

2024 Financial Results

Board of Directors

March 28, 2025

Mark Critch, CPA, CMA,
GM, Corporate and Fin. Services/CFO



Lake Simcoe Region
conservation authority



Member of Conservation Ontario

Presentation Outline

1. Review of 2024 Highlights and Financial Results
2. Summary of 2024 Projects
3. Summary of 2024 Capital Investments
4. Update on Financial Reserves
5. Next steps and transition to 2025 Fiscal Year



2024 Highlights

1. Operational surplus: \$1,160K, which is lower than the \$1,300K year-end forecast provided at Q3.
2. Restricted surplus of \$504K being transferred to Reserve:
 - a) Additional funds collected in Offsetting Admin fees
 - b) Additional amounts received in year for Asset Management
3. Capital Budget variances are due to timing differences; these capital projects are carrying on into 2025.



2024 Highlights cont'd

4. Procurement Summary (Attachment 3 of accompanying staff report): 150 Purchase Orders totalling \$6.8M
5. Offsetting Summary: Spending of \$1.7M in projects in 2024 (Budget \$3.9M); Deferred Balances available by Program (Attachment 2 of accompanying staff report)
6. Interest income is higher than budgeted
7. Year-end reserve position meets Board approved reserve adequacy targets



2024 Operational Results

Service Area	Surplus/ (Deficit)	Drivers
Corporate Services	544K	Open positions in Human Resources, Communications and Finance, operational savings in network support, training, leases
Ecological Management	(12K)	Modest overage in Forestry Program staffing, combined with lower revenue than expected from Landowners
Education and Engagement	64K	Increased funding from School and Community programming.
Greenspace Services	60K	Under in operational expenses (materials for invasive species management work) and higher Federal project funding
Planning and Development Services	424K	Salary Gapping (open full-time positions and gapping for replacement staff), legal expenses down in 2024
Water Risk Management	31K	Under in operational expenses (consulting)
Watershed Studies & Strategies	<u>49K</u>	Under in operational expenses (consulting)
	\$1,160K	Overall Operational Surplus at December 31, 2024



2024 Projects

2024 Projects	Total Project Value	Expenditures at December 31,2024
Offsetting Projects*	\$3.9M	\$2.1M
Restoration Projects	1.2M	0.9M
Stormwater Management Inspection and Maintenance	1.0M	0.7M
Lake Simcoe Monitoring Projects	0.6M	0.6M
Urban Forest Study Projects	0.3M	0.3M
Lake Simcoe Preserve	0.2M	0.1M
Climate Change Studies	0.2M	0.2M
Infrastructure Hazard Projects	0.1M	0.1M
Other Projects	<u>0.2M</u>	<u>0.1M</u>
Total	\$7.7M	\$5.1M

*Offsetting projects can also be funded by deferred and other grants, but funding is primarily Offsetting.

2024 Capital Investments

2024 Capital Investments	Total Investment	Expenditures at December 31, 2024
Scanlon Creek Nature Centre	\$3.0M	\$0.7M
Infrastructure and Building	0.9M	0.4M
Vehicles	0.3M	0.2M
Machinery and Equipment	<u>0.2M</u>	<u>0.1M</u>
Total	\$4.4M	\$1.4M

2024 Draft Unaudited Reserve Balances

Reserve Category	Opening Balance January 1, 2024	Draft Appropriations to(from) Reserves	Unaudited Balance December 31, 2024
Asset Management	\$ 2,070K	\$ 131K	\$ 2,201K
Rate Stabilization*	5,097K	309K	5,406K
Working Capital	373K	(11K)	362K
Restricted*	<u>124K</u>	<u>1,753K</u>	<u>1,877K</u>
Total	\$ 7,664K	\$ 2,182K	\$ 9,846K

*Includes transfer of restricted funds from Offsetting program administrative charges, out of the Rate Stabilization and into the Restricted reserve (\$1,437K).



Transition from 2024 to 2025

1. 2024 Audited Financial Statements will require Board of Directors' approval in May.
2. Annual Priorities for 2025 have been developed.
3. 2025 Operating and Capital Budget was approved by the Board of Directors (January).
4. 2025 Budget Companion document will be sent to our partners once reviewed by the Board today.



Questions?