-25 **Resolved That** Staff Report No. 09-25-BOD regarding the 2025 Conservation Awards Program and Ceremony be received for information. **Carried**

4. Delegation of Power - Conservation Authorities Act (Part VI, s. 28.4)

BOD-035-25 **Resolved That** Staff Report No. 10-25-BOD regarding the delegation of power for the issuance of permits, made pursuant to the *Conservation Authorities Act* be received; and

Further That the Manager, Regulations and the Manager, Development Engineering and Infrastructure be delegated the authority to approve permits in accordance with Part VI, s. 28.4 of the *Conservation Authorities Act* effective March 31, 2025; and

Further That the signing authorization be updated to reflect a title change for the position of Senior Director, Development Services effective March 31, 2025. **Carried**

5. 2025 Budget Companion Document

BOD-036-25 **Resolved That** Staff Report No. 11-25-BOD regarding the Conservation Authority's 2025 Budget Companion Document be received for information. **Carried**

6. 2024 Enabling Services Internal Customer Satisfaction Survey Results

BOD-037-25 **Resolved That** Staff Report No. 12-25-BOD regarding the 2024 Enabling Services Internal Customer Satisfaction Survey Results be received for information. **Carried**

XI. Consideration of Items Requiring Separate Discussion

Item No. 1 was identified under items requiring separate discussion.

1. Correspondence

Regarding Item b), the letter from Nottawasaga Valley Conservation Authority Chair Jonathan Scott, Mayor Quirk raised for consideration that the Board vote against amalgamation of the two conservation authorities and advised that the Town of Georgina would be voting against it.

CAO Baldwin advised that the process for amalgamation is a municipally driven process and the Conservation Authority's Board as a collective does not have a role in any decision made. He explained that should a meeting on amalgamation be held where a vote would take place, it would be the member municipalities who would vote, and accordingly it would be the Region of York who would vote for or against amalgamation on behalf of the York Region member municipalities.

Moved by: S. Harrison-McIntyre

Seconded by: F. Drodge

BOD-038-25 **Resolved That** Correspondence items a) and b) be received for information. **Carried**

XII. Closed Session

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

Moved by: T. Vegh

Seconded by: J. Gough

BOD-039-25 **Resolved That** the Board move to Closed Session to deal with confidential legal and human resources matters; and

Further that the Chief Administrative Officer and members of the Executive Leadership Team remain in the meeting for the discussion on Item a); and

Further that the Sr. Director, Human Resources remain in the meeting for the discussion on Item b); and

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

The Board rose from Closed Session to report findings.

Moved by: T. Roy-DiClemente

Seconded by: A. Courser

BOD-040-25 **Resolved That** the Board rise from Closed Session and report findings. **Carried**

a) Confidential Legal Matter

Moved by: T. Vegh

Seconded by: I. Lovatt

BOD-041-25 **Resolved That** Confidential Staff Report No. 13-25-BOD regarding a confidential legal matter be received for information. **Carried**

b) Confidential Human Resources Matter

Moved by: C. Pettingill

Seconded by: J. Gough

BOD-042-25 **Resolved That** the Confidential update regarding a confidential human resources matter be received; and

Further that the direction provided to the Sr. Director, Human Resources be approved.
Carried

c) Confidential Human Resources Matter

Moved by: F. Drodge

Seconded by: D. Le Roy

BOD-043-25 **Resolved That** Confidential Staff Report No. 14-25-BOD regarding a confidential human resources matter be received; and

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

XIII. Other Business

- a) Chair Riepma advised that the next meeting on Friday, May 23, 2025 will have a Source Protection Authority meeting at 9:00 a.m. and a Board of Directors' meeting immediately following at approximately 9:30 a.m. Both meetings be held in the Conservation Authority's Administrative Offices.

XIV. Adjournment

Moved by: T. Vegh

Seconded by: J. Gough

BOD-044-25 **Resolved That** the meeting be adjourned at 11:40 a.m. **Carried**

Original to be signed by:

Councillor Clare Riepma
Chair

Original to be signed by:

Rob Baldwin
Chief Administrative Officer

Staff Report

To: Board of Directors

From: Katherine Toffan, Director of Finance

Date: May 23, 2025

Subject

2024 Draft Audited Financial Statements

Recommendation

That Staff Report No. 15-25-BOD regarding the Conservation Authority's 2024 Draft Audited Financial Statements be received; and

Further that the 2024 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 2024 Draft Audited Financial Statements be approved; and

Further that the pending 2024 Audited Financial Statements be distributed to the Minister of Environment, Conservation and Parks, 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. 15-25-BOD is to update the Board of Directors regarding the review and approval of the Conservation Authority's 2024 Draft Audited Statements, as well as all recommended reserve appropriations.

Background:

The 2024 audit began with a preliminary review of the financial procedures in November 2024, followed by the final audit process during March 2025, 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 2024 Audited Financial Statements. The Conservation Authority's auditors, BDO Canada LLP, will attend the May 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 28, 2025.

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 2024 audit process. BDO Canada LLP’s opinion is that the 2024 financial statements present fairly, in all material respects, the financial position of the Conservation Authority as at December 31, 2024.

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 May 23, 2025.

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 2024 Financial Update – Draft Unaudited Results report that was received by the Board on March 28, 2025.

Draft Appropriations to/(from) Reserve for 2024:	2024 Budget	2024 Results
Surplus/(Deficit) from Operations:		
Transfer of funds received in year for Asset Management	-	11
Transfer of administrative funds from Offsetting	-	493
Operational Surplus - summary by Service Area in table above	-	1,160
Surplus/(Deficit) from Budgeted Reserve Decisions:		
Approved Draw from Asset Management	(1,286)	(647)
Approved Draw from Rate Stabilization	(369)	(110)
Approved Draw from Working Capital	(111)	(11)
Reserve Transfer for Asset Management	914	767
Reserve Transfer for Interest Income	250	509
Reserve Transfer to Restricted	10	10
Sub-total: Changes from Budgeted Reserve Decisions	(592)	518
Net Change in Reserves (excluding asset entries outlined below)		2,182
Net Change in Tangible Capital Assets and Capital Leases	-	440
2024 Net Surplus	-	2,622

Summary and Recommendations:

It is therefore **Recommended That** Staff Report No. 15-25-BOD regarding the Conservation Authority's 2024 Draft Audited Financial Statements be received; and **Further that** the 2024 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 2024 Draft Audited Financial Statements be approved; and **Further that** the pending 2024 Audited Financial Statements be distributed to the Minister of Environment, Conservation and Parks, 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:

Signed by:

Mark Critch
General Manager, Corporate and Financial
Services, CFO

Rob Baldwin
Chief Administrative Officer

Attachments:

1. Draft Audited Financial Statements for the year ended December 31, 2024
2. Report to the Board of Directors for the year ended December 31, 2024

Lake Simcoe Region Conservation Authority
DRAFT Financial Statements
Year ended December 31, 2024

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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
May 23, 2025

Vice Chair
Randy Greenlaw
May 23, 2025

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, 2024, 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, 2024, 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
May 23, 2025

Lake Simcoe Region Conservation Authority
DRAFT Statement of Financial Position

Year Ended December 31	2024	2023
Financial Assets		
Cash and cash equivalents	\$ 14,611,690	\$ 29,775,166
Accounts receivable and other assets (Note 4)	2,534,100	1,791,361
Investments (Note 5)	18,363,155	-
	35,508,945	31,566,527
Liabilities		
Accounts payable and accrued liabilities	1,249,454	1,216,205
Obligations under capital lease (Note 6)	3,967	7,191
Deferred revenue (Note 7)	24,476,828	22,736,945
Vacation pay and lieu time accruals	164,222	156,137
	25,894,471	24,116,478
Net Financial Assets	9,614,474	7,450,049
Non-Financial Assets		
Inventory of supplies and prepaid expenses	175,803	158,017
Tangible capital assets (net) (Schedule 10)	19,783,994	19,344,445
	19,959,797	19,502,462
Accumulated Surplus (Schedule 9)	\$ 29,574,271	\$ 26,952,511
Contingent liabilities (Note 11)		

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	2024 Budget (Note 3)	2024 Actual	2023 Actual
Revenue:			
Category 1 – Mandatory Levy	\$ 5,809,939	\$ 5,809,942	\$ 5,231,619
Category 1 - Lake Simcoe Protection Plan	2,510,523	2,509,688	2,196,049
Category 2	674,398	552,725	345,242
Category 3	353,619	353,618	346,685
Provincial & federal funding	2,003,830	1,926,582	1,684,148
Deferred funding & municipal agreements	2,926,229	2,597,564	3,733,203
Revenue generated by authority	12,190,526	8,170,971	7,085,673
Total Revenue:	26,469,064	21,921,090	20,622,619
Expenses:			
Corporate services (Schedule 1)	9,955,462	6,461,726	5,699,471
Ecological management (Schedule 2)	4,826,761	4,038,334	3,335,709
Education & engagement (Schedule 3)	838,988	837,168	852,273
Greenspace services (Schedule 4)	1,605,087	2,291,760	1,221,438
Planning & development services (Schedule 5)	4,845,746	4,219,877	4,318,096
Water risk management (Schedule 6)	5,996,749	4,010,254	3,876,887
Watershed studies & strategies (Schedule 7)	2,188,048	2,036,828	1,719,549
Total Gross Expenses:	30,256,843	23,895,947	21,023,423
Expenses included above related to:			
Tangible capital assets	-	1,945,253	1,380,693
Internal fee for service	3,195,634	3,132,014	2,913,126
Expenses before amortization	27,061,209	18,818,680	16,729,604
Amortization	-	480,650	460,221
	27,061,209	19,299,330	17,189,825
Net (deficit) surplus for the year	\$ (592,144)	\$ 2,621,760	\$ 3,432,794

See accompanying notes to the financial statements.

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

Year Ended December 31	2024 Budget (Note 3)	2024 Actual	2023 Actual
Net surplus for the year	\$ (592,144)	\$ 2,621,760	\$ 3,432,794
Acquisition of tangible capital assets - net	-	(1,945,253)	(1,380,690)
Acquisition of capital leases	-	-	-
Loss on disposal of tangible capital assets	-	1,025,054	39,686
Amortization of tangible capital assets	-	480,650	460,221
Change in inventory and prepaid expenses	-	(17,786)	(25,766)
Increase in net financial assets	(592,144)	2,164,425	2,526,245
Net financial assets, beginning of year	7,450,049	7,450,049	4,923,804
Net financial assets, end of year	\$ 6,857,905	\$ 9,614,474	\$ 7,450,049

See accompanying notes to the financial statements.

Lake Simcoe Region Conservation Authority
DRAFT Statement of Cash Flows

Year Ended December 31	2024 Actual	2023 Actual
Operations:		
Net surplus for the year	\$ 2,621,760	\$ 3,432,794
Items not involving cash		
Amortization	480,650	460,221
Change in non-cash operating balances		
(Increase) in accounts receivable and other assets	(742,739)	(247,136)
(Increase) in inventory and prepaid expenses	(17,786)	(25,766)
Increase in accounts payable and accrued liabilities	33,249	438,325
(Decrease) in obligations under capital lease	(3,224)	(4,076)
Increase in vacation pay and lieu time accruals	8,085	25,666
Increase in deferred revenue	1,739,883	1,243,104
	<u>4,119,878</u>	<u>5,323,132</u>
Capital Transactions:		
Loss on disposal of tangible capital assets	1,025,054	39,686
Addition to tangible capital assets	(1,945,253)	(1,380,690)
	<u>(920,199)</u>	<u>(1,341,004)</u>
Investing Transactions:		
Purchase of investments	<u>(18,363,155)</u>	-
Net increase in cash and cash equivalents	(15,163,476)	3,982,128
Cash and cash equivalents, beginning of year	<u>29,775,166</u>	<u>25,793,038</u>
Cash and cash equivalents, end of year	<u>\$ 14,611,690</u>	<u>\$ 29,775,166</u>

See accompanying notes to the financial statements.

Lake Simcoe Region Conservation Authority

DRAFT Notes to the Financial Statements

December 31, 2024

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, 2024

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 – 10 to 50 years
- Furniture and Fixtures – 10 to 25 years
- Machinery and Equipment – 5 to 25 years
- Vehicles – 7 to 10 years
- Computers and Computer Software – 4 to 20 years
- Infrastructure – 10 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, 2024

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 revenue

Revenue from transactions with performance obligations is recognized when (at a point in time) or as (over a period of time) the organization satisfies the performance obligations, which occurs when control of the benefits associated with the promised goods or services has passed to the payor.

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

Lake Simcoe Region Conservation Authority

DRAFT Notes to the Financial Statements

December 31, 2024

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

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.

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

Lake Simcoe Region Conservation Authority
DRAFT Notes to the Financial Statements

December 31, 2024

2. Summary of significant accounting policies (continued)

Authority has determined that its asset retirement obligations are not material and as such have not recorded a liability related to these costs.

Conservation Authorities Act

The Conservation Authorities Act stipulates three categories for conservation authority programs and services:

- Category 1: Mandatory programs and services that are set out by the Conservation Authorities Act and our duties, functions, and responsibilities under the Lake Simcoe Protection Act.
- Category 2: Municipal programs and services provided on behalf of the municipality under a memorandum of understanding
- Category 3: other programs and services an authority determines are advisable to further the purpose of the Conservation Authorities Act

3. Budget figures

The approved budget for 2024 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 2024 budget was approved by the Board of Directors when the municipal levy was set on March 22, 2024 and restatement to the Budget was approved on July 26, 2024. The 2024 budgeted figures are unaudited.

4. Accounts receivable and other assets

	2024	2023
Accounts receivable	\$ 1,607,072	\$ 1,084,083
Due from Lake Simcoe Conservation Foundation	804,574	524,224
Government remittances receivable	122,454	183,054
	\$ 2,534,100	\$ 1,791,361

5. Investments

	2024	2023
Guaranteed Investment Certificate, interest at 5.00%, maturing July 2026	\$ 2,552,397	-
Guaranteed Investment Certificate, interest at 4.87%, maturing August 2027	10,714,347	-
Guaranteed Investment Certificate, interest at 4.60%, maturing July 2029	5,096,411	-
	\$ 18,363,155	\$ -

Lake Simcoe Region Conservation Authority
DRAFT Notes to the Financial Statements

December 31, 2024

6. Obligations under capital leases

	<u>2024</u>	<u>2023</u>
Obligation under a capital lease for a Sharp MX4071 Copier, maturing May 2026, with monthly payments of \$248.	\$ 3,967	\$ 7,191

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

2025	2,728
2026	1,239
	<u>\$ 3,967</u>

7. Deferred revenue

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

	<u>2024</u>	<u>2023</u>
Government and Other Funding		
Ministry of the Environment, Conservation and Parks	\$ 417,217	\$ 298,840
Cash in lieu and compensation funds	20,673,317	18,573,463
Forestry & Greenspace Projects	-	11,300
Water Science & Monitoring Projects	241,137	199,473
Restoration Projects	702,789	647,421
Planning and Regulations	1,408,261	1,069,441
Category 2		
Ecosystem Science & Monitoring	6,402	-
Forestry Services	4,563	-
Water Management & Restoration	110,708	-
Prior Year Deferred		
Facility Management	-	67,725
Forestry Services	-	18,032
Ecological Restoration & Regeneration	432,767	957,236
Greenspace Maintenance & Management	-	-
Flood Management & Warning	283,733	344,024
Water Management & Restoration	195,936	498,044
Watershed & Subwatershed Planning	-	1,946
Research & Innovation	-	50,000
	<u>\$ 24,476,828</u>	<u>\$ 22,736,945</u>

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, 2024

8. Expenses by object

	2024	2023
Administration	\$ 3,131,915	\$ 2,913,126
Construction and restoration	1,140,972	485,393
Consulting and other professional fees	1,776,492	1,846,966
Grants	1,177,731	1,162,709
Insurance	234,671	231,848
Interest and bank charges	64,255	64,954
Land	421,730	335,517
Loss on disposal of capital assets	1,025,054	39,685
Office	1,429,507	1,417,644
Program related expenses	443,559	290,247
Repairs and maintenance	135,660	127,757
Training	70,739	60,518
Utilities and property taxes	204,971	206,058
Vehicle expenses	145,890	136,121
Wages and benefits	12,492,801	11,704,880
	<u>\$ 23,895,947</u>	<u>\$ 21,023,423</u>

9. Credit facility

The Authority maintains an operating line facility with an operating limit of \$500,000 (2023 – \$500,000) which bears interest at prime, 5.95% (2023 – 7.20%) and is due on demand. As of December 31, 2024, no balance was payable under this facility (2023 - \$Nil).

10. 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, 2024. The results of this valuation disclosed total actuarial liabilities of \$142.5 billion in respect of benefits accrued for service with actuarial assets at that date of \$139.6 billion indicating an actuarial deficit of \$2.9 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, 2024

10. 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 2024 were \$990,870 (2023 - \$929,164).

11. Contingent liabilities

Certain unresolved legal claims are outstanding against the Authority at December 31, 2024. 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.

12. 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 \$1,097,719 (2023 - \$661,419) from the Foundation towards specific program deliverables. Additionally, the Authority received from the Foundation \$258,759 (2023 - \$188,507) for expense reimbursement of Foundation related expenses. These transactions are measured at cost.

13. 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, 2024

14. Comparative Figures

Certain comparative figures have been reclassified to conform with current year presentation.

Lake Simcoe Region Conservation Authority
DRAFT Schedule 1 – Corporate Services

Year Ended December 31	2024 Budget (Note 3)	2024 Actual	2023 Actual
Revenue:			
Category 1 – Mandatory Levy	\$ 2,905,934	\$ 2,905,937	\$ 2,737,300
Category 1 - Lake Simcoe Protection Plan	276,673	276,620	271,248
Category 2	-	-	-
Category 3	-	-	-
Provincial & federal funding	1,962	1,962	1,962
Deferred funding & municipal agreements	67,725	67,725	544,046
Revenue generated by authority	3,471,568	1,489,319	987,293
Total Revenue:	6,723,862	4,741,563	4,541,849
Expenses:			
Corporate Communications	946,938	806,033	709,082
Facility Management	4,847,783	1,992,442	1,407,405
Financial Management	1,299,271	1,155,469	1,105,831
Governance	710,777	671,772	658,791
Human Resource Management	564,995	392,922	408,844
Information Management	1,585,697	1,443,088	1,409,518
Total Gross Expenses:	9,955,462	6,461,726	5,699,471
Expenses included above related to:			
Tangible Capital Assets	-	1,178,865	816,314
Internal Fee for Service	3,195,634	3,101,397	2,888,888
Expenses before Amortization	6,759,828	2,181,464	1,994,269
Amortization	-	340,838	356,810
	6,759,828	2,522,302	2,351,079
Net surplus (deficit) for the year	\$ (35,966)	\$ 2,219,261	\$ 2,190,770

Lake Simcoe Region Conservation Authority
DRAFT Schedule 2 – Ecological Management

Year Ended December 31	2024 Budget (Note 3)	2024 Actual	2023 Actual
Revenue:			
Category 1 – Mandatory Levy	\$ 232,866	\$ 232,866	\$ 163,099
Category 1 - Lake Simcoe Protection Plan	1,122,495	1,122,975	910,675
Category 2	492,103	481,138	260,589
Category 3	-	-	-
Provincial & federal funding	536,154	552,398	364,166
Deferred funding & municipal agreements	775,186	725,732	1,038,400
Revenue generated by authority	1,612,690	1,020,103	766,088
Total Revenue:	4,771,494	4,135,212	3,503,017
Expenses:			
Ecosystem Science & Monitoring	1,293,725	1,301,609	1,186,489
Forestry Services	1,056,904	877,270	900,783
Restoration & Regeneration	2,476,132	1,859,455	1,248,437
Total Gross Expenses:	4,826,761	4,038,334	3,335,709
Expenses included above related to:			
Tangible Capital Assets	-	265,526	278,654
Internal Fee for Service	-	30,617	24,128
Expenses before Amortization	4,826,761	3,742,191	3,032,927
Amortization	-	28,226	19,602
	4,826,761	3,770,417	3,052,529
Net surplus (deficit) for the year	\$ (55,267)	\$ 364,795	\$ 450,488

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

Year Ended December 31	2024 Budget (Note 3)	2024 Actual	2023 Actual
Revenue:			
Category 1 – Mandatory Levy	\$ -	\$ -	\$ 152,124
Category 1 - Lake Simcoe Protection Plan	-	-	-
Category 2	-	-	-
Category 3	353,619	353,618	346,685
Provincial & federal funding	-	-	2,170
Deferred funding & municipal agreements	-	-	-
Revenue generated by authority	485,369	547,349	437,494
Total Revenue:	838,988	900,967	938,473
Expenses:			
Community Programming	137,228	138,364	120,749
School Programming	701,761	698,804	731,524
Total Gross Expenses:	838,988	837,168	852,273
Expenses included above related to:			
Tangible Capital Assets	-	-	14,792
Internal Fee for Service	-	-	-
Expenses before Amortization	838,988	837,168	837,481
Amortization	-	6,267	1,594
	838,988	843,435	839,075
Net surplus for the year	\$ -	\$ 57,532	\$ 99,398

Lake Simcoe Region Conservation Authority
DRAFT Schedule 4 – Greenspace Services

Year Ended December 31	2024 Budget (Note 3)	2024 Actual	2023 Actual
Revenue:			
Category 1 – Mandatory Levy	\$ 929,813	\$ 929,813	\$ 861,220
Category 1 - Lake Simcoe Protection Plan	-	-	-
Category 2	-	-	-
Category 3	-	-	-
Provincial & federal funding	58,059	112,995	125,793
Deferred funding & municipal agreements	-	22,000	78,043
Revenue generated by authority	199,717	175,821	236,068
Total Revenue:	1,187,589	1,240,629	1,301,124
Expenses:			
Management	1,358,378	2,091,396	1,029,114
Securement	246,709	200,364	192,324
Total Gross Expenses:	1,605,087	2,291,760	1,221,438
Expenses included above related to:			
Tangible Capital Assets	-	418,883	145,885
Internal Fee for Service	-	-	110
Expenses before Amortization	1,605,087	1,872,877	1,075,443
Amortization	-	50,920	42,534
	1,605,087	1,923,797	1,117,977
Net surplus (deficit) for the year	\$ (417,498)	\$ (683,168)	\$ 183,147

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

Year Ended December 31	2024 Budget (Note 3)	2024 Actual	2023 Actual
Revenue:			
Category 1 – Mandatory Levy	\$ 640,546	\$ 640,546	\$ 505,115
Category 1 - Lake Simcoe Protection Plan	-	-	-
Category 2	25,500	25,500	25,000
Category 3	-	-	-
Provincial & federal funding	22,413	22,413	22,413
Deferred funding & municipal agreements	431,745	431,746	395,110
Revenue generated by authority	3,716,624	3,514,826	3,368,298
Total Revenue:	4,836,828	4,635,031	4,315,936
Expenses:			
Development Planning	2,376,183	2,162,722	2,194,067
Permitting & Enforcement	2,469,563	2,057,155	2,124,029
Total Gross Expenses:	4,845,746	4,219,877	4,318,096
Expenses included above related to:			
Tangible Capital Assets	-	13,766	-
Internal Fee for Service	-	-	-
Expenses before Amortization	4,845,746	4,206,111	4,318,096
Amortization	-	879	437
	4,845,746	4,206,990	4,318,532
Net surplus (deficit) for the year	\$ (8,918)	\$ 428,041	\$ (2,597)

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

Year Ended December 31	2024 Budget (Note 3)	2024 Actual	2023 Actual
Revenue:			
Category 1 – Mandatory Levy	\$ 798,302	\$ 798,302	\$ 628,002
Category 1 - Lake Simcoe Protection Plan	284,825	283,563	113,982
Category 2	156,795	46,087	59,653
Category 3	-	-	-
Provincial & federal funding	1,133,152	975,020	1,040,384
Deferred funding & municipal agreements	1,095,397	768,611	1,065,562
Revenue generated by authority	2,516,919	1,354,595	1,202,988
Total Revenue:	5,985,390	4,226,178	4,110,571
Expenses:			
Flood Management & Warning	802,599	655,204	502,395
Source Water Protection	837,408	785,081	719,936
Water Management & Restoration	3,831,461	2,092,889	2,063,455
Water Science & Monitoring	525,282	477,080	591,101
Total Gross Expenses:	5,996,749	4,010,254	3,876,887
Expenses included above related to:			
Tangible Capital Assets	-	1,240	66,969
Internal Fee for Service	-	-	-
Expenses before Amortization	5,996,749	4,009,014	3,809,918
Amortization	-	38,006	29,974
	5,996,749	4,047,020	3,839,892
Net surplus (deficit) for the year	\$ (11,359)	\$ 179,158	\$ 270,679

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

Year Ended December 31	2024 Budget (Note 3)	2024 Actual	2023 Actual
Revenue:			
Category 1 – Mandatory Levy	\$ 302,478	\$ 302,478	\$ 184,759
Category 1 - Lake Simcoe Protection Plan	826,530	826,530	900,144
Category 2	-	-	-
Category 3	-	-	-
Provincial & federal funding	252,090	261,794	127,260
Deferred funding & municipal agreements	556,176	581,750	612,042
Revenue generated by authority	187,637	68,958	87,444
Total Revenue:	2,124,911	2,041,510	1,911,649
Expenses:			
Climate Change Adaptation	610,935	598,953	444,493
Research & Innovation	1,082,828	948,116	681,267
Watershed Subwatershed Planning	494,286	489,759	593,789
Total Gross Expenses:	2,188,048	2,036,828	1,719,549
Expenses included above related to:			
Tangible Capital Assets	-	66,973	58,079
Internal Fee for Service	-	-	-
Expenses before Amortization	2,188,048	1,969,855	1,661,470
Amortization	-	15,514	9,270
	2,188,048	1,985,369	1,670,740
Net surplus (deficit) for the year	\$ (63,137)	\$ 56,141	\$ 240,909

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

Year Ended December 31

Reserve Category	Opening Balance January 1, 2024	Appropriations to/(from) Reserve	Ending Balance December 31, 2024
Asset Management	\$2,069,701	\$131,677	\$2,201,378
Working Capital	373,044	(11,318)	361,726
Rate Stabilization	5,096,933	309,207	5,406,140
Restricted	124,230	1,752,644	1,876,874
Grand Total	\$7,663,908	\$2,182,210	\$9,846,118

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

Year Ended December 31	2024 Actual	2023 Actual
Opening Accumulated Surplus	\$ 26,952,511	\$ 23,519,717
Current Year Surplus	2,621,760	3,432,794
Ending Accumulated Surplus	29,574,271	26,952,511
Accumulated Surplus consists of:		
Tangible Capital Assets (net)	19,783,994	19,344,445
Unfunded Capital Leases	(55,842)	(55,842)
Reserves (Schedule 8)	9,846,118	7,663,908
Ending Accumulated Surplus	\$ 29,574,271	\$ 26,952,511

Lake Simcoe Region Conservation Authority

DRAFT Schedule 10 – Schedule of Tangible Capital Assets

December 31, 2024

	Land	Land Improvements	Building & Building Improvements	Computer & Computer Software	Furniture & Fixtures	Machinery & Equipment	Vehicles	Infrastructure	Work in Process	2024	2023
Cost											
Opening 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	\$18,463,662
Additions	-	687,753	54,315	59,628	29,667	137,514	212,075	229,999	1,037,082	2,448,033	1,486,137
Disposals	(1,025,054)	-	(31,612)	(19,412)	-	(36,767)	(51,993)	-	(502,780)	(1,667,618)	(244,646)
Ending Balance	11,377,884	1,497,431	8,135,976	1,179,102	442,994	1,163,026	815,084	625,723	1,176,601	26,413,820	25,633,400
Accumulated Amortization											
Opening Balance	-	259,645	3,658,733	918,102	224,022	675,894	383,709	168,850	-	6,288,955	5,928,247
Amortization	-	42,448	167,773	73,664	20,453	89,283	68,305	18,724	-	480,650	460,221
Disposals	-	-	(31,612)	(19,412)	-	(36,767)	(51,993)	-	-	(139,784)	(99,513)
Ending Balance	-	302,093	3,794,895	972,355	244,475	728,411	400,023	187,574	-	6,629,826	6,288,955
Net Book Value	\$11,377,884	\$1,195,338	\$4,341,081	\$206,746	\$198,518	\$434,615	\$415,061	\$438,149	\$1,176,601	\$19,783,994	\$19,344,445

LAKE SIMCOE REGION CONSERVATION AUTHORITY

REPORT TO THE BOARD OF DIRECTORS

FOR THE YEAR ENDING DECEMBER 31, 2024

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

May 23, 2025

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>
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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 \$730,000 for the year ended December 31, 2024.

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, 2024, 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, 2024, 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
May 23, 2025

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

May 23, 2025

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, 2024.

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 26, 2024, 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 26, 2024 to May 23, 2025.

- 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,

Chartered Professional Accountants, Licensed Public Accountants

APPENDIX C: REPRESENTATION LETTER

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

May 25, 2025

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, 2024, for the purpose of expressing an opinion as to whether the financial statements are presented fairly, in all material respects, in accordance with PSAS.

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 October 10, 2024, for the preparation of the financial statements in accordance with PSAS; 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 PSAS.
- Related party relationships and transactions have been appropriately accounted for and disclosed in accordance with the requirements of PSAS.
- All events subsequent to the date of the financial statements and for which PSAS 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.
- The effects of uncorrected misstatements are immaterial, both individually and in the aggregate, to the financial statements as a whole. No material unadjusted misstatements were identified.

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.
- The entity has complied with all provisions in its agreements related to debt and there were no defaults in principal or interest, or in the covenants and conditions contained in such agreements.
- 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. Since there are no actual, outstanding or possible litigation and claims, no disclosure is required in the financial statements.

Yours truly,

Signature

Position

Signature

Position

Staff Report

To: Board of Directors

From: Rob Baldwin, Chief Administrative Officer

Date: May 23, 2025

Subject:

Transformation 2022–2024: Final Strategic Plan Progress Report

Recommendation:

That Staff Report No. 16-25-BOD regarding the progress made on the Conservation Authority's Strategic Plan: **Transformation 2022-2024** be received for information.

Purpose of this Staff Report:

The purpose of this Staff Report No. 16-25-BOD and accompanying presentation is to provide the Board with an update on the progress made in the final year of the Conservation Authority's strategic plan: **Transformation 2022-2024**.

Background:

Developed in 2021, at a time when the COVID pandemic and the *Conservation Authorities Act* changes under Bill 229 created uncertainty, **Transformation 2022-2024** reaffirmed our vision, and the mission we aspire to achieve, shifting our focus to transforming the way we consider our work and its outcomes and impacts.

In the past, our strategic plans were predominantly developed with outputs, such as projects and products, as the key deliverables and their completion being the measures of success.

Transformation 2022-2024 was our first plan to shift emphasis to the outcomes we seek to achieve in the watershed. An outcome-based plan is our strategic approach to focus on the results, or impacts, rather than just the activities we undertake. Instead of measuring success by what is done (outputs), we made a move towards measuring success by the actual difference we've made (outcomes).

The five strategic directions in **Transformation 2022-2024** outlined our core areas of focus and underpinned our planned actions. The associated objectives within each strategic direction were formulated as statements to capture the desired state we are working to achieve.

1. Champion watershed health and climate resilience

- 1.1 People, property and infrastructure are protected from natural hazards through planning, permits, enforcement of regulations and flood management and warning activities.

- 1.2 Healthy communities are supported through effective plan review services for our municipal clients.
- 1.3 Drinking water sources are protected through our leadership of the source water protection program.
- 1.4 A resilient watershed is achieved through nature-based restoration solutions and an increase in protected areas on rural, urban and agricultural lands.

2. Drive evidence-based decision-making

- 2.1 Knowledge of watershed health and management decisions are improved through comprehensive, leading-edge science.
- 2.2 Decision makers access, understand and implement integrated watershed management plans and their recommendations.
- 2.3 Effectively and securely managed data facilitates collaboration and analysis, improving decision-making.
- 2.4 Climate change considerations drive internal and external programs, policies, plans and practices.

3. Spark a passion and action for nature

- 3.1 Landholdings provide ecological and human health benefits in a sustainable way.
- 3.2 Mutually beneficial partnerships leverage knowledge and resources for watershed health outcomes.
- 3.3 Target audiences are aware of our organization's purpose, programs and services.
- 3.4 Watershed communities consider us a trusted, transparent and inclusive organization.
- 3.5 Watershed communities are engaged, educated and inspired to care and take action for watershed health.

4. Advance organizational effectiveness and excellence

- 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.
- 4.3 Legal business obligations are upheld through proactive measures.
- 4.4 Effective and efficient business processes demonstrate a commitment to continuous improvement and environmental sustainability.

5. Nurture people and talent

- 5.1 Skilled talent is attracted and committed to our vision and have opportunities to grow and develop.

5.2 Employees feel a sense of belonging and contribute to a safe and healthy culture where diversity, equity, inclusion and wellness are celebrated and promoted.

5.3 Staff are highly engaged and have the technical resources, knowledge, and collaborative opportunities to do their jobs effectively, securely and efficiently.

The attached status report summarizes the progress we made in the final year of **Transformation 2022–2024**.

In the status report, we've relied on metrics where available, anecdotal evidence and commentary on status, trends, and some baseline information that was developed in 2022/23, supporting our efforts for meaningful reporting.

Issues

Not only was this our first outcome-focused plan, but it was also the first one developed in-house, led by a team in our communications department. Formulating this plan and our new approach was completed through multiple staff and board engagement and consultation sessions.

Though we consistently complete annual reporting through various publications, including our Budget Companion, year-end infographic, and our video compilation, historically, our reporting has focused on outputs and anecdotal accounts as our measures of success.

With a view to applying a consistent, disciplined, and meaningful approach to measuring our progress, we are currently working to devise a dashboard that will be implemented as a companion tool to our new strategic plan, offering improved reporting on how our progress aligns with our standards of service and is measured against our targets.

Relevance to Conservation Authority Policy:

The Strategic Plan sets out our long-term vision and guides our annual work planning and as such influences and upholds all Conservation Authority policies.

Impact on Conservation Authority Finances:

The Strategic Plan helps shape the Conservation Authority's annual budget through our yearly workplans and annual priorities. The activities undertaken to achieve the goals and objectives of the Strategic Plan are identified, either as annual priorities or business as usual, and may be funded through one-time reserve draws or within the applicable annual budget of the leading department.

Summary and Recommendations:

Based on chosen measures of success, several key indicators have been identified that demonstrate solid results achieved across all five focus areas within **Transformation 2022-2024**.

With noteworthy achievement in the last year of the plan, our confident assessment is that overall, through disciplined implementation, strong leadership, and a commitment to continuous improvement, we strengthened operational efficiency, advanced critical initiatives, and further solidified our position as a solutions-driven leader among conservation authorities.

Some of the pivotal actions we took from 2022 to 2024 include:

- Investing in technology to enhance network and cyber security.
- Advancing programs and partnerships, linking the impacts of nature on human health.
- Progressing to construction on the new Nature Centre at Scanlon Creek Conservation Area.
- Leading in compliance under the Accessibility for Ontarians with Disabilities Act.
- Pioneering cutting-edge lake nutrient science and research.
- Pursuing multiple avenues of policy advocacy with government partners.
- Building business development opportunities into successful new Category 2 programs and generating new and sustainable sources of revenue.
- Meeting all legislative changes under Bills 229 and 23.

As a result, our Conservation Authority is now more resilient and better positioned for future growth and success, with a solid foundation to build on our updated strategic directions and outcome objectives.

It is therefore **Recommended That** Staff Report No. 16-25-BOD regarding the progress made on the Conservation Authority's Strategic Plan: **Transformation 2022-2024** be received for information.

Prepared by Kristen Yemm, Senior Director, Communications and Engagement.

Signed by:

Rob Baldwin
Chief Administrative Officer

Attachments

Strategic Plan Status Report





1

Strategic Direction One - Champion Watershed Health and Climate Resilience



Our work on the land

We commit to protecting people, property, drinking water sources, and restoring protected areas as we find a balance between what society and our environment needs.

1.1 	1.2 	1.3 	1.4 
<p>OBJECTIVE</p> <p>People, property, and infrastructure is protected from natural hazards through planning, permits, enforcement of regulations, and flood management and warning activities.</p>	<p>OBJECTIVE</p> <p>Healthy communities are supported through effective plan review services for our municipal clients.</p>	<p>OBJECTIVE</p> <p>Drinking water sources are protected through our leadership of the source water protection program.</p>	<p>OBJECTIVE</p> <p>A resilient watershed is achieved through nature-based restoration solutions and an increase in protected areas on rural, urban, and agricultural lands.</p>
<p>INDICATOR</p> <ul style="list-style-type: none"> • % of development applications within legislated timelines • # of flood messages 	<p>INDICATOR</p> <ul style="list-style-type: none"> • # of development applications commented on 	<p>INDICATOR</p> <ul style="list-style-type: none"> • % of source protection plan policies implemented • # of municipal risk management plans in place 	<p>INDICATOR</p> <ul style="list-style-type: none"> • Total hectares restored and total hectares protected through our organization's actions
<p>COMMENTARY</p> <ul style="list-style-type: none"> • 97% of development applications reviewed within legislated timelines. • 22 flood messages issued. No flood watches or warnings required to be issued. 	<p>COMMENTARY</p> <ul style="list-style-type: none"> • 1,248 regulation applications received and commented on, including Environmental Assessments, permits, legal inquiries, and clearances. • 1,716 property inquiries reviewed. • 519 development applications reviewed and 295 pre-consultation requests worked on for planning applications. In addition, Natural Hazards comments were provided to member municipalities. 	<p>COMMENTARY</p> <ul style="list-style-type: none"> • 100% of policies within Source Protection Plan are being implemented. All of the Risk Management Plans required to mitigate risks identified in the original Assessment Reports are in place. Risk Management Plans to address risks to recently commissioned drinking water supplies are underway. • 3 new municipal drinking water systems protected through the amendments made to the Source Protection Plan. • The legislated requirements under the Clean Water Act define the lead Source Protection Authority's pivotal role, including supporting the Source Protection Committee and reviewing and amending the Source Protection Plan. • Completed a review of Source Protection Plan policies, to ensure they remain appropriate given recent changes to provincial policy. Began the process to consult with stakeholders on the changes. 	<p>COMMENTARY</p> <ul style="list-style-type: none"> • 101 projects resulted in 33 hectares of land being restored in 2024. • More than 75% of restoration projects improved biodiversity and over 73% of projects addressed climate change stressors.

Status Legend

-  On Track
-  Trending Upward
-  Off Track





2

Strategic Direction Two - Drive Evidence-Based Decision-Making




Our science and knowledge

We use environmental science, collaborative research, and data to protect the integrity and strengthen our watershed management decisions.



<p>2.1</p> 	<p>2.2</p> 	<p>2.3</p> 	<p>2.4</p> 
<p>OBJECTIVE</p> <p>Knowledge of watershed health and management decisions are improved through comprehensive, leading-edge science.</p>	<p>OBJECTIVE</p> <p>Decision makers access, understand, and implement integrated watershed management plans and their recommendations.</p>	<p>OBJECTIVE</p> <p>Effectively and securely managed data facilitates collaboration and analysis, improving decision-making.</p>	<p>OBJECTIVE</p> <p>Climate change considerations drive internal and external programs, policies, plans, and practices.</p>
<p>INDICATOR</p> <ul style="list-style-type: none"> # of visits to the Sustainable Technologies Evaluation Program (STEP) Water Wiki # of monitoring stations and monitoring parameters available on the data portal 	<p>INDICATOR</p> <ul style="list-style-type: none"> # of subwatershed plan recommendations being implemented 	<p>INDICATOR</p> <ul style="list-style-type: none"> Secure Open Data Portal is managed and updated 	<p>INDICATOR</p> <ul style="list-style-type: none"> % of internal corporate climate change policies implemented
<p>COMMENTARY</p> <ul style="list-style-type: none"> 54,475 industry practitioners and professionals visited the Sustainable Technologies Evaluation Program Water Wiki. 245 aquatic plant samples collected across Lake Simcoe. 3,290 fish at 37 sites captured, identified, weighed, and released through the tributary monitoring program. 28 sites surveyed in the first year of the terrestrial monitoring program. Facilitated a municipal working group and amended the natural heritage system toolkit to provide guidance to municipalities. 33 monitoring parameters captured through 83 monitoring stations, 30 of which post real-time data available through the open data portal. 	<p>COMMENTARY</p> <ul style="list-style-type: none"> 92% of recommendations from existing subwatershed plans implemented. 	<p>COMMENTARY</p> <ul style="list-style-type: none"> Considered a leader among conservation authorities in offering a secure open data portal which significantly reduces or eliminates the need for staff inquiries and requests. 	<p>COMMENTARY</p> <ul style="list-style-type: none"> 19% reduction of corporate carbon emissions compared to the 2016 baseline year. 56% of internal climate change recommendations implemented. Continued supporting implementation of municipal climate crisis actions among partner municipalities.

Status Legend

 On Track
  Trending Upward
  Off Track



3

Strategic Direction Three - Spark a Passion and Action for Nature





Our role in fostering the people & nature relationship

We protect that which we love. We inspire awareness and action by fostering an appreciation of nature - through leading edge education programming, outdoor opportunities, and communications.

3.1 	3.2 	3.3 
<p>OBJECTIVE</p> <p>Landholdings provide ecological and human health benefits in a sustainable way.</p>	<p>OBJECTIVE</p> <p>Mutually beneficial partnerships leverage knowledge and resources for watershed health outcomes.</p>	<p>OBJECTIVE</p> <p>Target audiences are aware of our organization's purpose, programs and services.</p>
<p>INDICATOR</p> <ul style="list-style-type: none"> # of visitors to open land parcels Implementation of priorities in the Land Acquisition and Disposition Strategy 	<p>INDICATOR</p> <ul style="list-style-type: none"> Agency partnerships to improve watershed health 	<p>INDICATOR</p> <ul style="list-style-type: none"> # of followers on social media platforms % Increase in subscriptions to our mailing lists and external newsletters # of mentions in media articles
<p>COMMENTARY</p> <ul style="list-style-type: none"> 186,000 people visited the Conservation Authority's popular conservation areas, which contributes directly to improved physical and mental health, leading to stronger connections with nature. The Conservation Authority has engaged with Indigenous Communities regarding Lake Simcoe Conservation Preserve (temporary name), located in Georgina. This property is 890 hectares and is comprised of forests, grasslands, agricultural fields, and extensive wetlands. 	<p>COMMENTARY</p> <ul style="list-style-type: none"> Continued aligning and making progress with a consortium of municipal, provincial, environmental non-government organizations, and industry staff, in reducing road salt use. Collaborated with members of the Sustainable Technologies Evaluation Program and continued to lead transformation through innovation in stormwater management. 7 municipal partnerships formed to deliver stormwater management facility inspections and maintenance. This collaboration is improving the effectiveness of stormwater management across the watershed, which has a direct improvement in watershed health. 	<p>COMMENTARY</p> <ul style="list-style-type: none"> Facebook: 5,199 Instagram: 3,834 LinkedIn: 4,077 X (Twitter): 4,276 18% increase in mailing list subscribers for the Do-It-Yourself seedling program, and a 19% growth in subscribers to the Education Programs and Events contact list. 130 mentions tracked in media articles across the watershed.

Status Legend

 On Track
  Trending Upward
  Off Track



Strategic Direction Three continued

3.4



OBJECTIVE

Watershed communities consider us a trusted, transparent and inclusive organization.

INDICATOR

- Academic institutions, and the Province of Ontario trust our organization's science and research expertise

COMMENTARY

- Engaged in several partnerships with academic institutions to advance watershed research on the following topics: invasive species (starry stonewort), woodland carbon sequestration, whether wetlands are net sinks or net sources of carbon, and a salt use reduction pilot.
- 11 funding agreements in progress through the Integrated Watershed Management division to advance Lake Simcoe Protection Plan objectives.
- Collaborated with Ministry of Environment, Conservation and Parks, health units, and municipal partners throughout the lake-wide blue-green algal bloom in 2024 to provide regular water quality and bloom extent updates.

3.5



OBJECTIVE

Watershed communities are engaged, educated and inspired to care and take action for watershed health.

INDICATOR

- % increase in public education and engagement program uptake
- # of student engagements
- # of Conservation Awards presented
- % increase in social media following

COMMENTARY

- 1,733 individuals participated in community programs, including 4 weeks of summer camp, Therapy in the Woods, the first Park Prescription (PaRx) event; a Bradford Women's+ Group hike and 5% and increased camp enrollment for Summer (5%) and March Break (33%).
- Launched the Climate Learning Hub (sponsored by RBC Foundation). This suite of school programs and services designed to support the next generation of climate leaders. Presented this new resource at two annual conferences: Ontario Society for Environmental Education (OSEE) and Watershed Interpreters' Network (WIN) Rekindle the Sparks. 152 educators participated in professional development opportunities.
- Expanded contract scope with York Region District School Board to add a new climate change program for grade 5 and 6 students including schoolyard experiences and professional development for educators.
- Expanded contract scope with Simcoe Muskoka Catholic District School Board and introduced Climate Champions, a new, two-part grade 7 program.
- Continued engagement in community initiatives including the City of Barrie's Winterfest and the Town of East Gwillimbury's Nature Day.
- 14,642 student engagements and 32,015 hours of outdoor learning for students through field trips to the Nature Centre and schoolyard outreach.
- 10.6% increase on Facebook, 3.8% increase on Instagram, and 15.4% increase on LinkedIn achieved through dedicated advertising dollars.
- 22 Conservation Awards presented at the annual event celebrating watershed heroes.

Status Legend



On Track



Trending Upward







Off Track

4 Strategic Direction Four - Advance Organizational Effectiveness and Excellence





Our behind-the-scenes business operations

We execute our mission effectively and efficiently through excellent organizational practices and transformative digital solutions to reach our Vision.

4.1 	4.2 	4.3 	4.4 
<p>OBJECTIVE</p> <p>Proactive fiscal management and reliable funding sources support sustainable operations.</p>	<p>OBJECTIVE</p> <p>Internal and external clients receive excellent service and have their diverse needs met.</p>	<p>OBJECTIVE</p> <p>Legal business obligations are upheld through proactive measures.</p>	<p>OBJECTIVE</p> <p>Effective and efficient business processes demonstrate a commitment to continuous improvement and environmental sustainability.</p>
<p>INDICATOR</p> <ul style="list-style-type: none"> • Unanimous municipal support for annual budget 	<p>INDICATOR</p> <ul style="list-style-type: none"> • Internal satisfaction rating of enabling services • External clients receive timely and quality service 	<p>INDICATOR</p> <ul style="list-style-type: none"> • Bill 229 requirements met as required • % of staff trained to meet legislated requirements 	<p>INDICATOR</p> <ul style="list-style-type: none"> • Process reviews or improvements made • Existing business practices that foster efficiency and effectiveness of our programs
<p>COMMENTARY</p> <ul style="list-style-type: none"> • Reserve adequacy evaluation in line with policy. • Received unanimous approval of the 2024 Budget, from all 9 funding municipalities, and Board of Directors. • Completed and received Board approval for the Asset Management Financial Strategy, outlining the adequacy of short- and long-term funding to ensure assets are in a state of good repair. • Shifted investment policy from variable rate to fixed rate, providing returns of over 1% above market at the end of 2024. • Accelerated the 2025 budget process, delivering the draft presentation at the December 2024 Board of Directors' meeting. • No deficit or debt. Clean audits. 	<p>COMMENTARY</p> <ul style="list-style-type: none"> • Staff survey results for 2024 internal service satisfaction levels (for Communications, Human Resources, Finance, Information Technology and Management Systems, Geographic Information Systems and Facility Management Services) returned an overall rating of 4.36/5 (up from 4.1 in 2023). • Continued membership of the Municipal Diversity and Inclusion Group and the Ontario Network of Accessibility Professionals and benefited from shared knowledge, resources, trends and legislative changes; ensuring the needs of clients and staff are met. • Hosted the annual financial working group meeting with finance leads from all funding municipalities. • Continued working with partner municipalities through working groups and regularly reviewed and updated Memorandum of Understandings. In 2024, 97% of timelines met for permit review. 	<p>COMMENTARY</p> <ul style="list-style-type: none"> • Successful financial transition for 2024 budget met. • All required Bill 229 deliverables – land inventory, watershed-based resource management strategy, and conservation area management strategy completed. • Continued to meet legislative requirements ensuring that mandatory and job-specific health and safety training is provided to all employees annually. • All Freedom of Information obligations met and reported to the Information and Privacy Commissioner of Ontario. • 100% of staff trained and legislated requirements met. 	<p>COMMENTARY</p> <ul style="list-style-type: none"> • Streamlined staff's ability to work effectively in three separate offices, through new electronic workflow processes for purchase orders, purchasing card reconciliations, staffing forms, and expense claims processing. • The new Scanlon Creek Nature Centre will be a fully accessible, inclusive, energy efficient and carbon net zero building. Staff accessed Green and Inclusive Community Building funding to enable additional building efficiency features. • Continued weekly meetings for Executive Leadership Team as well as the Planning, Enforcement, and Restoration teams.

Status Legend

 On Track
  Trending Upward
  Off Track

5

Strategic Direction Five: Nurture People and Talent

Our staff and workplace culture

We strive for a workplace that attracts and retains talent, a welcoming and engaging culture where professional opportunities thrive and engaged staff collaborate for watershed health.



5.1



OBJECTIVE

Skilled talent is attracted and committed to our vision and have opportunities to grow and develop.

INDICATOR

- % of staff who voluntarily leave the organization
- % of staff who have experienced growth in the organization through promotion

COMMENTARY

- 5.1% of staff left the organization voluntarily and 1.02% of staff left involuntarily which continue to be significantly below the average Canadian turnover rates.
- 74% of full-time staff have worked in the organization for 5 years or more and 21.4% have been promoted or provided with professional growth opportunities within the last two years.
- Participation in many forms of professional development including training programs and industry-specific conferences and forums encouraged. Expert staff invited to speak at conferences such as the International Association of Great Lakes Research, and have published reports, articles, and papers on watershed science and research.

5.2



OBJECTIVE

Employees feel a sense of belonging and contribute to a safe and healthy culture where diversity, equity, inclusion and wellness are celebrated and promoted.

INDICATOR

- % of staff who feel that we create a sense of belonging in the organization
- 100% of staff have received training required for their positions, and have the knowledge to uphold practices to ensure that workplace violence and harassment policies are followed
- # of annual staff celebrations and social events

COMMENTARY

- Partnered with the Workplace Safety and Insurance Board to complete the Health and Safety Excellence Program. This partnership will further enhance the health and safety program and commitment to a safe and healthy culture. Three modules completed with another two planned for completion in 2025.
- 75-80% of staff participated in internal events that promote social interaction in a casual setting, allowing for staff across the organization to take part in team building activities, opportunities to strengthen bonds, and increase interdepartmental engagement.

5.3



OBJECTIVE

Staff are highly engaged and have the technical resources, knowledge, and collaborative opportunities to do their jobs effectively, securely and efficiently.

INDICATOR

- % of staff who have the technology tools to carry out their jobs
- # of annual executive leadership meetings
- # of annual staff meetings
- % of staff who participate in monthly staff meetings

COMMENTARY

- 100% of employees have laptops and cell phones, enabling ongoing collaboration even when working remotely.
- 48 Executive Leadership Team meetings took place to ensure and encourage divisional collaboration.
- 75 – 85% of staff regularly participate in 10 monthly all-staff meetings, as well as occasional town hall meetings. These meetings are hosted by the CAO and Executive Leadership Team to share relevant information, encourage collaboration, reinforce strategic directions, and provide opportunities for employees to present and share their work with the organization.

Status Legend



On Track



Trending Upward



Off Track

Staff Report

To: Board of Directors

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

Date: May 9, 2025

Subject:

2026 Budget Assumptions

Recommendation

That Staff Report No. 17-25-BOD regarding the Conservation Authority's recommended budget assumptions for the 2026 fiscal year be approved.

Purpose of this Staff Report:

The purpose of this Staff Report No. 17-25-BOD is to provide context for and seek approval on the financial recommendations for the Conservation Authority's 2026 budget assumptions for the operating and capital budget development process.

Background:

The 2026 Budget process for the Conservation Authority has begun, and budget assumptions are needed to provide important information to municipal partners that feed directly into their respective budgets. The levy increase being requested from the Conservation Authority's to its municipal funding partners includes salary increases due to Cost-of-Living Adjustments (COLA) and step, inflation, new operating costs, investment in strategic initiatives and funding for asset management.

For additional context and to help in the review of this report on 2026 Budget assumptions, staff are recommending a blended 2.66% increase in all municipal funding above what was approved by the Board of Directors in the 2025 budget.

Here are some key budget pressures that staff are addressing:

a) COLA and Step

Staff reached out to various municipalities and conservation authorities to gather information on projected COLAs for use in 2026. Many of the comparators are at the end of their collective agreements, making it more challenging to effectively use them for comparison purposes. Please see the attached comparators for the current and historical details. The Region of York, City of Barrie, and Region of Durham are the largest municipal partners in the watershed and thus they are used as comparators. Each has a Canadian Union of Public Employees (CUPE)

agreement with their workers, and the COLAs from those agreements are typically used as comparators. CUPE 905 agreement with York Region has a placeholder in their budget of 2.00% for COLA, but their agreement ended on March 31, 2025 so it is subject to change. CUPE 2380 with City of Barrie and CUPE 1764 with the Region of Durham do not yet have agreements in place for 2026.

Neighbouring conservation authorities, Toronto and Region Conservation Authority and Nottawasaga Valley Conservation Authority, are also used for the purposes of comparison. Toronto and Region Conservation Authority has projected around 2.5% for COLA in 2026. Nottawasaga Valley Conservation Authority uses the Consumer Price Index (CPI) for Ontario which is currently in the range of 1.8-2.2%. These assumptions are early in the budget development process and are subject to change based on the direction of their respective Boards of Directors.

Local Municipalities	2026 CUPE agreement	2025 CUPE agreement	2024 CUPE agreement
Region of York, CUPE 905	Projected: 2.00%	2.00% (ends March 31st)	2.00%
City of Barrie, CUPE 2380	TBD	2.00%	2.00%
Region of Durham, CUPE 1764	TBD	TBD	1.50%
Conservation Authorities	2026 COLA	2025 COLA	2024 COLA
Toronto and Region Conservation Authority	Projected: 2.50%	2.00%	1.99%
Nottawasaga Valley Conservation Authority, CPI for Ontario	Projected: 1.8-2.2%	3.1%	5.90%
Lake Simcoe Region Conservation Authority	Recommended: Up to 2.5%	3.00%	2.00%

b) Inflation

Staff are recommending a 2.5% inflation rate for 2026. The Bank of Canada’s 2026 Inflation target is 1.0-3.0%, and Statistics Canada is forecasting a 2026 inflation rate of 2.7%. The Conservation Authority’s inflation rate of 2.5% for 2025 was in line with the actual rate of inflation for Ontario and Canada. Indexing for inflation will only occur on relevant expenditure categories. It is important to accurately forecast inflation for the budget to ensure accurate projections for the cost of contracts and capital projects.

c) Strategic Initiatives

Staff recognized the funding challenges for the Conservation Authority’s municipal partners in previous years and have found ways of addressing new investments earmarked for the Strategic Plan (*Transformation 2022-2024*) with existing funding. As the attention turns to the new Strategic Plan (*Determination 2025-2028*) in 2026, staff are recommending an increase of

\$84.9K, equivalent to a 1.0% increase on all Category 1 Mandatory levy to support additional work required as part of the new Strategic Plan.

d) Asset Management

Building off the update provided to the Board of Directors on July 26, 2024, staff will continue to increase the contributions to asset management to ensure financial sustainability over the next 25 years. Staff are recommending an increase of \$42.4K for the 2026 Budget, an amount equivalent to 0.50% of all Category 1 levies to ensure adequate reserves are available for all future asset replacements.

New for 2026 Budget: With the new Nature Centre coming to substantial completion early in 2026, staff are recommending an additional Nature Centre asset management levy of \$27.8K for 2026, an amount equivalent to 0.5% of the Category 1 Mandatory Levy. By investing in asset management early, it allows the impact of the new levy to be spread over a 5-year period, representing a more sustainable approach to building a reserve specifically for long term asset management at the new Nature Centre.

Incorporating Lessons Learned from the 2025 Forecast

As staff begin the 2025 in-year financial reporting and forecasting process, all program adjustments, savings and efficiencies will be incorporated into the 2026 budget. Minor, immaterial tweaks between funding categories may be required to ensure accuracy with legislated requirements.

Issues:

a) Operating Costs for the new Nature Centre will require additional support in 2026

With the expected opening of the new Nature Centre at Scanlon Creek Conservation Area, 2026 will be an exciting year for the Conservation Authority. This exciting project has been a decade in the works and will look to double classroom offerings and increase community use at Scanlon Creek. This project has been made possible with Federal funding through the Green and Inclusive Community Building program, financial and product donations from local businesses and individuals (through the efforts of the Lake Simcoe Conservation Foundation) and some reserve draws to cover the inflationary pressures (see funding report from December 2024). Municipal partners were not asked to contribute to the capital project, but there will be a need for support to cover the increase in facility and education programming costs. Staff recommend a new Nature Centre levy to cover the increased operating costs and will look to phase the new facility costs (Category 1 Mandatory Levy: \$55.6K in 2026) over 2026 and 2027 and the education program costs (Category 3: \$7.2K in 2026) over 2026, 2027 and 2028. Later in 2025, staff will bring a staff report to the Board of Directors, outlining the additional operating costs

for the new Nature Centre. Use of reserves may be required in 2026 to address any one-time costs associated with opening the new Nature Centre.

b) Board of Directors' Direction Required

Staff will develop the 2026 budget to deliver on the Conservation Authority's Annual Priorities (Priorities), ensure progress on our new Strategic Plan and meet all legislative responsibilities. Staff will look for efficiencies, additional revenue and use program reductions to mitigate as much of the budget increase as possible. Following that, staff will use the Board approved budget assumptions to build the remaining operating and capital budgets and determine the amount of municipal investment required.

The development of the 2026 Budget will continue through the summer months, with Board final approval being sought in January 2026. Additional full-time employees (FTEs) supported with taxpayer levy may be required for the first time in over 5 years. Business cases are being developed, but it is expected to be 2 FTEs or less. Any other new FTEs would need to be 100% funded from non-levy sources (i.e. Fees, external grants or Category 2 funding) and not impact the local taxpayer.

In summary, staff are recommending the following budget assumptions for 2026:

1. Base Levy (all categories); up to 2.00% (2025: 2.00%)
2. Inflation: up to 2.50% used only for applicable expenditures (2025: 2.50%)
3. COLA: up to 2.50% (2025: 3.00%) plus applicable step increases
4. Infrastructure levy increase for Asset Management: up to 0.50% increase on all Category 1 levy (2025: 0.50%); this will be included in the 2.0% base funding increase
5. New in 2026, Infrastructure levy for the Nature Centre: up to 0.50% increase in Category 1 Mandatory Levy only (2025: N/A); this will be included in the 1.0% new additional Category 1 Mandatory Levy
6. Investment in Strategic Priorities: Up to \$84.9K or the equivalent of a 1.00% in Category 1 Mandatory Levy (2025: 0.00%); this will be included in the 2.0% base funding increase
7. Up to 2 new FTEs in 2026, with possible additional fully funded from grants and/or fees; this will be funded in the 2.0% base increase
8. New in 2026: Special Levy for the new Nature Centre is another 1% on the Category 1 Mandatory Levy and an additional 2% on the Category 3 funding; these new levies will be on top of the 2.0% Base levy for 2026

The chart below will summarize the cost implications of the budget assumptions being recommended in this staff report.

c) Staff May Require Flexibility to Meet Future Municipal Targets

2026 Recommended Levy % Increase and Amounts	Increase	Amount
Category 1 Mandatory Levy	2.00%	111.3K
Category 1 Additional Mandatory Levy (New Nature Centre)	1.00%	55.6K
Category 1 Lake Simcoe Protection Plan Levy (Mandatory)	2.00%	58.4K
Category 2 Funding	2.00%	12.7K
Category 3 Funding	2.00%	7.2K
Category 3 Additional Education Funding	2.00%	<u>7.2K</u>
Total Municipal Funding Increase	2.66%	252.4K
2025 Budget Assumptions - Expenditure Groupings	Increase	Amount
COLA (including STEP)	up to 2.50%	238.7K
Inflation	up to 2.50%	40.2K
Strategic Initiative	up to 1.00%	84.9K
Estimated New Operating Costs for the Nature Centre	1.0-2.0%	62.8K
Asset Management (blended)	up to 0.5%/0.5%	70.2K
Efficiencies/Additional Revenue/Program Adjustments		<u>(244.4K)</u>
Total New Investment for 2026		252.4K

d) Conservation Authority Staff continue to work with Municipal Funding Partners

Staff have initiated conversations with their municipal partners and will remain engaged throughout the budget cycle. A virtual meeting has been scheduled for the last week of May to outline the budget assumptions, budget targets and discuss consistency in funding available to the partners. The Authority has already received preliminary guidelines from a couple of municipal funders, and the targets range from 0% to 2.0% for 2026. A second virtual meeting is being planned for the fall to update our partners with our budget progress and discuss general budget challenges as they relate to 2026 and beyond. The Authority recognizes that there is one taxpayer and will work to keep the municipal funding ask at or near the rate of inflation.

Relevance to Conservation Authority Policy:

The Conservation Authority is required to prepare annual budgets as part of the fiscal control and responsibilities of the organization. These budgets are also used in the audit process for evaluation by the external auditing firm. Annual audits are a requirement under Section 38 of the *Conservation Authorities Act*.

Impact on Conservation Authority Finances:

The total municipal funding will be capped at \$9,736K for 2026, which is an overall increase of \$252.4K (2.66%) for 2026. Staff continue to look for other increases in revenue areas such as external grants, provincial/federal funding and full cost recovery on fees. The full impact of the municipal levy, by each funding category, is detailed in the table below:

Municipal Funding Type	2025 Budget (000's)	2% Base Increase	New Nature Centre Levy (1%/2%)	2026 Budget Envelope	% Increase
Category 1 Mandatory Levy	\$5,565	\$111.3	\$55.6	\$5,732	3.0%
Category 1 LSPP	\$2,921	\$58.4	\$0	\$2,979	2.0%
Category 2	\$636	\$12.7	\$0	\$649	2.0%
Category 3	\$361	\$7.2	\$7.2	\$376	4.0%
Total Municipal Funding	\$9,483	\$189.6	\$62.8	\$9,736	2.66%

Summary and Recommendations:

It is therefore **Recommended That** Staff Report No. 17-25-BOD regarding the Conservation Authority's recommended budget assumptions for the 2026 fiscal year be approved.

Pre-Submission Review:

This Staff Report has been reviewed by the Chief Administrative Officer and Executive Leadership Team.

Signed by:

Mark Critch
General Manager, Corporate and Financial Services/CFO

Signed by:

Rob Baldwin
Chief Administrative Officer

Attachments

Comparators for 2026 Budget Assumptions

Comparators for 2026 Budget Assumptions						
Municipalities (CBA end dates)	2026 CUPE agreement	2025 CUPE agreement	2024 CUPE agreement	2023 CUPE agreement	2022 CUPE agreement	2021 CUPE agreement
Region of York, CUPE 905 (March 2025)	Projected at 2.00%*	2.00%*	2.00%	2.00%	2.80%	1.25%
City of Barrie, CUPE 2380 (December 2025)	N/A	2.00%	2.00%	2.00%	1.80%	1.00%
Region of Durham, CUPE 1764 (March 2024)	N/A	N/A	1.50%	1.50%	1.75%	1.75%
	*CBA term ending March 2025					
Conservation Authorities	2026 COLA	2025 COLA	2024 COLA	2023 COLA	2022 COLA	2021 COLA
TRCA	Projected around 2.5%	2.50%	2.00%	1.99%	1.77%	1.77%
NVCA, CPI for Ontario	Projecting 1.8% -2.2%	3.10%	5.90%	5.30%	1.30%	1.80%
Statistics Canada (All-items)	Projected 2026 Inflation	March 2024 to March 2025	April 2023 to April 2024	April 2022 to April 2023	April 2021 to April 2022	April 2020 to April 2021
	2.70%	2.32%	2.69%	4.41%	6.84%	3.39%
Trading Economics (Forecast)	Forecast 2026	March 2025 Actual	April 2024 Actual	2023 April Actual	2022 April Actual	2021 April Actual
	2.30% (based on most recent data)	2.30%	2.70%	4.40%	6.80%	3.40%
Bank of Canada	2026 Inflation Target	2025 Actual/Projection	2024 Actual	2023 Actual	2022 Actual	2021 Actual
	1.0-3.0%	2.30%	2.30%	5.20%	5.80%	4.70%
Focus Economics	2026 Forecast	2025 Forecast (April 2025)	2024 Actual	2023 Actual	2022 Actual	2021 Actual
	2.10% (based on 2025 consensus)	2.10%	2.40%	3.90%	6.80%	3.40%

Staff Report

To: Board of Directors

From: Rob Baldwin, Chief Administrative Officer

Date: May 30, 2025

Subject

Determination 2025-2028 - Lake Simcoe Region Conservation Authority's New Strategic Plan

Recommendation

That Staff Report No. 18-25-BOD regarding the completion of Determination 2025-2028 - Lake Simcoe Region Conservation Authority's Strategic Plan be received; and

Further that Determination 2025-2028 - Lake Simcoe Region Conservation Authority's Strategic Plan be approved.

Purpose of this Staff Report

The purpose of Staff Report No. 18-25-BOD is to provide the Board of Directors with an overview of **Determination 2025 - 2028** - Lake Simcoe Region Conservation Authority's new strategic plan and to obtain approval for implementation.

Background

With the conclusion of our last strategic plan, Transformation 2022-2024, staff revisited our mission, vision, values, strategic directions and objectives to ensure they align with the evolving needs of our government partners, watershed community, and environmental objectives.

Early in the strategic planning process, we recognized that the directions and objectives outlined in Transformation 2022 - 2024 remain relevant to our current business. Therefore, only a targeted update was required to align our strategic objectives with the changes experienced by the Conservation Authority over the past three years.

The development of the updated strategic plan was carried out in-house, an approach that reduces costs, assists in establishing realistic and achievable performance metrics and measures, and places emphasis on the critical ground-level knowledge and experience of staff, while creating a greater sense of connection to the Conservation Authority's vision, mission, values and strategic directions and objectives.

Following is an overview of the process and an outline of the strategic priorities and objectives that will guide our work over the next four years.

Project Timeline

- May 2024: Developed the workplan and project charter to establish a clear framework and timeline for the strategic plan update
- June 2024 – September 2024: Conducted a situational analysis, reviewed the previous strategic plan, identified gaps, and gathered input to shape future metrics and indicators
- September 2024: Held an all-staff, interactive workshop to refine the vision, mission, and values
- September 2024 – November 2024: Led business unit workshops to collect targeted feedback and align departmental objectives with the strategic plan
- November 2024: Engaged the Board of Directors in a dedicated session to review and seek input on the vision, mission, and values, as well as feedback on priority focus areas
- January 2025 – March 2025: Revised strategic directions, objectives, mission, vision, and values based on the feedback from all consultations, and finalized the plan

Prioritized Staff Engagement

To ensure a cohesive and collaborative approach to the Strategic Plan update process, we engaged all business units, the Full Management Team, and the Board of Directors through discussions and in-person workshops. This process led to a comprehensive and updated plan, including a refreshed vision, mission, and values.

Internal staff consultation was a crucial element in ensuring the diverse perspectives, expertise, and insights of staff across the organization were integrated into the updated strategic plan.

This level of collaboration is considered an investment in developing a robust plan as it considers input from all business units and is proven to support implementation and encourage greater performance and results.

Staff engagement was completed through the following mechanisms to maximize participation and gather comprehensive feedback:

Department and Leadership Teams:

- Initial meetings were held with both the Executive Leadership Team and the Full Management Team to identify priorities for the organization as well as business units.
- Executive leaders, managers and supervisors from each department were engaged and served as champions to guide and promote staff involvement throughout the process.

- Encouraged and facilitated the review of the last strategic plan to assess the changes in department activities, goals, and objectives, and to identify the objectives each team leads and contributes to.
- Facilitated 10 meetings with individual department staff, as well as the leadership teams to provide discuss, provide guidance and answer questions related to identifying new business priorities and validating existing programs and services.
- Led 8 two-hour workshops with all department leads and key staff to review the 2022 – 2024 strategic directions and objectives, identify gaps, and incorporate input based on evolving departmental priorities and reviewed performance indicators and metrics, as well as strategies for communicating our progress to stakeholders.

All Staff Consultation:

Opportunities for all staff to provide feedback were embedded at every stage of the process to ensure their input was carefully considered in the analysis and subsequent recommendations. Two all-staff meetings were held; the first provided an overview of the 2022–2024 strategic plan update process and outlined expected outcomes and timelines to set clear expectations; and the second was an interactive workshop using Mentimeter, where 65% of staff participated in reviewing, evaluating, and providing feedback on the vision, mission, and values.

Staff feedback was overwhelmingly positive and offered valuable insights, with many staff expressing appreciation for the high level of engagement.

Board of Directors' Consultation

The Board of Directors' insights were vital in shaping the refreshed strategic plan, helping to refine our vision, mission, and values while identifying gaps in our strategic approach. The following engagement opportunities were provided:

- In July 2024, the Board received an overview of the strategic plan development process, detailing actions taken to date and outlining the roadmap ahead.
- In November 2024, a comprehensive update was presented, covering a more detailed process, progress, and next steps to keep the Board informed.
- Following the November 2024 meeting, a special workshop, using Mentimeter, was held to garner feedback on our vision, mission, and values. Thirteen Board members participated in the session and provided their insights on areas of focus, challenges and opportunities. Key takeaways from the session included:
 - The primary areas the Conservation Authority should continue to focus on:

- Protecting the watershed, conserving natural resources, and mitigating the impacts of climate change
- Educating the developers and residents about their environmental impact on the watershed and the importance of conservation
- Key challenges the Conservation Authority is facing:
 - Limited funding and financial resources as a significant barrier
 - The need for full municipal buy-in and consistent support from higher levels of government
 - Managing the impacts of inappropriate development, pollution from urban growth, and water runoff
- Opportunities to build upon:
 - Advocating for environmental protection and leading policy development
 - Driving significant and positive changes within the watershed
 - Leading environmental management and climate change initiatives
 - Tracking progress with key performance indicators to deliver tangible results

The valuable feedback obtained through consultations with the Board of Directors was carefully considered and incorporated into the final review of our vision, mission, values, strategic directions and objectives.

Next Steps

- Q2 & Q3: Officially launch Determination 2025-2028
 - Publish webpage on our corporate website, which will also be available at www.LSRCADetermination.ca
 - Execute targeted external promotion and engagement to select target audiences to raise awareness among stakeholders and partners
 - Conduct further staff engagement to strengthen support and facilitate effective implementation
 - Build increased linkage between staff performance management and the Strategic Plan
 - Finalize indicators and metrics
 - Finalize online dashboard

- Q4 2025 and Beyond:
 - Launch dashboard on corporate website
 - Evaluate progress against key performance indicators and report results through the dashboard

Updated Strategic Plan

Determination 2025 - 2028:

Our Vision

Our Vision statement lays out the future end state we are seeking. Considered our goal, it anchors the long view ahead.

Sustain a healthy lake, healthy land, and healthy life for future generations.

Our Mission

The revised statement details the way we will pursue our vision.

We collaborate to protect and restore the Lake Simcoe watershed with research, policies, and engagement driven action.

Our Values

Our updated values reflect our guiding principles and influence our actions, behaviours, and decisions. They help to create a sense of purpose for our staff by ensuring that our culture is grounded in these core beliefs.

Resilience: We face challenges and adversity by learning, adapting, and persevering to foster growth and stability.

Responsibility: We take responsibility by being accountable for our decisions and actions, by meeting our obligations and upholding honesty, integrity, and ethical standards in everything we do.

Innovation: We encourage and pursue advancements in science, technology, education, and communications because these are integral to success.

Inclusivity: We value and respect diverse perspectives, knowledge, and experience.

Optimism: We are confident that the work we do is having a positive impact now and for the future.

Strategic Directions

The following five priorities areas of focus help to guide our planning, actions, and decisions so that we can move towards achieving our objectives, mission, and vision. For each Strategic Direction, three Strategic Objectives were established which assist in driving implementation and reporting.

Strategic Direction One - Champion Watershed Health and Climate Resilience

We protect people, property, and drinking water sources, and implement nature-based solutions to better balance social, economic, and environmental needs.

Strategic Objectives

1. People, property, and infrastructure are protected from natural hazards and healthy communities are supported through integrated planning, and flood forecasting and warning activities.
2. The quality and quantity of drinking water sources are protected through evidence-based technical review and our leadership of the Source Water Protection Program.
3. A climate resilient watershed is achieved through nature-based solutions that ensure biodiversity and the ecological function of rural, urban, and agricultural lands.

Strategic Direction Two - Drive Evidence-Based Decision Making

We use environmental science, collaborative research, and data to inform and strengthen watershed management.

Strategic Objectives

1. Comprehensive leading-edge science and secure, open data improve adaptive management decisions and knowledge of watershed health.
2. Decision makers implement integrated watershed management plan recommendations.
3. Climate change impacts are considered in the development and delivery of internal and external programs, policies, plans, and practices.

Strategic Direction Three - Create Awareness and Spark Passion and Action for Nature

We protect, provide access, and inspire action for nature, through leading edge education programming, outdoor opportunities, and communications.

Strategic Objectives

1. Conservation Authority-owned lands are managed to provide ecological and human health benefits.

2. Watershed communities consider us a trusted and transparent organization and are aware of our organization's purpose, programs, and services.
3. Target audiences are engaged and educated to take action for watershed health.

Strategic Direction Four - Advance Organizational Effectiveness and Excellence

We execute innovative and efficient business practices to effectively achieve our goals and objectives.

Strategic Objectives

1. Proactive fiscal management and mutually beneficial partnerships support sustainable operations.
2. Internal and external clients receive excellent service and have their diverse needs met.
3. Modernized business practices support continuous improvement and a commitment to environmental sustainability.

Strategic Direction Five – Nurture People and Talent

We promote a workplace culture that is welcoming, engaging, and collaborative.

Strategic Objectives

1. Skilled talent, that shares our vision, is attracted, retained and has opportunities for professional growth and development.
2. Employees feel valued and work together to foster a safe, healthy, and inclusive workplace.
3. Staff are highly engaged and have the technical resources, knowledge, and collaborative opportunities to do their jobs effectively and efficiently.

Strategic Plan Evaluation

- **Metrics and tracking:** The ongoing selection and refinement of supporting indicators are underway, requiring further collaboration to finalize. The development of outcome-focused indicators is a new and exciting process for most of our departments.
- **Reporting platform:** An online public dashboard will be launched to provide regular reporting updates, including both quantitative metrics and qualitative information.

Reporting Recommendations

- Present a comprehensive report to the Board on an annual basis, during our Annual General Meeting, summarizing progress and outcomes.

- Deliver a semi-annual progress report to highlight notable developments and discuss any necessary recalibration to the plan.
- All initiatives that come before the Board will clearly demonstrate alignment with the strategic plan.

Issues

As the recent past has demonstrated, the ability to remain agile in the face of disruption and change is a big asset for any organization. As an organization whose success can hinge on sensitive and vulnerable political and financial partnerships, our ability to implement our objectives can be impacted by forces out of our control.

Relevance to Conservation Authority Policy

Determination 2025-2028 provides the strategic direction guiding the work of the Conservation Authority. Through this guiding document and its implementation, we seek to effectively align the programs and services we offer, so they achieve our intended impact on the watershed and for the Conservation Authority.

Impact on Conservation Authority Finances

There is no direct impact on Conservation Authority finances as the Strategic Plan was completed in-house led by Communications staff. Undertaking both the past and new Strategic plan in-house has saved between \$100,000 and \$150,000 as the past practice was to utilize a consulting firm to undertake the bulk of the work.

Annual workplans, priorities and critical strategic activities will identify the appropriate budget/s necessary for implementation ensuring strategic plan delivery

Summary and Recommendations

Throughout the course of the past year, staff completed an in-house update of the last Strategic Plan: Transformation 2022-2024, to ensure that the Conservation Authority priorities and are aligned with current legislative requirements, and the changing needs of our watershed environment and communities.

This report provides an overview of the process and outlines the updated mission, vision, values, strategic directions and objectives that will guide our work over the next four years.

It is **Recommended That** Staff Report No. 18-25-BOD regarding the completion of Determination 2025-2028 - Lake Simcoe Region Conservation Authority's Strategic Plan be received; and **Further that** Determination 2025-2028 - Lake Simcoe Region Conservation Authority's Strategic Plan be approved.

Pre-Submission Review:

This Staff Report has been reviewed by the Senior Director, Corporate Communications and Engagement and the Chief Administrative Officer.

Signed by:

Signed by:

Kristen Yemm
Senior Director, Corporate Communications
and Engagement

Rob Baldwin
Chief Administrative Officer

Staff Report

To: Board of Directors

From: Don Goodyear, General Manager, Integrated Watershed Management

Date: May 23, 2025

Subject:

Lake Simcoe Region Conservation Authority History and Role in Salt Management

Recommendation:

That Staff Report No. 19-25-BOD regarding the Conservation Authority's history and role in road salt management in both the public and private sectors be received; and

Further That the accompanying template Council resolution be forwarded to watershed municipalities and conservation authorities; and

Further That staff be directed to continue collaborating with and supporting Provincial staff and Ministers to advance a limited liability approach for Ontario.

Purpose of this Staff Report:

The purpose of this Staff Report No. 19-25-BOD is to provide the Board of Directors with a summary of the Conservation Authority's involvement over many years related to assessment and adoption of best practices in winter roads management, and to provide an updated template resolution (Attachment 1) for partner municipalities wishing to support a limited liability framework in Ontario.

Background:

Below is a summary of Conservation Authority efforts related to chloride research in the watershed and winter roads management best practices, as well as adoption of the New Hampshire limited liability approach in Ontario.

1980s – Present – the Conservation Authority has been responsible for the collection of chloride samples in the Lake Simcoe watershed.

2011 – The Conservation Authority co-authored a paper in the Water Quality Research Journal of Canada titled "Increasing chloride concentrations in Lake Simcoe and its tributaries" that identified the increasing chloride trend in the Lake.

2014 – the Conservation Authority hosted a full day workshop (Salt Day) for 32 municipal roads staff from 8 municipalities and Conservation Authority staff to discuss the emerging challenge of balancing public safety with water quality.

2015 – the Conservation Authority transitioned the Salt Day into an annual meeting of the Lake Simcoe Salt Working Group to ensure ongoing dialogue. Meetings include municipal staff (roads managers, land use planners, source water protection staff) and Conservation Authority staff, and include presentations on pilot projects municipalities are testing to minimize chloride application and trends seen in the Conservation Authority’s environmental data.

2015 – the Source Protection Plan was approved by the Province and introduced restrictions on salt use in the City of Barrie, where it may affect drinking water. In response, the City developed a Salt Optimization Strategy with support from the Conservation Authority, which has led to substantial decreases in the amount of salt used with no increase in number of vehicular accidents.

2017 – the Conservation Authority co-hosted the international Great Lakes Chloride Forum with World Wildlife Fund-Canada and the US Consulate Office to broaden dialogue to the Great Lakes basin, and to engage private sector stakeholders and Environmental Non-Governmental Organizations.

2017 – the Conservation Authority produced design guidelines for new parking lots to help ensure that future developments are designed with winter maintenance in mind and support the use of best practices.

2018 – the Conservation Authority was invited to join Environment Canada’s National Road Salt Working Group, a group whose representatives include provincial road agencies from each province, representatives from large municipalities (Calgary, Toronto, Winnipeg, Edmonton, Halifax, Peel, York, Montreal, Ottawa), Ontario Good Roads, University of Guelph, University of Waterloo, Ministry of the Environment, Conservation and Parks, salt industry representatives, and more recently Credit Valley Conservation and Toronto Metropolitan University.

2019 – the Conservation Authority convened and chaired the Ontario Freshwater Roundtable, made up of contractors, large commercial property owners, industry associations, Environmental Non-Governmental Organizations, and Federal, Provincial, and Municipal governments to discuss barriers to adoption of better winter maintenance practices in the private sector.

2020 – the Conservation Authority led the development of the Freshwater Roundtable’s discussion paper on barriers to adoption of better winter maintenance practices in the private sector and provided recommendations to overcome them. There is broad consensus on the need to adopt the New Hampshire model of providing liability limitation to trained and certified contractors.

2020 – 2023 – the Conservation Authority published case studies on the adoption of better winter maintenance practices on roads and in parking lots to demonstrate that there are cost effective solutions that will not increase risk to public safety.

2021 – the Conservation Authority was invited to join the Smart About Salt Board of Directors to help grow the program and ensure that environmental challenges are appropriately represented.

2021 – the Conservation Authority completed case studies on the implementation of best practices for both public roads and private parking lots. In October 2021, staff presented these case studies to the Board of Directors: [A triple bottom line of winter maintenance practices](#).

2023 – the Conservation Authority co-hosted a Salt Forum with Landscape Ontario, Conservation Ontario, City of Guelph and others to re-engage the private sector and the Province on discussions on regulation change to reduce liability.

2023 – the Conservation Authority won the Chloride Reduction Leadership Award at an international chloride conference in Minnesota in recognition of the broad coalition staff have built on the topic (the Conservation Authority was the first Canadian winner).

2023 – At the November Board of Directors’ meeting, staff presented findings and trends in Chloride concentration within tributaries and the lake, as well as efforts on best practice and policy advocacy including the limited liability framework: [Chloride in the Lake Simcoe Watershed](#).

2023 – At the December Board of Directors’ meeting, staff provided a template resolution to support a limited liability framework in Ontario. Following the meeting, the Staff Report and template resolution were circulated to watershed municipalities. A letter was then sent by the Conservation Authority Chair and Chief Administrative Officer to the Minister of the Environment, Conservation and Parks, as well as all watershed Members of Provincial Parliament, outlining the need for and benefits of a limited liability approach (Attachment 2).

2024 – As part of Lake Simcoe Protection Plan funded study, the Conservation Authority partnered with Toronto Metropolitan University to assess climate influence on road salt application rates and engage municipal roads managers to assess potential changes in practice related to service level expectations.

2025 – the Conservation Authority participated on a panel at Ontario Good Roads conference discussing the intersection of salt, road safety, liability and environmental impact and the limited liability approach as a win-win solution.

Collaboration with the Province

Since 2022, senior staff from the Conservation Authority have engaged provincial counterparts to highlight the importance of this issue and the potential win-win scenario that a limited liability framework could bring. Both the former and current Conservation Authority CAOs have met with the previous Ministers of the Environment, Conservation and Parks, as well as the Attorney General to discuss the success experienced in New Hampshire and advocate for a similar framework in Ontario.

Issues:

Chloride concentrations in the surface waters of the Lake Simcoe watershed continue to increase due to the use of winter salt on roads and parking lots. This trend is not unique to the Lake Simcoe watershed and is mirrored in the lakes and streams in much of southern Ontario and the northeastern United States. In Lake Simcoe itself concentrations have shown a consistent increase since the 1970s with concentrations currently sitting at approximately 61mg/l. While this concentration is below the Canadian Water Quality Guideline of 120mg/l, this threshold will be crossed if the current trend continues.

In tributaries, a similar increasing trend in chloride concentrations is observed at most monitoring stations on both urban and rural rivers. In urban rivers, the majority of sampled concentrations sit above the chronic guideline of 120 mg/l with a number of sampled concentrations exceeding the acute guideline of 640mg/l. At concentrations in excess of the acute guideline, lethal effects can occur for some aquatic species. Decreasing the amount of winter salt use throughout the watershed is critical to the long-term health of Lake Simcoe but more immediately critical to the ecological health of the urban streams and rivers.

Research, including local studies on a large commercial parking lot in the Lake Simcoe watershed, has demonstrated that adopting best practices like the limited liability approach used in New Hampshire can reduce salt use by 40% without any increase in slips and falls. In fact, in some cases, the over-application of salt can create a slipperier surface for walking on. The most substantial barrier to reducing salt application, however, is concern over liability.

In addition to the environmental concerns over escalating chloride concentrations, there is also a business sustainability crisis in the winter maintenance industry. Many contractors are seeing insurance costs escalate substantially which, combined with the frequency of slip and fall legal settlements, is creating a significant challenge for these small businesses across the province. Many businesses have failed due to these challenges, and some property owners have been unable to find winter maintenance contractors.

As summarized above, to address these issues the Conservation Authority has been researching and promoting winter maintenance best practice adoption for more than a decade and advocating for a limited liability framework in Ontario since 2021.

Relevance to Conservation Authority Policy:

The Conservation Authority's work in understanding and addressing the increasing chloride concentrations in the watershed is in support of strategic directions 2.1 (Knowledge of watershed health and management decisions are improved through comprehensive, leading-edge science) and 3.2 (Mutually beneficial partnerships leverage knowledge and resources for watershed health outcomes).

Impact on Conservation Authority Finances:

This work has historically been funded by member municipalities, as well as the Ministry of the Environment, Conservation and Parks, through its Lake Simcoe Protection Plan funding.

Summary and Recommendations:

It is therefore **Recommended That** Staff Report No. 19-25-BOD regarding the Conservation Authority's history and role in road salt management in both the public and private sectors be received; and **Further That** the accompanying template Council resolution be forwarded to watershed municipalities and conservation authorities; and **Further That** staff be directed to continue collaborating with and supporting Provincial staff and Ministers to advance a limited liability approach for Ontario.

Pre-Submission Review:

This Staff Report has been reviewed by the General Manager, Integrated Watershed Management and the Chief Administrative Officer.

Signed by:

Don Goodyear
General Manager, Integrated Watershed
Management

Signed by:

Rob Baldwin
Chief Administrative Officer

Attachments:

1. Template resolution for municipalities
2. November 2023 letter to Minister Khanjin and Lake Simcoe Watershed MPPs

Template resolution regarding a framework to limit liability for winter maintenance contractors employing best practices

Whereas: Chloride concentrations in the surface waters of the Lake Simcoe watershed are above Canadian Water Quality Guidelines in many places and continue to increase due to the use of winter salt on roads and parking lots; and

Whereas: Decreasing the amount of winter salt use throughout the watershed is critical to the long-term health of Lake Simcoe; and

Whereas: a substantial barrier to the reduction of salt application for parking lots and walkways is concern over liability; and

Whereas: businesses in the winter maintenance sector are seeing insurance and legal costs dramatically escalate to the point where many have failed, and some property owners have been unable to find winter maintenance contractors; and

Whereas: the limited liability framework in practice in New Hampshire is based upon the Canadian Smart About Salt guidelines and has been successfully defended in the higher courts.

Therefore, be it resolved that the Council for (*municipality*) requests that the Attorney General of Ontario and the Minister of the Environment, Conservation and Parks establish and fund an expert stakeholder advisory committee to advise the province and municipalities on the best courses of action to protect freshwater ecosystems and drinking water from the impacts of salt pollution; and

Further That technical standards and a Provincial regulatory framework be established that limits liability for winter maintenance contractors following best practices to ensure public safety, business sustainability, and environmental protection.



November 17, 2023

(Via email only)

To The Hon. Andrea Khanjin
Minister of the Environment, Conservation and Parks

And to Lake Simcoe Watershed Members of Provincial Parliament

Dear Minister Khanjin and Lake Simcoe Watershed MPPs:

Re: Winter Salt Management - Working towards a Solution

The Lake Simcoe Region Conservation Authority (Conservation Authority) recognizes the challenges that the over-application of salt (chloride) on roads and parking lots pose to biodiversity on the land, in our lakes, and to overall health of our communities here in the Lake Simcoe watershed and across the Province of Ontario.

The Conservation Authority believes that there is a solution within reach, to finding a balance between ensuring public safety and environmental protection, which will positively impact the health of all Ontarians.

For several years, the Conservation Authority has been working with organizations, including Landscape Ontario and other partners, to share information among sectors and to seek solutions to address the issue of winter salt usage. A Salt Forum held this past October, led by the Conservation Authority and Landscape Ontario, provided a platform for contractors, provincial staff, municipal staff, conservation authorities staff, academia, and other NGOs, to come together to talk about lessons learned and solutions to the issue of winter road salt. There is unanimous agreement that creating technical standards and a regulatory framework will address the challenges facing the winter maintenance industry. Unanimous agreement across multiple sectors, which is rare, provides a strong basis to move forward with legislative changes to support all interests surrounding the challenges of winter salt mandate for mutually beneficial change.

As one of the Province's key partners in the Provincial Water Quality Monitoring Program, the Conservation Authority is concerned that chloride concentrations have been increasing in Lake Simcoe and have become one of the biggest stressors in our waterways. Since the 1970s, chloride levels in Lake Simcoe have increased by over 500%. Without action, increasing chloride concentrations will continue to impact the Lake Simcoe watershed and watersheds across Ontario.

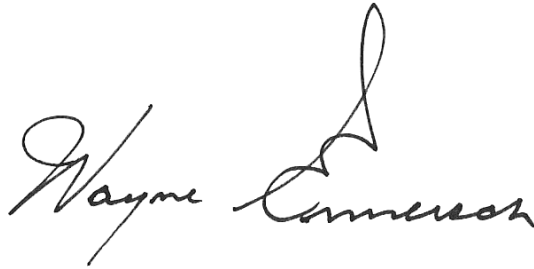
In the state of New Hampshire, USA, contractors who receive certification and demonstrate that they follow state-recognized best practices, receive liability limitation from slip and fall accidents. In a recent case before the State Supreme Court (*Amy Rogers v. Chartwell Management LLC*), the State was successful, further supporting that these regulations are working and are recognized in higher courts.

A solution like this one would be a major step in the right direction to mitigate the environmental and economic concerns being faced, without compromising public safety. The Conservation Authority believes that Landscape Ontario and its partners are ready to successfully support the Province with a similar approach here in Ontario.

Regulating the winter maintenance industry will ensure better protection of our water bodies, increased public safety, better management of roadway infrastructure, reduced snow and ice removal costs, all while protecting the environment from the impacts of oversalting.

We see this solution as a win-win, and we would be pleased to meet with you to discuss how we can assist the Government of Ontario in continuing to show leadership on this issue.

Yours sincerely,



Wayne Emmerson
York Region Chairman and Chief Executive Officer
Chair, Lake Simcoe Region Conservation Authority



Rob Baldwin
Chief Administrative Officer

Staff Report

To: Board of Directors

From: Christa Sharp, Manager, Restoration Services

Date: May 23, 2025

Subject

Offsetting Program Results – Reconciliation to December 31, 2024

Recommendation

That Staff Report No. 20-25-BOD regarding a reconciliation of the Conservation Authority's Offsetting Cash in Lieu funds and Key Performance Indicators be received for information.

Purpose of this Staff Report

The purpose of this Staff Report No. 20-25-BOD is to provide an update on the Conservation Authority's Cash in Lieu funds and Key Performance Indicators. This update provides an overview from the onset of this program up to December 31, 2024.

Background

The Conservation Authority's offsetting policies address loss of natural heritage features (ecological offsetting), groundwater recharge deficit (water balance recharge offsetting) and post development phosphorus loads (phosphorus offsetting), which are the result of development within the watershed. These policies are implemented by Planning and Development staff through review of development applications submitted through the Development review process.

The Conservation Authority's Ecological Offsetting Policy was approved by the Board of Directors in 2017 and was put in place to address the loss of natural heritage features and their associated vegetation protection zones.

Since 2017, the Lake Simcoe Phosphorus Offsetting Policy has been improving and protecting the water quality in Lake Simcoe and its streams and rivers. This policy requires that all new development must control phosphorus leaving the development site to predevelopment levels.

To ensure that adequate groundwater recharge is maintained throughout the entire Lake Simcoe watershed, and to mirror the policies of the Source Protection Plan, the Conservation Authority developed the Water Balance Recharge Policy in 2018 to accompany the Lake Simcoe Protection Plan policies 6.40-DP and 4.8-DP, which are to be applied to all applications for major development outside of the WHPA Q2 area. This policy, as well as the WHPA Q2 policies

of the Source Protection Plan (July 2015), address the deficit of groundwater recharge resulting from development.

The offsetting policies are tiered plans set to avoid, minimize, mitigate and compensate. The collection and allocation of funds received and Key Performance Indicators through Ecological Offsetting, Phosphorus Offsetting and Water Balance Recharge are outlined in the attached Tables 1, 2, and 3.

The primary key performance indicators for ecological offsetting projects are total natural heritage restored, wetland and woodland area restored, and area acquired/protected. Through the restoration and protection of wetlands, woodlands and other natural heritage features, the program has provided funding of \$2,269,486, which has accomplished 26.33 hectares of natural heritage restoration and protection. Other achievable co-benefits include but are not limited to additional grassland area, installation of habitat structures, increase in biodiversity, flood reduction, groundwater recharge, carbon mitigation, protection of infrastructure, thermal mitigation, urban heat reduction and social/community impacts. This program has also allocated an additional \$3,030,058. These projects will be implemented in 2025 and 2026 and will include natural heritage restoration and protection and project monitoring.

Through the implementation of stormwater retrofits and low impact development projects, the water balance recharge and phosphorus offsetting projects achieve phosphorus reduction and infiltration as the main key performance indicators. The WHPA Q2 and Water Balance Recharge program has provided funding of \$570,681 and the phosphorus offsetting program has provided funding of \$2,356,006 to achieve 19,962 m³/year of infiltration and 99.85 Kg/year phosphorus reduction. Other achievable co-benefits include but are not limited to water quality, peak flow reduction, increase in biodiversity, flood reduction, groundwater recharge in significant recharge areas, carbon mitigation, protection of infrastructure, thermal mitigation, urban heat reduction, improvements to the natural heritage system, and social/community impacts. These programs have also allocated \$1,085,655. These projects will be implemented in 2025 and 2026 and will work towards improving phosphorus reduction and project monitoring.

Issues

With changes to legislation, the Conservation Authority's ability to comment and provide advice to municipal partners on natural heritage issues through plan review was restricted to areas outside the Oak Ridges Moraine, the Greenbelt plan area and settlement areas established after June 2009. This also impacted the Conservation Authority's ability to collect ecological offsetting in those areas through Planning Act applications.

The implementation of Bill 23 required modification to the way in which phosphorus offsetting was calculated, no longer requiring zero phosphorus leaving a site, rather, proponents are

required to ensure post-development phosphorus loads do not exceed pre-development loads in accordance with the Lake Simcoe Protection Plan.

Relevance to Conservation Authority Policy

One of the goals of the Conservation Authority's Strategic Plan, 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 assists in achieving this goal by providing a consistent approach to enhancement and restoration throughout the watershed.

Impact on Conservation Authority Finances

This update does not impact Conservation Authority finances. As provided in previous reports, a record of the collection and allocation of funds will be made available to watershed municipalities, Building Industry and Land Development Association and other interested stakeholders, on an annual basis, through a report to the Board of Directors. Staff continue to monitor inflation rates and will consider rate changes to the three policies as necessary.

Summary and Recommendations

It is therefore **Recommended That** Staff Report No. 20-25-BOD regarding an update on the Conservation Authorities Offsetting Cash in Lieu funds and Key Performance Indicators 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:

Signed by:

Glenn MacMillan
Development, Engineering and Restoration

Rob Baldwin
Chief Administrative Officer

Attachments

1. Ecological Offsetting Policy Collection, Allocation of Funds and Key Performance Indicators of Restoration Projects by Subwatershed - 2017 to 2024
2. WHPA Q2 and Water Recharge Policy Collection, Allocation of funds and Key Performance Indicators of Restoration Projects by Subwatershed - 2015 to 2024
3. Lake Simcoe Phosphorus Offsetting Policy Collection, Allocation of funds and Key Performance Indicators of Restoration Projects by Subwatershed - 2016 to 2024

Table 1

Ecological Offsetting Policy Collection, Allocation of Funds and Key Performance Indicators of Restoration Projects by Subwatershed - 2017 to 2024

Subwatershed	Project Funds Collected (net of admin) (\$)	Funds Spent on Projects 2017 to 2024 (\$)	Ending Balance Available December 31, 2024 (\$)	Wetland Loss (ha)	Woodland Loss (ha)	Total Natural Heritage Restored (ha)	Wetland Restored and/or Protected (ha)	Woodland Restored and/or Protected (ha)	Acquisition (ha)
Barrie Creeks	178,669	1,100	177,569	0.6	2.31	0	0	0	
Beaver River	153,161	0	153,161	0	2.22	0	0	0	
East Holland	1,941,990	965,907	976,083	7.77	14.82	10.54	1.95	6.98	
Hewitts Creek	991,353	0	991,353	20.97	3.03	0	0	0	
Innisfil Creeks	1,801,377	575,473	1,225,904	30.7	66.62	9.8	2.2	4.3	0.57
Oro Creeks South	341,114	181,898	159,216	8.01	10.88	.55	0	.55	
Whites Creek	286,860	67,882	218,978	0.37	1.71	5.03	0	4.84	
Uxbridge Brook	160,671	21,079	139,592	0	1.97	4.19	0	4.19	
West Holland	403,722	13,133	390,589	2.16	4.75	1.25	0	1.25	
Lover's Creek	911,562	0	911,562	3	7.22	0	0	0	
Black River	518,395	370,489	147,906	1.3	0.4186	0	0	0	
Hawkstone Creeks	1,221,694	0	1,221,694	7.51	8.26	0	0	0	
General Pool - Interest Earned	834,398	72,525	761,873	0	0	0	0	0	
Grand Total	9,744,965	2,269,486	7,475,480	82.39	124.21	26.33	4.15	22.11	0.57

Table 2:

WHPA Q2 and Water Recharge Policy Collection, Allocation of funds and Key Performance Indicators of Restoration Projects by Subwatershed - 2015 to 2024

Subwatershed	Project Funds Collected (net of Admin) (\$)	Spent on Projects 2015 to 2024 (\$)	Ending Balance Available at December 31, 2024 (\$)	Infiltration Deficit (m ³ /year)	Infiltration Achieved (m ³ /year)
East Holland	1,969,865	264,027	1,705,838	50,790	2,273
West Holland	1,345,424	0	1,345,424	42,676	
Barrie Creeks	174,454	0	174,454	15,880	
Beaver River	53,604	45,473	8,131	1192	900
Black River	534,219	0	534,219	46,738	
Lover's Creek	816,904	228,052	588,852	4,655	16,789
Oro Creeks North	58,848	0	58,848	1.088	
Oro Creeks South	17,028	0	17,028	387	
Innisfil Creeks	1,076,612	1,165	1,075,447	25061	
Hewitts Creek	8,454	0	8,454	188	
Uxbridge Brook	27,791	0	27,791	618	
General Pool	584,554	31,964	552,590	0	
Grand Total	6,667,757	570,681	6,097,076	189,273	19,962

Table 3:

Lake Simcoe Phosphorus Offsetting Policy Collection, Allocation of funds and Key Performance Indicators of Restoration Projects by Subwatershed - 2016 to 2024

Subwatershed	Project Funds Collected (net of Admin) (\$)	Spent on Projects 2016 to 2024 (\$)	Ending Balance Available at December 31, 2024 (\$)	Phosphorus Loss (Kg/year)	Phosphorus Reduction Achieved (kg/year)
West Holland	1,416,280	198,917	1,217,363	15.58	5.56
Maskinonge River	178,444	0	178,444	0.87	
Lovers Creek	1,355,665	943,103	412,562	14.74	10.43
Innisfil Creeks	823,366	0	823,366	9.27	
Georgina Creeks	39,725	0	39,725	0.43	
Hewitts Creek	12,519	0	12,519	.14	
East Holland	3,686,428	800,559	2,885,869	40.68	20.51
Black River	364,133	46,501	317,632	12.9	1.3
Barrie Creeks	326,914	283,175	43,739	7.73	60.49
Whites Creek	63,123	10,007	53,116	0.07	.16
Uxbridge Brook	355,699	49,000	306,699	5.04	1.41
General Pool - Interest Earned	770,201	24,744	745,457	0	
Grand Total	9,392,497	2,356,006	7,036,491	107.71	99.85

Staff Report

To: Board of Directors

From: Cheryl Taylor, Foundation Executive Director

Date: May 23, 2025

Subject:

Shared Services: Strengthening among Conservation Authority Foundations

Recommendation:

That Staff Report No. 21-25-BOD regarding the Lake Simcoe Conservation Foundation's shared services offering to strengthen Conservation Authority Foundations be received for information.

Purpose of this Staff Report:

The purpose of this Staff Report No. 21-25-BOD is to inform the Board of Directors regarding a new partnership proposal developed by Lake Simcoe Conservation Foundation (the Foundation) to help build the capacity and fundraising success of Province-wide conservation foundations.

Background:

There are 24 conservation authority foundations across the province. In 2023, they collectively raised \$13.3 million and contributed \$9.2 million to their conservation authorities. Conservation authority foundations can be highly professional revenue generators, raising awareness of conservation authority programs and services to a broader audience. They are non-regulatory and raise funds only for their respective conservation authority. They support non-core programs and projects, especially where there are gaps and can be a source of non-designated funding. Of all foundations, only 7 have dedicated staff and they generated \$6 million of foundation revenue (2023 data). Over time, the Foundation and the Lake Simcoe Region Conservation Authority have developed a strong committed partnership, successfully working together to increase support for our shared missions and amplifying community engagement. Based on conversations with other conservation authorities and their foundations, there was interest to formalize a program to help strengthen inter-organizational relationships and build foundation capacity so that they can achieve greater impact as well.

Issues:

Conservation authorities are realizing the "untapped potential" of their foundations, but may lack the time, resources and expertise needed to get fundraising programs and operations off the ground. Many conservation authorities differ in their organizational structure and

resourcing but see the value in learning how to generate sustainable revenue, as well as awareness of their work. This is increasingly important in the post Bill 229 era. With increased competition in the charitable sector, building stronger conservation authority foundations can help differentiate us, amplify our success, and help raise awareness of our work.

The Foundation's Executive Director, Cheryl Taylor, with the support of Conservation Authority's Chief Administrative Officer Rob Baldwin and Conservation Ontario's General Manager, Angela Coleman, has developed a proposal to help assess foundation operations, build capacity, develop/refine fundraising programs, help with on-going implementation and adaptive monitoring. This shared service can fill an expertise gap, accessing senior level support in manageable allotments of time to help develop and implement the best practises and innovative strategies suited to a particular foundation. A maximum of two weeks (10 days) per month with up to two foundations can be accommodated. The cost of the shared services is \$5,000 per week. The goal is to provide the basic tools, framework, coaching and implementation support necessary to enable fundraising success over time. It is worth noting that the Foundation has been certified in Imagine Canada's Standards Program for excellence in non-profit management since 2013.

Niagara Peninsula Conservation Foundation

In February 2025, the Conservation Authority and the Foundation signed a one-year shared services contract with Niagara Peninsula Conservation Authority and Niagara Peninsula Conservation Foundation for 3.33 days per month. Work began in March, and the shared services assessment process identified four areas to focus on over the next 12-months; building a stronger Niagara Peninsula Conservation Authority and Niagara Peninsula Conservation Foundation relationship; build, launch and adaptively monitor an annual fundraising plan; further develop efficient foundation operations and build a stronger and more engaged foundation Board of Directors.

Relevance to Conservation Authority Policy:

The Foundation's shared services concept is new, and it's beginning to generate interest. Based on its success, the concept of formally sharing knowledge and expertise in a similar manner across conservation authorities could be considered.

Impact on Conservation Authority Finances:

There is no financial impact resulting from this report to the Conservation Authority.

Summary and Recommendations:

It is therefore **Recommended That** Staff Report No. 21-25-BOD regarding the Lake Simcoe Conservation Foundation's shared services offering to strengthen Conservation Authority Foundations be received for information.

Pre-Submission Review:

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

Signed by:

Signed by:

Cheryl Taylor
Executive Director, Foundation

Rob Baldwin
Chief Administrative Officer