

# 2025 Financial Results

**Board of Directors**

**April 17, 2026**

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**General Manager, Corporate and Financial Services/CFO**



**Lake Simcoe Region**  
conservation authority



# Presentation Outline

1. Review of 2025 Highlights and Financial Results
2. Summary of 2025 Projects
3. Summary of 2025 Capital Investments
4. Update on Financial Reserves
5. Next steps and transition to 2026 Fiscal Year
6. What we are watching for in 2026



# 2025 Highlights – New items in Q4 report

1. Operational surplus at Year End: \$591K ; Q3 Projection: (\$50)
2. Adjustments made for Development Services revenue recognition in 2025, increasing surplus by \$163K for prior years
3. In November, a 2nd WSIB rebate was announced, leading to a restricted surplus of \$405K being transferred to Reserves
4. Land donations and improvements valued at \$1.8M in 2025

# 2025 Highlights – High Level Summary

1. Year-end reserve position is very strong, and Investments continue to return above benchmark rates.
2. Capital Budget variances are due to timing differences; capital investments and projects are carrying on into 2026.
3. \$66K Draw from Restricted Reserve required to fund Admin fee shortfall from policy changes in Offsetting Programs.
4. Offsetting Summary: Project spending of \$1.9M in 2025 (Budget \$3.9M); Deferred Balances available by Program (see Attachment 2 to Staff Report No. 13-26-BOD)
5. Full transparency through detailed Procurement Summary (see Attachment 3 to Staff Report No. 13-26-BOD): 138 Purchase Orders totalling \$17.5M.



# 2025 Operational Results

Service Area	Surplus/ (Deficit)	Drivers
Corporate Services	\$441K	Salary gapping from an open position in Communication and now filled positions in Human Resources and Finance. Deferring talent management work (consulting).
Ecological Management	(10K)	Spending on repairs, supplies over.
Education and Engagement	(28K)	School programming revenues are down slightly to the budget. School board registrations were lower in the Fall than in prior years.
Greenspace Services	35K	Salary gapping in Q4 and material/supply expenses underbudget.
Development Services	(195K)	Consistent with the Q2 and Q3 financial reports, the volume of applications is down, offset with deferral of expenses and some salary gapping.
Development Services - adjustment	163K	Prior year revenue adjustment.
Water Risk Management	113K	Consulting under annual budget for flood program work. Adjustment made to 2026 budget to lower this expense.
Watershed Studies and Strategies	72K	Unanticipated revenue invoiced in Q4; some minor surpluses from service level agreements.
<b>Total Operational Surplus</b>	<b>\$591K</b>	Overall Operational Surplus for 2025. Approximately 3.7% of \$15.8M Operating budget.



# 2025 Projects

2025 Projects	Total Project Value in Budget	Expenditures at December 2025
Offsetting Projects	\$3.9M	\$1.9M
Simcoe Hydrology and Coefficient Monitoring	0.7M	0.7M
Restoration Projects	0.4M	0.5M
Climate Change Studies	0.3M	0.3M
Stormwater Management Inspection and Maintenance	0.3M	0.3M
Landcover Update	0.2M	0.3M
Watershed Plan Modernization	0.2M	0.1M
Urban Forest Study Projects	0.1M	0.1M
Infrastructure Hazard Projects	0.1M	0.1M
Other Projects	<u>0.2M</u>	<u>0.1M</u>
<b>Total</b>	<b>\$6.4M</b>	<b>\$4.4M</b>



# 2025 Capital Investments

2025 Capital Investments	Total Investment in Budget	Expenditures at December 2025
Scanlon Creek Nature Centre	\$8.1M	\$6.6M
Lake Simcoe Preserve	0.2M	0.1M
Infrastructure and Building	0.7M	0.3M
Machinery and Equipment	<u>0.1M</u>	<u>0.2M</u>
<b>Total</b>	<b>\$9.1M</b>	<b>\$7.2M</b>



# Draft Unaudited Reserve Balances

Reserve Category	Opening Balance January 1, 2025	Appropriations to/(from) Reserve	Ending Balance December 31, 2025
Asset Management	\$2,201	<b>\$127</b>	\$2,328
New Capital	362	<b>941</b>	1,303
Rate Stabilization	5,406	<b>(116)</b>	5,290
Restricted	<u>1,877</u>	<u><b>267</b></u>	<u>2,144</u>
<b>Grand Total</b>	\$9,846	<b>\$1,219</b>	\$11,065



# Transition to 2026

1. 2025 Audited Financial Statements will require Board of Directors' approval in May.
2. Annual Priorities for 2026 have been developed.
3. 2026 Operating and Capital Budget was approved by the Board of Directors (January).
4. 2026 Budget Companion document will be sent to our partners once reviewed by the Board today.



# What we are watching for in 2026

1. Attention to Consolidation/Transition and the related impact to staff capacity during transition. Expedited Budget for 2027.
2. Volume of applications in Development Services.
3. Capital and Offsetting Projects.
4. Interest rates and their impact on Investments.

# Questions?

