

# Third Quarter 2025 Financial Update and Forecast

Board of Directors

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**Lake Simcoe Region**  
conservation authority



# Presentation Outline

1. Third Quarter Highlights
2. Progress on Projects and Capital Investments
3. Highlights of the Year-End Forecast
4. Update on Budgeted Reserve Activity in 2025
5. Next Steps: Opportunities and Risks
6. Questions

# Third Quarter Highlights

Service Area	Surplus/ (Deficit)	Drivers
Corporate Services	356K	Salary gapping from an open position in Communication and now filled positions in Human Resources and Finance. Timing on engaging work for talent management.
Ecological Management	1K	In-line with expected year to date budgets.
Education and Engagement	(12K)	School programming revenues are down slightly to the year-to-date budget. Board registrations are lower than prior years.
Greenspace Services	(28K)	Overage in costs associated with land initiatives related to the Authority's land acquisition and disposition strategy.
Development Services	(171K)	Consistent with the Q2 financial report, the volume of applications are down, offset with deferral of expense and some salary gapping.
Water Risk Management	29K	Consulting under year-to-date budget for flood program work.
Watershed Studies and Strategies	10K	Small surpluses over about 9 service level agreements
<b>Q3 Operational Surplus</b>	<b>\$185K</b>	<b>Overall Operational Surplus on September 30, 2025. Approximately 1.2% of \$15.8M Operating budget.</b>

# 2025 Projects – A Progress Update

2025 Projects	Total Project Value	Expenditures at September 2025	Forecasted Expenditures at Year End
Offsetting Projects	\$3.9M	\$0.6M	\$2.3M
Simcoe Hydrology and Coefficient Monitoring	0.7M	0.5M	0.6M
Restoration Projects	0.4M	0.3M	0.4M
Climate Change Studies	0.3M	0.3M	0.3M
Stormwater Management Inspection and Maintenance	0.3M	0.3M	0.3M
Landcover Update	0.2M	0.2M	0.2M
Watershed Plan Modernization	0.2M	0.1M	0.1M
Urban Forest Study Projects	0.1M	0.1M	0.1M
Infrastructure Hazard Projects	0.1M	0.0M	0.1M
Other Projects	<u>0.2M</u>	<u>0.1M</u>	<u>0.2M</u>
<b>Total</b>	<b>\$6.4M</b>	<b>\$2.5M</b>	<b>\$4.6M</b>

# 2025 Capital Investments

2025 Capital Investments	Total Investment in Budget	Expenditures at September 2025	Forecasted Expenditures at Year End
Scanlon Creek Nature Centre	\$8.1M	\$3.3M	\$8.4M
Lake Simcoe Preserve	0.2M	0.0M	0.1M
Infrastructure and Building	0.7M	0.1M	0.3M
Machinery and Equipment	<u>0.1M</u>	<u>0.1M</u>	<u>0.1M</u>
<b>Total</b>	<b>\$9.1M</b>	<b>\$3.5M</b>	<b>\$8.9M</b>

# Scanlon Creek Nature Centre Update

Progressing on track for:

- Occupancy in April/May
- School Programming in September 2026

Spending to September 2025: \$3.3M

- Funding Sources: Federal Funding(60%): \$2.0M
- Donations through the Foundation: \$1.3M



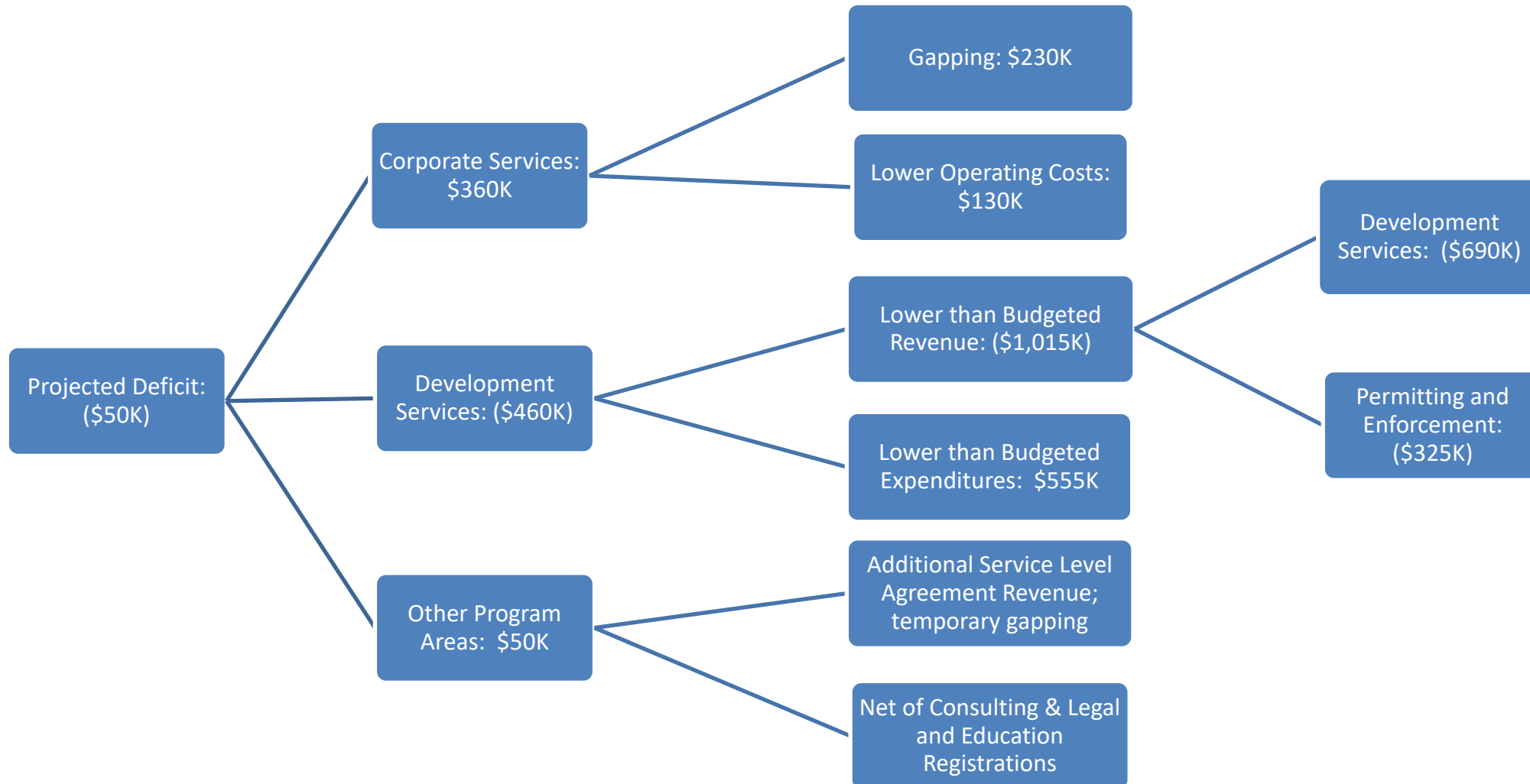
# Scanlon Creek Nature Centre Update



# Highlights of the Year-End Forecast

1. Forecasting an overall operational deficit of approximately (\$50K) by year-end, down from (\$186) at Q2.
2. Q3 surplus is expected to shrink due to continued lower revenues in the Development Services program.
3. Year-end deferral of Planning fees may influence the final year end position.
4. Reserve transfers are forecasted on budget. Some projects have been rescheduled for 2026, reducing the reserve draw requirements.

# Highlights of the Year-End Forecast



# Forecasted Reserve Activity for 2025

Forecasted Appropriations to/(from) Reserves for 2025	Budget	Forecast
1. 2025 Reserve Draws*	(\$1,275K)	(\$618K)
2. 2025 Reserve Contributions	1,255K	1,304K
<b>Total Forecasted Reserve Activity</b>	<b>(\$20K)</b>	<b>\$686K</b>
Transfer/acquisition of priority properties	-	<b>\$1,515K</b>

\* Reserve Draw related to Nature Centre will be needed dependent on Donation and GICB funding balances – up to \$2M

# Next Steps: Opportunities & Risks

1. Nature Centre construction project timelines, costs and funding.
2. Draft 2026 Budget will be presented in December, with approval anticipated for January.
3. Staff have incorporated trends in the Planning and Permit applications into the 2026 Operating Budget .
4. The longer the Fee freeze remains in effect, the greater the risk is to full cost recovery for the program.

# Questions?