

2026 Operating and Capital Budget Approval

Board of Directors

January 23, 2026

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Lake Simcoe Region
conservation authority



Presentation Outline

1. Context for the 2026 Operating and Capital Budget Approval
2. Budget Summary from December 19, 2025
3. Legislative Requirements
4. Voting on the 2026 Budget
5. Next Steps – Looking ahead!

Context for the 2026 Budget Approval

1. The 2026 Budget is within the targets endorsed by the Board of Directors in May 2025; weighted votes are required today to formally approve the 2026 Budget;
2. Budget Highlights: 2.66% increase in municipal funding, no new FTEs, reserves at/above Board-endorsed levels;
3. The 2026 Budget has already been approved by all 10 municipal funding partners;
4. There were no formal questions from our municipal funding partners during the legislated 30-day review period.

Summary: Operating and Capital Budget

Budget	2025 Approved Budget	2026 Draft Budget	Increase/ (Decrease)
Operating	\$15.8M	\$15.4M	(\$0.4M)
Capital & Projects	<u>15.5M</u>	<u>14.6M</u>	<u>(0.9M)</u>
Total Operating and Capital	\$31.3M	\$30.0M	(\$1.3M)

2026 Municipal Funding: 2.66% Increase

Municipality	2025 Approved Budget (in 000s)	2026 Proposed Budget (in 000s)	Increase/ (Decrease)
Region of York	\$6,185	\$6,343	\$158
Region of Durham*	530	534	4
Town of Bradford West Gwillimbury	474	489	15
City of Barrie	1,506	1,558	52
Town of Innisfil	421	437	16
Town of New Tecumseth	46	47	1
Township of Oro-Medonte	98	100	2
Township of Ramara	82	83	1
City of Kawartha Lakes	63	65	2
City of Orillia**	<u>78</u>	<u>79</u>	<u>1</u>
Total	\$9,483	\$9,735	\$252

*Excludes \$200K for Category 1 Special Benefit funding from Durham Region (year 2 of 2) for Floodplain Mapping

** City of Orillia's funding obligation is only for the LSPF portion of the budget

Summary: 2026 Budgeted Reserve Activity

Reserve Type	2026 Opening Balance*	2026 Transfers	2026 Draws	2026 Projected Ending Balance
Rate Stabilization	\$2,827	\$723	(\$310)	\$3,240
Asset Management	2,290	409	(752)	1,947
Working Capital	1,303	-	(841)	462
Restricted	<u>2,102</u>	<u>10</u>	<u>(188)</u>	<u>1,924</u>
Totals	\$8,522	\$1,142	\$(2,091)	\$7,573

*Estimated Opening Balance for January 1, 2026

Legislative Requirements for Budget Approval

1. Beginning in 2024, the Budget now requires 3 separate, recorded votes as follows:
 - a. Category 1 (Mandatory Programs)
 - b. Lake Simcoe Protection Plan (Mandatory Program)
 - c. Total Overall Budget
2. Use of Weighted Voting is required to ensure no municipal voting exceeds 50% of total votes;
3. Requirement to provide a 30-day review period for Funding Municipalities has been met.

Weighted Voting on the 2026 Budget

Municipality	Category 1 Weighted Vote %	LSPP Weighted Vote %
Region of York	50.00%	50.00%
Region of Durham	8.14%	7.36%
Town of Bradford West Gwillimbury	7.58%	6.48%
City of Barrie	23.74%	21.38%
Town of Innisfil	6.66%	5.97%
Town of New Tecumseth	0.68%	0.71%
Township of Oro-Medonte	1.41%	1.62%
Township of Ramara	1.29%	1.09%
City of Kawartha Lakes	0.50%	1.86%
City of Orillia*	N/A	3.53%
Total	100.00%	100.00%

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

Looking Ahead

1. Final votes on the 2026 Budget are required today;
2. Final budget approval has already been provided by all Conservation Authority's municipal funding partners;
3. 2026 Levy letters will be prepared and circulated to all funding municipalities;
4. Budget Companion document is under development, with release expected later in Q1/early Q2 2026;
5. Focus on 2027 Budget preparation; amalgamation impacts to be determined.

Questions?