



Lake Simcoe Region
conservation authority

BOARD OF DIRECTORS
Meeting No. BOD-05-20

Friday, April 24, 2020
9:00 A.M.

AGENDA

Virtual Meeting (Access Details to be Provided)

Minutes and agendas are available on our website: <http://lsrca.on.ca/>

Upcoming Events
2020

Friday, May 22nd
9:00 a.m.

Board of Directors' Meeting
Virtual Meeting

Wednesday September 23rd
6:00 p.m.

(Date tentative and
subject to change)

Lake Simcoe Conservation Foundation
32nd Annual Conservation Dinner

Manor at Carrying Place Golf and Country Club
16750 Weston Road, Kettleby

Events are also listed on our Events Page on our website: <http://lsrca.on.ca/events/>

I. DECLARATIONS OF PECUNIARY INTEREST

II. APPROVAL OF AGENDA

Pages 1-5

RECOMMENDED: THAT the content of the Agenda for the April 24, 2020 meeting of the LSRCA Board of Directors be approved as presented.

III. ADOPTION OF MINUTES

a) Board of Directors

Pages 6-12

Included in the agenda are copies of the minutes of the Board of Directors' Meetings No. BOD-03-20 and BOD-04-20, both held on Friday, April 3, 2020.

RECOMMENDED: THAT the minutes of the Board of Directors' Meetings No. BOD-03-20 and BOD-04-20, both held on Friday, April 3, 2020 be approved as circulated.

IV. ANNOUNCEMENTS

V. PRESENTATIONS

a) LSRCA 2019 Audited Financial Statements

Pages 13-55

BDO Canada LLP will provide the Board with an overview of the 2019 audit findings. BDO's final report to the Board of Directors is included in the agenda.

RECOMMENDED: THAT the presentation by BDO Canada LLP regarding 2019 LSRCA's Audit Report be received for information.

Staff Report No. 20-20-BOD prepared by Manager, Finance, Katherine Toffan, regarding the 2019 Draft Audited Financial Statements is included in the agenda.

RECOMMENDED: THAT Staff Report No. 20-20-BOD regarding LSRCA's 2019 Draft Audited Financial Statements be received; and

FURTHER THAT the 2019 Draft Audited Financial Statements be approved; and

FURTHER THAT the Appropriations to and from Reserves as outlined in Schedule 8 of the 2019 Draft Audited Financial Statements be approved; and

FURTHER THAT the pending 2019 Audited Financial Statements be distributed to the Ministry of Natural Resources and Forestry and LSRCA’s banker.

b) **Alcona Flood Relief Project – Preferred Solution**

Watershed Restoration Services Engineer, Bhavika Patel, will provide a presentation on the Alcona Flood Relief Project. This presentation will be provided at the meeting.

RECOMMENDED: **THAT the presentation provided by Watershed Restoration Services Engineer, Bhavika Patel, regarding the Alcona Flood Relief Project be received for information.**

VI. HEARINGS

There are no Hearings scheduled for this meeting.

VII. DEPUTATIONS

There are no Deputations scheduled for this meeting.

VIII. DETERMINATION OF ITEMS REQUIRING SEPARATE DISCUSSION
(Reference Pages 4 and 5 of the agenda)

IX. ADOPTION OF ITEMS NOT REQUIRING SEPARATE DISCUSSION

X. CONSIDERATION OF ITEMS REQUIRING SEPARATE DISCUSSION

XI. CLOSED SESSION

There are no Closed Session items for this meeting.

XII. OTHER BUSINESS

Next Meeting

The next meeting of the LSRCA Board of Directors will be held at @ approximately 9:30 a.m. on Friday, May 22, 2020. This meeting will be held virtually, access details to be provided. This meeting will be preceded by a Lakes Simcoe, Couchiching/Black River Source Protection Authority meeting beginning @ 9:00 am.

XIII. ADJOURNMENT

AGENDA ITEMS

1. Correspondence Pages 56-57

Correspondence items included in this agenda are as follows:

- a) Town of Innisfil Council resolution of March 11, 2020 regarding the continuation of programs and services by Conservation Authorities.

RECOMMENDED: THAT correspondence listed in the agenda as Item 1a) be received for information.

2. COVID-19 Updates Pages 55-65

RECOMMENDED: THAT Staff Report No. 21-20-BOD regarding the update in LSRCA's business continuity and operations in response to the COVID-19 pandemic be received for information.

3. Appointment of Enforcement Officer(s) under the Conservation Authorities Act Pages 66-68

RECOMMENDED: THAT Staff Report No. 22-20-BOD regarding the appointment of Mr. Matthew Brown and Mrs. Ashlea Brown as Enforcement Officers for the Lake Simcoe Region Conservation Authority per Section 28 of the Conservation Authorities Act be approved.

4. LSRCA Watershed Development Guidelines Proposed Amendments Pages 69-76

RECOMMENDED: THAT Staff Report No. 23-20-BOD regarding changes to LSRCA's Watershed Development Guidelines be received; and

FURTHER THAT the Shoreline Section of the Watershed Development Guidelines contained herein be approved for implementation effective June 1, 2020.

5. 2020 Conservation Awards Program Pages 77-78

RECOMMENDED: THAT Staff Report No. 24-20-BOD regarding cancellation of the 2020 Conservation Awards Ceremony in response to the COVID-19 Pandemic be received; and

FURTHER THAT the recommendation provided in the report be supported.

6. Thornton Bales Conservation Area Management Plan

Pages 79-94

RECOMMENDED: THAT Staff Report No. 25-20-BOD regarding the Thornton Bales Conservation Area Management Plan be received; and

FURTHER THAT the Management Plan and associated Business Plan be approved; and

FURTHER THAT staff continue to pursue funding and in-kind support to implement the recommendations of the Management Plan.

7. Update regarding the Alcona NDMP Flood Relief Class EA

Pages 95-97

RECOMMENDED: THAT Staff Report No. 26-20-BOD regarding the update on the Alcona NDMP Flood Relief Class EA be received for information.



SPECIAL MEETING OF THE BOARD OF DIRECTORS

No. BOD-03-20 – Friday, April 3, 2020

Virtual Meeting via Zoom

MINUTES

LSRCA Board Members Present:

Regional Chairman W. Emmerson, Chair
Councillor P. Ferragine, Vice Chair
Councillor K. Aylwin
Mayor D. Barton
Mayor D. Bath-Hadden
Mayor B. Drew
Councillor A. Eek
Councillor K. Ferdinands
Councillor W. Gaertner
Councillor R. Greenlaw
Mayor V. Hackson
Councillor S. Harrison-McIntyre
Mayor M. Quirk
Councillor C. Riepma
Regional Councillor T. Vegh
Councillor A. Waters

Regrets:

Councillor E. Yeo
Township of Ramara

LSRCA Staff Present:

M. Walters, Chief Administrative Officer
R. Baldwin, GM Planning & Development
M. Critch, GM, Corporate and Financial Services
B. Kemp, GM, Conservation Lands
B. Longstaff, GM, Integrated Watershed Management
K. Christensen, Manager Human Resources
C. Taylor, Executive Director, LSCF
K. Yemm, Manager, Communications
T. Barnett, Coordinator, BOD/CAO
M. Bessey, Director, Planning
N. Hamley, Manager, Education
S. Jagminas, Senior Communications Advisor
S. McKinnon, Manager Budget and Business Analysis
G. Peat, Manager, Director, Information Services & Technology
M. Rosato, Communications Specialist
C. Sharp, Restoration Program Coordinator
P. Thase Director, Engineering
K. Toffan, Manager, Finance

I. BUSINESS OF THE SPECIAL MEETING

Chair Emmerson asked if members had any questions on the proposed changes to the administrative by-laws. Board members had no questions, and the resolution was passed.

1. Proposed Amendment to the Lake Simcoe Region Conservation Authority Administrative By-Laws

Moved by: A. Eek

Seconded by: D. Bath-Hadden

BOD-035-20

RESOLVED THAT Staff Report No. 11-20-BOD regarding an amendment to the LSRCA Administrative By-Laws dated September 28, 2018 to ensure business continuity during emergencies be approved; and

FURTHER THAT the Amended By-Laws be distributed to member municipalities and made available to the public. CARRIED

II. ADJOURNMENT

Moved by: C. Riepma

Seconded by: K. Aylwin

BOD-036-20 **RESOLVED THAT the meeting be adjourned @ 9:10 a.m. CARRIED**

Original to be signed by:

Regional Chairman W. Emmerson
Chair

Original to be signed by:

Michael Walters
Chief Administrative Officer

BOD-038-20 RESOLVED THAT the minutes of the Board of Directors' Meeting No. BOD-02-20 held on Friday, February 28, 2020 be approved as circulated. CARRIED

IV. ANNOUNCEMENTS

- a) CAO Walters noted that LSRCA has been undertaking a flood relief study in the area of Alcona in the Town of Innisfil to reduce flooding. With the Environmental Assessment (Class EA) now complete, one enhanced drain and one new drain, and the expansion of an existing wetland will help to reduce the flooding. Next steps include discussions with the Town of Innisfil on final design and getting the structure built. Councillor Waters noted he is pleased with the solution to the flooding problem in this area.

V. PRESENTATIONS

- a) LSRCA Fourth Quarter 2019 Financial Update and 2020 Proposed Budget

General Manager, Corporate and Financial Services/CFO, Mark Critch, provided an overview of LSRCA's Fourth Quarter 2019 Financial Report and the 2020 Budget. He thanked staff members Susan McKinnon and Katherine Toffan for a great job and their support throughout the year, as well as the Communications Team, especially Katarina Zeppieri for her support on the Budget Document.

GM Critch outlined the highlights for 2019, which include a small operational surplus, a temporary reserve draw required for offsetting programs, as well as a required draw from reserves to cover the \$64K reduction from MNRF transfer payment. There were some timing differences on some capital projects that were anticipated to be completed in 2019 but moved into 2020. Interest of 2.5% was achieved on investments. He reviewed the procurement summary, the summary of offsetting funds, major projects for 2019, as well as reserve funds.

Moving on to 2020, he advised that the 2019 audited financial statements will require approval at the next meeting. The annual operating priorities (AOPs) for 2020 have been developed, along with the 2020 Proposed Budget set for approval today.

To view this presentation, please click this link: [LSRCA 2019 Financial Results and 2020 Proposed Budget](#)

Moved by: K. Ferdinands

Seconded by: P. Ferragine

BOD-039-20 RESOLVED THAT the presentation by General Manager, Corporate and Financial Services/CFO, Mark Critch, regarding LSRCA's Fourth Quarter 2019 Financial Report and 2020 Proposed Budget be received for information. CARRIED

The Board received Staff Report No. 12-20-BOD regarding the Fourth Quarter 2019 Financial Report.

Moved by: K. Aylwin

Seconded by: A. Eek

BOD-040-20 RESOLVED THAT Staff Report No. 12-20-BOD regarding LSRCA's Fourth Quarter Unaudited Financial Report for the period ending December 31, 2019 be received for information. CARRIED

The Board received Staff Report No. 13-20-BOD and approved the 2020 Budget by weighted vote.

Moved by: V. Hackson

Seconded by: C. Riepma

BOD-041-20 RESOLVED THAT Staff Report No. 13-20-BOD regarding LSRCA's 2020 Proposed Capital and Operating Budget be received; and

FURTHER THAT the 2020 Proposed Capital and Operating Budget and all projects therein be adopted; and

FURTHER THAT LSRCA staff be authorized to enter into agreements and/or execute documents with private sector organizations, non-governmental organizations or governments and their agencies for the undertaking of projects for the benefit of LSRCA and funded by the sponsoring organization or agency, including projects that have not been provided for in the approved budget; and

FURTHER THAT as required by Ontario Regulation 139/96 (formerly O.S. 231/97), this recommendation and the accompanying budget documents, including the schedule of matching and non-matching levies, be approved by weighted vote. CARRIED

Representative	Partner Municipality	YEA	NAY	CVA
Councillor Keenan Aylwin	City of Barrie	X		8.55%
Mayor Dave Barton	Durham Region (Uxbridge)	X		1.94%
Mayor Debbie Bath-Hadden	Durham Region (Brock)	X		1.94%
Mayor Bobbie Drew	Durham Region (Scugog)	X		1.94%
Councillor Avia Eek	York Region (King)	X		9.25%
Regional Chairman Wayne Emmerson (Chair)	York Region (at Large)	X		9.25%
Councillor Ken Ferdinands	York Region (Whitchurch-Stouffville)	X		9.25%
Councillor Peter Ferragine (Vice Chair)	Town of Bradford W. Gwillimbury	X		5.14%
Councillor Wendy Gaertner	York Region (Aurora)	X		9.25%
Councillor Randy Greenlaw	Township of Oro-Medonte	X		1.00%
Mayor Virginia Hackson	York Region (East Gwillimbury)	X		9.25%
Councillor Shira Harrison-McIntyre	Town of New Tecumseth	X		0.49%
Mayor Margaret Quirk	York Region (Georgina)	X		9.25%
Councillor Clare Riepma	City of Barrie	X		8.55%
Regional Councillor Tom Vegh	York Region (Newmarket)	X		9.25%
Councillor Alex Waters	Town of Innisfil	X		4.38%
Councillor Emmett Yeo	City of Kawartha Lakes	absent		0.37%
No representative appointed	Township of Ramara	absent		0.95%
	Total			100.00%

VI. HEARINGS

There were no hearings at this meeting.

VII. DEPUTATIONS

There were no deputations at this meeting.

VIII. DETERMINATION OF ITEMS REQUIRING SEPARATE DISCUSSION

Item No. 1a, 3, 5 and 6 were identified under items requiring separate discussion.

IX. ADOPTION OF ITEMS NOT REQUIRING SEPARATE DISCUSSION

Items No. 1b, 1c, 2, 4, and 7 were identified as items not requiring separate discussion.

Moved by: S. Harrison-McIntyre Seconded by: A. Waters

BOD-042-20 **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**

1. Correspondence

BOD-043-20 **RESOLVED THAT correspondence listed in the agenda as Items 1b) and 1c) be received for information. CARRIED**

2. LSRCA Operational Response to the COVID-19 Pandemic

BOD-044-20 **RESOLVED THAT Staff Report No. 14-20-BOD regarding changes in LSRCA’s operations in response to the COVID-19 pandemic be received for information. CARRIED**

4. Summary of Recently Secured Funding Agreements supporting the Integrated Watershed Management Division

BOD-045-20 **RESOLVED THAT Staff Report No. 16-20-BOD regarding new funding agreements supporting the Integrated Watershed Management Division be received for information. CARRIED**

7. Goodyear Farms Best Management Practices Construction Project to address Agricultural Surface Runoff

BOD-046-20 **RESOLVED THAT Staff Report No. 06-20-BOD regarding LSRCA’s Draft Land Disposition Policy for Municipal Infrastructure and Other Project Considerations be received for information; and**

FURTHER THAT the recommendations and policies contained within this report be approved. CARRIED

X. CONSIDERATION OF ITEMS REQUIRING SEPARATE DISCUSSION

1. Correspondence

Councillor Eek addressed the correspondence from Lake Simcoe Watch, noting that while the discussion paper notes high levels of phosphorus leaving the Holland Marsh, it is missing the fact that the Holland March basin is the recipient of a 65,000-acre watershed. She also noted many of the recommendations in the discussion paper are already being followed and encouraged by Lake Simcoe Conservation Authority and the farming community. CAO Walters noted that LSRCA has no control over the group, Lake Simcoe Watch, and they continually take LSRCA lake data and misinterpret it.

On a separate note, Councillor Waters noted that there was an additional piece of correspondence from the Town of Innisfil Council in support of conservation authorities and asked that it please be included in the next agenda.

Moved by: A. Eek

Seconded by: K. Ferdinands

BOD-047 -20 RESOLVED THAT correspondence listed in the agenda as Items 1a) be received for information. CARRIED

3. Pefferlaw Dam

Mayor Quirk referenced a conversation earlier in the week with LSRCA and Town of Georgina staff and was inquiring about communication out to residents around the Pefferlaw Dam. CAO Walters noted that LSRCA Communications and GIS staff are working with the Town of Georgina staff on communication. Director, Corporate Communications, Kristen Yemm, confirmed that the communications plan is on schedule.

Councillor Eek asked if there is any liability to LSRCA by not putting the stop logs in. CAO Walters noted that the structure is unsafe, hence the recommendation to not put the stop logs in. Staff have looked at what would need to be done to repair it.

Councillor Waters noted that Ducks Unlimited assessed all of their dams across the country about 10 years ago, and it may be worthwhile for LSRCA to seek out their assessment and mitigation tools used.

Moved by: M. Quirk

Seconded by: A. Waters

BOD-048-20 RESOLVED THAT Staff Report No. 15-20-BOD regarding Pefferlaw Dam Ownership, Operational and Structural Status be received; and

FURTHER THAT the following recommendations be approved:

- 1. The dam stop logs will not be installed in 2020 due to structural concerns and staff safety issues;**
- 2. Staff will communicate the status of dam operations with the general public and Town of Georgina;**
- 3. Staff continue to pursue and establish clear ownership of the dam structure and associated properties in consultation with Town of Georgina and Ministry of Natural**

Resources and Forestry and/or the Ministry of Environment, Conservation and Parks;

- 4. Staff engage in consultation with Town of Georgina staff, Ministry of Natural Resources and Forestry and/or the Ministry of Environment, Conservation and Parks and community to discuss long-term options for the Pefferlaw Dam; and**
- 5. Staff will bring updates to the Board of Directors as required. CARRIED**

5. 2020 Conservation Awards Program

Chair Emmerson noted that he enjoyed the 2019 Conservation Awards ceremony. He noted, however, that a number of award recipients were unable to attend, and he wondered if there might be a better date to hold this event for 2020. He also inquired about how COVID-19 may affect the event for 2020. A discussion was held on the conservation awards evening. Staff was directed to consult with the internal awards committee and bring an update back to the Board at the April 24th meeting.

Moved by: D. Barton

Seconded by: C. Riepma

BOD-049-20 RESOLVED THAT Staff Report No. 17-20-BOD regarding the 2020 Conservation Awards program be received; and

FURTHER THAT the viability of hosting a Conservation Awards evening be deferred to the April 24, 2020 meeting.

6. Closure of LSRCA's Conservation Areas – Response to COVID-19 Pandemic

Chair Emmerson addressed the closure of LSRCA Conservation Areas noting there are many issues arising with the parks and trails remaining opening. Several members voiced their concerns on whether or not to keep the conservation areas open. After some discussion, the Board unanimously supported staff's recommendation to keep LSRCA's conservation areas closed for the time being.

Moved by: D. Bath-Hadden

Seconded by: M. Quirk

BOD-050-20 RESOLVED THAT Staff Report No. 18-20-BOD regarding the closure of LSRCA's Conservation Areas in response to the COVID-19 Pandemic be received; and

FURTHER THAT the recommendations provided in the report be supported.

XI. CLOSED SESSION

There were no Closed Session items for this meeting.

XII. OTHER BUSINESS

XIII. ADJOURNMENT

Moved by: W. Gaertner

Seconded by: R. Greenlaw

BOD-051-20 **RESOLVED THAT the meeting be adjourned @ 11.03 a.m. CARRIED**

Original to be signed by:

Regional Chairman W. Emmerson
Chair

Original to be signed by:

Michael Walters
Chief Administrative Officer



TO: Board of Directors
FROM: Katherine Toffan, Manager Finance
DATE: April 15, 2020

SUBJECT: 2019 Draft Audited Financial Statements

RECOMMENDATION: THAT Staff Report No. 20-20-BOD regarding LSRCA’s 2019 Draft Audited Financial Statements be received; and

FURTHER THAT the 2019 Draft Audited Financial Statements be approved; and

FURTHER THAT the Appropriations to and from Reserves as outlined in Schedule 8 of the 2019 Draft Audited Financial Statements be approved; and

FURTHER THAT the pending 2019 Audited Financial Statements be distributed to the Ministry of Natural Resources and Forestry and LSRCA’s banker.

Purpose of Staff Report:

The purpose of this Staff Report No. 20-20-BOD is to update the Board of Directors regarding the review and adoption of LSRCA’S 2019 Draft Audited Financial Statements and to receive approval for all recommended reserve appropriations.

Background:

The 2019 audit began with a preliminary review of the financial procedures in November 2019, followed by the final audit process taking place during March 2020 and final discussions in April. The audit process under the auditing standard CAS 560 – Subsequent Events will be completed once the Board of Directors approves the final 2019 Audited Financial Statements, which is scheduled to take place at the April 24, 2020 Board of Directors’ meeting. LSRCA’s auditors, BDO Canada LLP, will attend this meeting to present the Audit Findings.

Issues:

The draft audited statements are presented in Attachment 1. There have been no financial changes to the information since the last board update and presentation on April 3, 2020.

Accounting standards require that an additional note disclosure related to the uncertainty due to COVID 19 be added to the statements for 2019. The full financial impact of this situation is currently unknown. Finance staff will work with program staff to provide a full update at Q2, including a preliminary look at the impact on revenue streams and a mitigation strategy, if necessary.

There are expected impacts in Revenue Generated by Authority where user fees collected for programs and delays in the revenue recognized on some of the Provincial and Federal programs where work may be deferred to later in the year. We also expect that there will be cost savings in some areas associated with travel, training, and materials that are consumed in some of the user fee driven programming.

Attachment 2 includes 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 2019 audit process. BDO Canada LLP's opinion is that the 2019 financial statements present fairly, in all material respects, the financial position of LSRCA as at December 31, 2019.

Relevance to 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 LSRCA Policy, the audited financial statements have been prepared for the Board of Directors' review on April 24, 2020.

Impact on Authority Finances:

The detailed outline of the reserve (draws) and transfer that are summarized in Schedule 8 of the audited statements is below. This outline was previously provided in the Fourth Quarter 2019 Financial Update – Draft Unaudited Results report that was received by the Board on April 3, 2020.

Proposed Appropriations to/(from) Reserve for 2019:	<u>2019 Budget</u>	<u>2019 Results</u>	<u>Reserve Actions</u>
Surplus/(Deficit) from Operations:			
Draw for Offsetting Program operational expenditures	-	(187,814)	Rate Stabilization
Deficit from Reduction in MNRF Transfer Payment	-	(64,067)	Rate Stabilization
Draw for contribution to NDMP Alcona Flood Relief Project	-	(111,419)	Rate Stabilization
Transfer of Unclaimed Security Deposits	-	61,500	Rate Stabilization
Operational Surplus	-	310,079	Rate Stabilization
*Summary by Service Area provided in next section	-	8,279	
Surplus/(Deficit) from Reserve Decisions:			
Approved Draw for Head Office Emergency Management Survey	(35,000)	(14,059)	Rate Stabilization
Approved Draw for Scanlon Office Infrastructure Project	(200,000)	-	Asset Management
Approved Draw for Education and Training Facility Campaign	(132,169)	(130,170) (1,999)	Restricted Rate Stabilization
Approved Draw for Vehicles	(8,377)	-	Asset Management
Approved Draw for Corporate Services Software Upgrades	(13,600)	-	Working Capital
Approved Draw for LIDAR	(150,000)	-	Working Capital
Approved Draw for Scanlon Farm House and Sheppard's Bush Houses	(15,848)	(3,582)	Asset Management
Approved Draw for Scanlon Boardwalk	(36,573)	(5,299)	Asset Management
Approved Draw for Consulting Obligations	(41,131)	-	Working Capital
Approved Transfer of Asset Management Funds from York	208,000	208,000	Asset Management
Approved Transfer of Investment Interest	110,000	66,585	Rate Stabilization
	(314,698)	119,476	
Surplus/(Deficit) from Additional Items:			
Approved Draw for Scanlon Office Infrastructure Project	(400,000)	-	Asset Management
	(400,000)	-	
Net Change in Reserves	(314,698)	127,755	

Summary and Recommendations:

It is therefore RECOMMENDED THAT Staff Report No. 20-20-BOD regarding LSRCA's 2019 Draft Audited Financial Statements be received; and FURTHER THAT the 2019 Draft Audited Financial Statements be approved; and FURTHER THAT the Appropriations to and from Reserves as outlined in Schedule 8 of the 2019 Draft Audited Financial Statements be approved; and FURTHER THAT the pending 2019 Audited Financial Statements be distributed to the Ministry of Natural Resources and Forestry and LSRCA's banker.

Pre-Submission Review:

This Staff Report has been reviewed by the General Manager, Corporate & Financial Services/CFO and the Chief Administrative Officer.

Report prepared by: Katherine Toffan, Manager Finance

Signed by:

Mark Critch
General Manager, Corporate &
Financial Services/CFO

Signed by:

Mike Walters
Chief Administrative Officer

Attachments:

1. 2019 Draft Audited Financial Statements
2. Appendix 2 – Final Audit Report to the Board of Directors

Lake Simcoe Region Conservation Authority
***DRAFT* Financial Statements**
Year ended December 31, 2019

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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, 2019, 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, 2019, 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 judgment 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

DRAFT – FOR DISCUSSION PURPOSES ONLY

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 Conservation Ontario 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

Newmarket, Ontario

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**Lake Simcoe Region Conservation Authority
DRAFT Statement of Financial Position**

Year Ended December 31	2019	2018
Financial Assets		
Cash and cash equivalents	\$ 7,811,334	\$ 7,089,076
Accounts receivable and other assets (Note 4)	2,004,915	1,652,525
	<u>\$ 9,816,249</u>	<u>\$ 8,741,601</u>
Liabilities		
Accounts payable and accrued liabilities	\$ 1,742,680	\$ 1,015,239
Obligations under capital lease (Note 5)	26,100	22,229
Deferred revenue (Note 6)	5,564,887	5,268,535
Security deposits	-	71,500
Vacation pay and lieu time accruals	132,787	141,471
	<u>7,466,454</u>	<u>6,518,974</u>
Net Financial Assets	<u>2,349,795</u>	<u>2,222,627</u>
Non Financial Assets		
Inventory of supplies and prepaid expenses	134,301	146,920
Tangible capital assets (net) (Schedule 10)	10,997,795	9,813,414
	<u>11,132,096</u>	<u>9,960,334</u>
Accumulated Surplus (Schedule 9)	<u>\$ 13,481,891</u>	<u>\$ 12,182,961</u>
Contingent liabilities (Note 10)	-	-

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	2019 Budget (Note 3)	2019 Actual	2018 Actual
Revenue :			
General Levy	\$ 3,898,498	\$ 3,898,491	\$ 3,776,841
Special Capital Levy & Municipal Partners	7,999,069	7,292,864	5,703,825
Provincial & Federal Funding	1,708,504	1,658,965	1,717,760
Revenue Generated by Authority	6,966,586	3,403,598	3,341,924
Other Revenue	451,344	368,452	228,190
Total Revenue	<u>21,024,001</u>	<u>16,622,370</u>	<u>14,768,540</u>
Expenses:			
Corporate Services	7,001,672	5,684,706	4,793,844
Ecological Management	5,330,113	3,173,749	2,760,983
Education & Engagement	584,309	575,189	557,240
Greenspace Services	998,279	894,853	845,378
Planning & Development Services	3,654,946	3,382,093	2,957,856
Water Risk Management	3,472,520	2,557,752	2,483,406
Watershed Studies & Strategies	2,296,968	2,051,113	1,575,333
Total Gross Expenses:	<u>23,338,807</u>	<u>18,319,455</u>	<u>15,974,040</u>
Expenses included above related to:			
Tangible Capital Assets	-	1,516,473	963,246
Internal Fee for Service	2,000,109	1,823,462	1,125,121
Expenses before Amortization	21,338,698	14,979,520	13,885,673
Amortization	-	343,920	343,692
	<u>21,338,698</u>	<u>15,323,440</u>	<u>14,229,365</u>
Net surplus (deficit) for the year	<u>\$ (314,697)</u>	<u>\$ 1,298,930</u>	<u>\$ 539,175</u>

See accompanying notes to the financial statements.

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

Year Ended December 31	2019 Budget (Note 3)	2019 Actual	2018 Actual
Net surplus (deficit) for the year	(314,697)	1,298,930	539,175
Acquisition of tangible capital assets - net	-	(1,516,473)	(963,246)
Acquisition of capital leases	-	(13,206)	(30,731)
Disposal of tangible capital assets	-	1,378	-
Amortization of tangible capital assets	-	343,920	343,692
Change in inventory and prepaid expenses	-	12,619	(50,499)
Increase (decrease) in net financial assets	(314,697)	127,168	(161,609)
Net financial assets, beginning of year	<u>2,222,627</u>	<u>2,222,627</u>	<u>2,384,236</u>
Net financial assets, end of year	<u>1,907,930</u>	<u>2,349,795</u>	<u>2,222,627</u>

See accompanying notes to the financial statements.

Lake Simcoe Region Conservation Authority
DRAFT Statement of Cash Flows

Year Ended December 31	2019 Actual	2018 Actual
Operations:		
Net surplus (deficit) for the year	1,298,930	539,175
Items not involving cash		
Amortization	343,920	343,692
Gain on disposal of Tangible Capital Assets	(3,153)	-
Change in non-cash operating balances		
(Increase) in Accounts Receivable and Other Assets	(352,390)	(887,815)
(Increase) Decrease in Inventory and Prepaid Expenses	12,619	(50,499)
Increase (Decrease) in Accounts Payable and Accrued Liabilities	727,441	(81,949)
(Decrease) in Obligations under Capital Lease	(9,335)	(8,502)
(Decrease) in Security Deposits	(71,500)	-
Increase (Decrease) in Vacation Pay and Lieu Time Accruals	(8,684)	52,398
Increase in Deferred Revenue	296,352	2,025,333
	2,234,200	1,931,833
Capital Transactions:		
Proceeds on disposition of Tangible Capital Assets	4,531	-
Addition to Tangible Capital Assets	(1,516,473)	(963,246)
	(1,511,942)	(963,246)
Net Increase in Cash and Cash Equivalents	722,258	968,587
Cash and Cash Equivalents, beginning of year	7,089,076	6,120,489
Cash and Cash Equivalents, end of year	7,811,334	7,089,076

See accompanying notes to the financial statements.

Lake Simcoe Region Conservation Authority

DRAFT Notes to the Financial Statements

December 31, 2019

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 objectives of the Authority as stated in Section 20(1) of the Conservation Authorities Act R.S.O. 1990 are, “to provide, in the area over which it has jurisdiction, programs and services designed to further the conservation, restoration, development and management of natural resources, other than gas, oil, coal and minerals.”

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.

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, 2019

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	20 to 40 years
Furniture and Fixtures	20 to 25 years
Machinery and Equipment	4 to 10 years
Vehicles	5 to 10 years
Computers and Computer Software	4 to 10 years
Infrastructure	20 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
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Cash and cash equivalents

The Authority considers deposits in banks and short term investments with maturities of three months or less as cash and cash equivalents.

Lake Simcoe Region Conservation Authority

DRAFT Notes to the Financial Statements

December 31, 2019

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

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.

Government transfers

Government transfers 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. Transfers are recognized as deferred revenue when transfer stipulations give rise to a liability. Transfer revenue is recognized in the statement of operations as the stipulation liabilities are settled.

Deferred revenue

The Authority receives certain restricted amounts, the proceeds of which may only be used in the conduct of certain programs or completion of specific work or for the purchase of tangible capital assets. These externally restricted amounts are recognized as revenue in the fiscal year the related expenses are incurred, assets are acquired or services are performed.

Use of estimates

The preparation of 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 at the date of the financial statements, and the reported amounts of revenue and expenses during the year. The principal estimates used in the preparation of these financial statements include the useful life and valuation of tangible capital assets, significant accruals, and deferred revenue. Actual results could differ from management's best estimates as additional information becomes available in the future.

Lake Simcoe Region Conservation Authority

DRAFT Notes to the Financial Statements

December 31, 2019

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

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 the amount paid to OMERS during the year.

Liability for contaminated sites

A contaminated site is a site at which substances occur in concentrations that exceed the maximum acceptable amounts under an environmental standard. Sites that are currently in productive use are only considered a contaminated site if an unexpected event results in contamination. A liability for remediation of contaminated sites is recognized when the Authority is directly responsible or accepts responsibility; it is expected that future economic benefits will be given up; and a reasonable estimate of the amount can be made. The liability includes all costs directly attributable to remediation activities including post remediation operations, maintenance and monitoring. The liability is recorded net of any expected recoveries.

3. Budget figures

The approved budget for 2019 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 2019 budget was approved by the Board of Directors when the municipal levy was set on March 22, 2019.

Lake Simcoe Region Conservation Authority
DRAFT Notes to the Financial Statements

December 31, 2019

4. Accounts receivable and other assets

	<u>2019</u>	<u>2018</u>
Accounts receivable	\$ 1,686,147	\$ 1,447,484
Due from Lake Simcoe Conservation Foundation	204,786	130,935
HST receivable	113,982	74,106
	<u>\$ 2,004,915</u>	<u>\$ 1,652,525</u>

5. Obligations Under Capital Leases

	<u>2019</u>	<u>2018</u>
Obligation under a capital lease for a Sharp MX4070N Copier, maturing May 2022 with monthly payments of \$280.	\$ 7,846	\$ 11,208
Obligation under a capital lease for a Sharp MX4070N Copier, maturing February 2022 with monthly payments of \$290.	7,250	11,021
Obligation under a capital lease for a Sharp MX4071 Copier, maturing April 2023 with monthly payments of \$275.	11,004	-
	<u>\$ 26,100</u>	<u>\$ 22,229</u>

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

2020	10,144
2021	10,144
2022	5,001
2023	811
	<u>\$ 26,100</u>

**Lake Simcoe Region Conservation Authority
DRAFT Notes to the Financial Statements**

December 31, 2019

6. Deferred revenue

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

	2019	2018
Government and Other Funding		
Ministry of Natural Resources and Forestry	\$ -	\$ 30,589
Ministry of the Environment, Conservation and Parks	5,928	19,783
Cash in lieu and compensation funds	4,183,187	2,825,885
Holland Marsh Tile Outlet	208	10,354
Scanlon Boardwalk	-	20,877
Restoration Projects	30,321	157,668
Planning and Regulations	94,338	102,975
Macro-Economic Study	80,577	35,000
Conservation Area Maintenance	14,331	-
Watershed Planning	4,241	-
Special Capital Programs		
Facility Management	343,803	1,194,780
Governance	32,845	34,671
Human Resource Management	59,991	71,962
Information Management	22,316	3,822
Ecosystem Science & Monitoring	42,850	48,858
Forestry Services	68,564	85,195
Ecological Restoration & Regeneration	126,391	234,672
Flood Management & Warning	193,144	124,084
Water Management & Restoration	92,171	66,953
Water Science & Monitoring	20,327	9,246
Climate Change Adaptation	18,008	47,914
Watershed & Subwatershed Planning	38,938	61,029
Research & Innovation	92,408	82,218
	\$ 5,564,887	\$ 5,268,535

Lake Simcoe Region Conservation Authority

DRAFT Notes to the Financial Statements

December 31, 2019

7. Financial instruments

The fair values of cash, short term investments, accounts receivable, accounts payable and accrued liabilities, security deposits and vacation pay and lieu time accruals approximate their carrying values because of their expected short term maturity and treatment on normal trade terms.

8. 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 approximately 500,000 active and retired members and approximately 1000 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, 2019. The results of this valuation disclosed total actuarial liabilities of \$107.7 billion in respect of benefits accrued for service with actuarial assets at that date of \$104.3 billion indicating an actuarial funding deficit of \$3.4 billion. Because OMERS is a multi-employer plan, any pension plan surpluses or deficits are a joint responsibility of Ontario municipal 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 2019 were \$888,902 (2018 - \$805,679).

9. Credit facility

The Authority maintains an operating line facility with an operating limit of \$500,000 which bears interest at prime plus .50% and is due on demand. As of December 31, 2019, no balance was payable under this facility.

Lake Simcoe Region Conservation Authority

DRAFT Notes to the Financial Statements

December 31, 2019

10. Contingent liabilities

Certain unresolved legal claims are outstanding against the Authority at December 31, 2019. 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.

11. 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 \$568,127 (2018 - \$424,385) from the Foundation towards specific program deliverables. Additionally, the Authority received from the Foundation \$329,123 (2018 - \$252,369) for expense reimbursement of Foundation related expenses. These transactions are measured at cost. In 2019 the Foundation received a donation of \$132,169 (2018 – \$79,745) from the Authority to cover a portion of the costs related to the Connect Campaign.

12. Comparative information

Certain comparative amounts have been re-classified to conform to the financial statement presentation adopted in the current year.

13. Uncertainty Due to COVID-19

Subsequent to year end, the impact of COVID-19 in Canada and on the global economy increased significantly.

If the impacts of COVID-19 continue there could be further impact on the Authority and its major funders, participants, suppliers and other third party business associates that could impact the timing and amounts realized on the Authority's assets and future operations. At this time, the full potential impact of COVID-19 on the Authority is not known.

Lake Simcoe Region Conservation Authority
DRAFT Schedule 1 – Corporate Services

Year Ended December 31	2019 Budget (Note 3)	2019 Actual	2018 Actual
Revenue :			
General Levy	\$ 2,688,745	\$ 2,688,738	\$ 2,601,617
Special Capital Levy & Municipal Partners	2,455,075	2,120,727	1,012,667
Provincial & Federal Funding	3,800	1,962	3,800
Revenue Generated by Authority	237,223	122,849	95,730
Other Revenue	257,304	156,247	149,330
Total Revenue	<u>5,642,147</u>	<u>5,090,523</u>	<u>3,863,144</u>
Expenses:			
Corporate Communications	696,358	650,099	641,633
Facility Management	2,278,540	1,708,747	883,326
Financial Management	1,454,864	1,097,445	988,168
Governance	702,689	623,716	630,361
Human Resource Management	530,942	450,271	486,176
Information Management	1,338,279	1,154,428	1,164,180
Total Gross Expenses:	<u>7,001,672</u>	<u>5,684,706</u>	<u>4,793,844</u>
Expenses included above related to:			
Tangible Capital Assets	-	1,066,075	294,469
Internal Fee for Service	1,096,879	911,923	831,181
Expenses before Amortization	5,904,793	3,706,708	3,668,194
Amortization	-	343,920	343,692
	<u>5,904,793</u>	<u>4,050,628</u>	<u>4,011,886</u>
Net surplus (deficit) for the year	<u>\$ (262,646)</u>	<u>\$ 1,039,895</u>	<u>\$ (148,742)</u>

**Lake Simcoe Region Conservation Authority
DRAFT Schedule 2 – Ecological Management**

Year Ended December 31	2019 Budget (Note 3)	2019 Actual	2018 Actual
Revenue :			
General Levy	\$ 9,454	\$ 9,454	\$ 8,379
Special Capital Levy & Municipal Partners	2,000,046	1,860,627	1,648,857
Provincial & Federal Funding	241,636	239,021	291,810
Revenue Generated by Authority	2,704,102	491,540	582,264
Other Revenue	18,000	48,015	30,668
Total Revenue	4,973,238	2,648,657	2,561,978
Expenses:			
Ecosystem Science & Monitoring	890,279	880,585	705,807
Forestry Services	593,256	526,670	518,811
Restoration & Regeneration	3,846,578	1,766,494	1,536,365
Total Gross Expenses:	5,330,113	3,173,749	2,760,983
Expenses included above related to:			
Tangible Capital Assets	-	401,899	562,483
Internal Fee for Service	356,875	411,514	145,249
Expenses before Amortization	4,973,238	2,360,336	2,053,251
Amortization	-	-	-
	4,973,238	2,360,336	2,053,251
Net surplus for the year	\$ -	\$ 288,321	\$ 508,727

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

Year Ended December 31	2019 Budget (Note 3)	2019 Actual	2018 Actual
Revenue :			
General Levy	\$ 316,313	\$ 316,313	\$ 298,432
Revenue Generated by Authority	257,276	273,459	268,483
Other Revenue	-	6,102	2,988
Total Revenue	<u>573,589</u>	<u>595,874</u>	<u>569,903</u>
Expenses:			
Community Programming	93,840	89,201	94,294
School Programming	442,112	435,076	417,258
Training & Development	48,357	50,912	45,688
Total Gross Expenses:	<u>584,309</u>	<u>575,189</u>	<u>557,240</u>
Expenses included above related to:			
Tangible Capital Assets	-	-	1,476
Internal Fee for Service	10,720	10,720	1,011
Expenses before Amortization	<u>573,589</u>	<u>564,469</u>	<u>554,753</u>
Amortization	-	-	-
	<u>573,589</u>	<u>564,469</u>	<u>554,753</u>
Net surplus for the year	<u>\$ -</u>	<u>\$ 31,405</u>	<u>\$ 15,150</u>

Lake Simcoe Region Conservation Authority
DRAFT Schedule 4 – Greenspace Services

Year Ended December 31	2019 Budget (Note 3)	2019 Actual	2018 Actual
Revenue :			
General Levy	\$ 304,692	\$ 304,692	\$ 291,922
Special Capital Levy & Municipal Partners	343,046	441,716	389,649
Provincial & Federal Funding	-	-	1,166
Revenue Generated by Authority	82,422	88,380	60,106
Other Revenue	122,586	10,618	32,223
Total Revenue	852,746	845,406	775,066
Expenses:			
Management	665,356	703,940	658,430
Property Services	95,102	79,592	72,527
Recreation	57,450	-	1,333
Securement	180,371	111,321	113,088
Total Gross Expenses:	998,279	894,853	845,378
Expenses included above related to:			
Tangible Capital Assets	-	-	-
Internal Fee for Service	93,482	66,420	50,978
Expenses before Amortization	904,797	828,433	794,400
Amortization	-	-	-
	904,797	828,433	794,400
Net surplus (deficit) for the year	\$ (52,051)	\$ 16,973	\$ (19,334)

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

Year Ended December 31	2019 Budget (Note 3)	2019 Actual	2018 Actual
Revenue :			
General Levy	\$ 484,763	\$ 484,763	\$ 484,763
Special Capital Levy & Municipal Partners	390,498	390,499	383,332
Provincial & Federal Funding	43,415	170,469	43,415
Revenue Generated by Authority	2,736,270	2,167,752	2,083,304
Other Revenue	-	71,500	450
Total Revenue	3,654,946	3,284,983	2,995,264
Expenses:			
Development Planning	1,824,742	1,657,137	1,464,175
Environmental Compliance Approvals	141,279	132,162	119,666
Permitting & Enforcement	1,688,925	1,592,794	1,374,015
Total Gross Expenses:	3,654,946	3,382,093	2,957,856
Expenses included above related to:			
Tangible Capital Assets	-	-	65,746
Internal Fee for Service	-	9,300	3,246
Expenses before Amortization	3,654,946	3,372,793	2,888,864
Amortization	-	-	-
	3,654,946	3,372,793	2,888,864
Net surplus (deficit) for the year	\$ -	\$ (87,810)	\$ 106,400

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

Year Ended December 31	2019 Budget (Note 3)	2019 Actual	2018 Actual
Revenue :			
General Levy	\$ 94,531	\$ 94,531	\$ 91,728
Special Capital Levy & Municipal Partners	1,548,769	1,378,275	1,383,451
Provincial & Federal Funding	817,212	645,632	740,846
Revenue Generated by Authority	849,293	238,859	225,016
Other Revenue	2,067	5,700	6,001
Total Revenue	3,311,872	2,362,997	2,447,042
Expenses:			
Flood Management & Warning	470,270	381,717	454,258
Source Water Protection	660,024	528,634	522,925
Water Management & Restoration	1,890,937	1,163,186	1,027,194
Water Science & Monitoring	451,289	484,215	479,029
Total Gross Expenses:	3,472,520	2,557,752	2,483,406
Expenses included above related to:			
Tangible Capital Assets	-	48,499	19,025
Internal Fee for Service	160,648	156,583	74,267
Expenses before Amortization	3,311,872	2,352,670	2,390,114
Amortization	-	-	-
	3,311,872	2,352,670	2,390,114
Net surplus for the year	\$ -	\$ 10,327	\$ 56,928

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

Year Ended December 31	2019 Budget (Note 3)	2019 Actual	2018 Actual
Revenue :			
Special Capital Levy & Municipal Partners	\$ 1,261,635	\$ 1,101,020	\$ 885,869
Provincial & Federal Funding	602,441	601,881	636,723
Revenue Generated by Authority	100,000	20,759	27,021
Other Revenue	51,387	70,270	6,530
Total Revenue	<u>2,015,463</u>	<u>1,793,930</u>	<u>1,556,143</u>
Expenses:			
Climate Change Adaptation	360,880	341,809	214,652
Research & Innovation	1,379,806	1,164,882	732,890
Watershed Subwatershed Planning	556,282	544,422	627,791
Total Gross Expenses:	<u>2,296,968</u>	<u>2,051,113</u>	<u>1,575,333</u>
Expenses included above related to:			
Tangible Capital Assets	-	-	20,047
Internal Fee for Service	281,505	257,002	19,189
Expenses before Amortization	<u>2,015,463</u>	<u>1,794,111</u>	<u>1,536,097</u>
Amortization	-	-	-
	<u>2,015,463</u>	<u>1,794,111</u>	<u>1,536,097</u>
Net surplus (deficit) for the year	<u>\$ -</u>	<u>\$ (181)</u>	<u>\$ 20,046</u>

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

Year Ended December 31

Reserve Category	Opening Balance January 1, 2019	Appropriations to/(from) Reserve	Ending Balance December 31, 2019
Asset Management	895,660	199,118	1,094,778
Working Capital	550,318	-	550,318
Rate Stabilization	790,344	58,807	849,151
Restricted	163,957	(130,170)	33,787
Grand Total	2,400,279	127,755	2,528,034

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

Year Ended December 31	2019 Actual	2018 Actual
Opening Accumulated Surplus	12,182,961	11,643,786
Current Year Surplus	1,298,930	539,175
Ending Accumulated Surplus	13,481,891	12,182,961

Accumulated Surplus consists of:

Tangible Capital Assets (net)	10,997,795	9,813,414
Unfunded Capital Leases	(43,938)	(30,732)
Reserves (Schedule 8)	2,528,034	2,400,279
Ending Accumulated Surplus	13,481,891	12,182,961

Lake Simcoe Region Conservation Authority
DRAFT Schedule 10 – Schedule of Tangible Capital Assets

December 31, 2019

	Land	Land Improvements	Building & Building Improvements	Computer & Computer Software	Furniture & Fixtures	Machinery & Equipment	Vehicles	Infrastructure	Work in Process	2019	2018
Cost											
Opening Balance	\$ 5,475,119	\$ 612,053	\$ 5,475,166	\$ 1,432,473	\$ 382,619	\$ 729,471	\$ 396,948	\$ 362,959	\$ 268,023	\$ 15,134,831	\$ 14,231,871
Additions	340,440	-	-	41,304	-	62,330	-	58,461	1,027,144	1,529,679	993,977
Disposals	-	-	-	(194,929)	-	(37,460)	(22,654)	-	-	(255,043)	(91,017)
Ending Balance	5,815,559	612,053	5,475,166	1,278,848	382,619	754,341	374,294	421,420	1,295,167	16,409,467	15,134,831
Accumulated Amortization											
Opening Balance	-	105,770	2,898,507	1,205,838	165,764	507,600	264,904	173,034	-	5,321,417	5,068,742
Amortization	-	30,621	102,307	110,417	19,063	51,455	21,983	8,074	-	343,920	343,692
Disposals	-	-	-	(194,374)	-	(37,460)	(21,831)	-	-	(253,665)	(91,017)
Ending Balance	-	136,391	3,000,814	1,121,881	184,827	521,595	265,056	181,108	-	5,411,672	5,321,417
Net Book Value	\$ 5,815,559	\$ 475,662	\$ 2,474,352	\$ 156,967	\$ 197,792	\$ 232,746	\$ 109,238	\$ 240,312	\$ 1,295,167	\$ 10,997,795	\$ 9,813,414



LAKE SIMCOE REGION CONSERVATION AUTHORITY

AUDIT FINAL REPORT TO THE BOARD OF DIRECTORS

April 24, 2020

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SUMMARY

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.



Status of the Audit

As of the date of this report, we have substantially completed our audit of the 2019 financial statements, pending completion of the following items:

- ▶ Receipt of signed management representation letter
- ▶ Subsequent events review through to financial statement approval date
- ▶ Approval of financial statements by Board of Directors

We conducted our audit in accordance with Canadian generally accepted auditing standards. The objective of our audit was to obtain reasonable, not absolute, assurance about whether the financial statements are free from material misstatement. See [Appendix A](#) for our draft independent auditor's report.

The scope of the work performed was substantially the same as that described in our Planning Report to Board of Directors dated February 14, 2020.



Materiality

As communicated to you in our Planning Report to the Board of Directors, preliminary materiality was \$300,000. Final materiality was \$460,000.



Audit Findings

Our audit focused on the risks specific to your business and key accounts. Our discussion points below focus on areas of significant risks of material misstatement, or the following items:

- ▶ Management Override of Controls
- ▶ Grant Revenue Recognition and Pressure to Maintain Funding



Internal Control Matters

We are required to report to you in writing, any significant deficiencies in internal control that we have identified. The specifics of this communication are included in our report below. No control deficiencies were noted that, in our opinion, are of significant importance to discuss with those charged with governance.



Independence

Our annual letter confirming our independence was previously provided to you. We know of no circumstances that would cause us to amend the previously provided letter.



Unadjusted Differences

No unadjusted differences were identified through the course of our audit engagement. Should the Board of Directors agree with this assessment, we do not propose further adjustments.



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 summarizes the representations we have requested from management will be provided.



Fraud Discussion

Through our planning process, and current and prior years' audits, we have developed an understanding of your oversight processes. We are not currently aware of any fraud affecting the Authority.

If you are aware of changes to processes or are aware of any instances of actual, suspected or alleged fraud affecting the Authority since our discussions held at planning, we request that you provide us with this information.

Please refer to the Auditor's Responsibilities for Detecting Fraud in the Planning Report to the Board of Directors.

AUDIT FINDINGS

As part of our ongoing communications with you, we are required to have a discussion on our views about significant qualitative aspects of the Authority's accounting practices, including accounting policies, accounting estimates and financial statement disclosures. In order to have a frank and open discussion, these matters will be discussed verbally with you. A summary of the key discussion points are as follows:

SIGNIFICANT RISKS OF MATERIAL MISSTATEMENT	RISKS NOTED	AUDIT FINDINGS
Management Override of Control	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.
Grant Revenue Recognition and Pressure to Maintain Funding	Due to the nature of the Authority, there are many journal entries between deferred revenue and revenue, and with the government transfers standard requirement to meet specific criteria to be deferred or recognized as revenue this area has been determined to be a significant risk.	BDO performed substantive audit procedures on deferred revenue from grants. Thresholds for cut-off testing were lowered, completeness of accruals was examined, and journal entries recorded between projects were reviewed.

INTERNAL CONTROL MATTERS

During the course of our audit, we performed the following procedures with respect to the Authority's internal control environment:

- ▶ Documented operating systems to assess the design and implementation of control activities that were relevant to the audit.
- ▶ Discussed and considered potential audit risks with management.

The results of these procedures were considered in determining the extent and nature of substantive audit testing required.

We are required to report to you in writing, significant deficiencies in internal control that we have identified during the audit. A significant

deficiency is defined as a deficiency or combination of deficiencies in internal control that, in the auditor's professional judgment, is of sufficient importance to merit the attention of those charged with governance.

As the purpose of the audit is for us to express an opinion on the Authority's financial statements, our audit cannot be expected to disclose all matters that may be of interest to you. As part of our work, we considered internal control relevant to the preparation of the financial statements such that we were able to design appropriate audit procedures. This work was not for the purpose of expressing an opinion on the effectiveness of internal control.

No control deficiencies were noted that, in our opinion, are of significant importance to discuss with those charged with governance.

OTHER REQUIRED COMMUNICATIONS

Potential effect on the financial statements of any material risks and exposures, such as pending litigation, that are required to be disclosed in the financial statements.

- BDO Response: No such items noted.

Material uncertainties related to events and conditions that may cast significant doubt on the entity's ability to continue as a going concern.

- BDO Response: No such items noted.

Disagreements with management about matters that, individually or in the aggregate, could be significant to the Authority's financial statements or our audit report.

- BDO Response: No such instances noted.

Matters involving non-compliance with laws and regulations.

- BDO Response: No such instances noted.

Significant related party transactions that are not in the normal course of operations and which involve significant judgments made by management concerning measurement or disclosure.

- BDO Response: No such items noted.

Management consultation with other accountants about significant auditing and accounting matters.

- BDO Response: No such instances noted.

Other Matters

- BDO Response: No other matters noted.

Professional standards require independent auditors to communicate with those charged with governance certain matters in relation to an audit. In addition to the points communicated within this letter, the attached table summarizes these additional required communications.

APPENDICES

Appendix A: Draft independent auditor's report

Appendix B: BDO resources



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APPENDIX A: 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, 2019, 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, 2019, 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 judgment 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 Conservation Ontario 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

Newmarket, Ontario

April 24, 2020

APPENDIX B: BDO RESOURCES

BDO is a leading provider of professional services to clients of all sizes in virtually all business sectors. Our team delivers a comprehensive range of assurance, accounting, tax, and advisory services, complemented by a deep industry knowledge gained from nearly 100 years of working within local communities. As part of the global BDO network, we are able to provide seamless and consistent cross-border services to clients with global needs. Commitment to knowledge and best practice sharing ensures that expertise is easily shared across our global network and common methodologies and information technology ensures efficient and effective service delivery to our clients.

Outlined below is a summary of certain BDO resources, which may be of interest to the Board of Directors.

COVID-19 Updates

<https://www.bdo.ca/en-ca/covid-19/home/>

Above is our BDO Canada home page for COVID-19 for all the latest news and updates.

Board of Directors Resource Centre

Board members are essential to the ongoing success of a not-for-profit organization. Their knowledge and guidance help ensure all the moving parts of the organization are functioning at optimal levels.

Supporting key activities is fundamental to a board member's role and for this reason, it's important to be proficient across the ongoing issues facing the sector—to confidently ask the right questions and make the appropriate recommendations.

BDO presents its Not-for-Profit Resource Centre focused on key areas of consideration for not-for-profit board members—with a focus on addressing key issues across the Not-for-Profit sector.

[Click here to visit our resource centre](#)

Some of the specific issues include:

- Fraud
- Financial Literacy
- Governance
- Strategic Planning
- Crisis Management



**EXTRACT FROM TOWN OF INNISFIL
COUNCIL MEETING OF
WEDNESDAY, MARCH 11, 2020**

MOTION FOR WHICH NOTICE HAS BEEN PROVIDED

**Provided By: Councillor R. Nicol
Re: Conservation Authority**

**Moved By: Councillor R. Nicol
Seconded By: Councillor A. Waters**

WHEREAS the Town of Innisfil is a member of both the Lake Simcoe Regional Conservation Authority (LSRCA) and the Nottawasaga Valley Conservation Authority (NVCA) and has a representative on each of their board of directors; and

WHEREAS each of these boards of directors determine the policies, priorities and the budgets of their respective Conservation Authorities (CA's); and

WHEREAS municipalities and towns are principal funding sources of Conservation Authorities; and

WHEREAS provincial contributions are now less than 2% of the budgets of the NVCA and LSRCA; and

WHEREAS many non-mandated functions of CA's provide additional funding sources offsetting municipal levies; and

WHEREAS each CA provides the Town of Innisfil with expert information on the environmental impacts of land use planning proposals; and

WHEREAS these CA's also provide the residents of the Town of Innisfil with many programs and services that include education, recreation, water quality monitoring along with flooding and erosion; and

WHEREAS Ontario is experiencing more extreme rain fall events resulting in more flooding in our communities making CA's information and data more crucial than ever; and

WHEREAS more homeowners are finding it difficult to find insurance companies willing to insure flood prone homes; and

NOW THEREFORE be it resolved that the Town of Innisfil fully supports the continuation of the programs and services of the Conservation Authorities both mandated and non-mandated and that no programs nor services of the LSRCA, NVCA or any other CA's in Ontario be wound down at this time; and

FURTHER THAT the Minister of Environment, Conservation and Parks be requested to give clear direction and justifications as to which programs and services are to be considered mandatory and non-mandatory and how these are to be funded going forward; and

FURTHER That the Ministry of Environment, Conservation and Parks consider creating a funding model that could facilitate the ability of CA's and municipalities to purchase hazard prone properties in which multiple flooding events have made it impossible for homeowners to purchase flood insurance and where mitigation efforts have not worked or are too expensive to implement and whereas the purchase of these properties would increase natural green infrastructure to better alleviate flooding, improve water quality, and reduce phosphorous levels in watercourses including Lake Simcoe; and

FURTHER THAT this resolution be forwarded to The Honorable Jeff Yurek the Minister of the Environment Conservation and Parks, The Honorable Steve Clark the Minister of Municipal Affairs and Housing, The Honourable John Yakabuski the Minister of Natural Resources & Forestry, Premier Doug Ford, MPP Andrea Khanjin, the Association of Municipalities of Ontario, Conservation Ontario, the Lake Simcoe Regional Conservation Authority, and the Nottawasaga Conservation Authority.

CARRIED



TO: Board of Directors

FROM: Michael Walter, Chief Administrative Officer

DATE: April 16, 2020

SUBJECT: LSRCA Business Continuity and Operational Response to Provincial State of Emergency resulting from the COVID-19 Pandemic

RECOMMENDATION: THAT Staff Report No. 21-20-BOD regarding the update in LSRCA's business continuity and operations in response to the COVID-19 pandemic be received for information.

Purpose of Staff Report:

The purpose of this Staff Report No. 21-20-BOD is to provide the Board of Directors with an update regarding the business continuity and continuing operational response to current state of emergency resulting from the COVID-19 pandemic.

Background:

In response to the growing threat of COVID-19 and after careful consideration and consultation with the executive management team, LSRCA offices closed on March 17, 2020. Due to the ongoing state of emergency declared by the Province, the offices will continue to remain closed until the Province notifies otherwise and declares the state of emergency over.

Although the office is closed to the public, staff have been able to continue to provide services by working remotely from home thanks to a significant effort by Information Technology (IT) staff. All staff have access to LSRCA data and files through our virtual private network (VPN) and thanks to a recent upgrade to Office 365 and its program called Teams, meetings are continuing virtually. This has enabled staff to stay connected and continue to provide services to the public and our member municipalities.

As the necessity of working remotely continues, staff have continued to identify and implement new processes and technological changes to improve client service. This report serves as a high-level update to the Board regarding some of these changes and provides a review of the different divisional activities across the organization.

Office of the CAO

In recent weeks the pandemic has diverted resources and attention away from more strategic goals; however, as time progresses and challenges of the remote work environment are addressed, business is getting back to normal. Work to complete the program and service review has continued and efforts to identify alternate means of consultation with member municipalities, other partners and stakeholders is being arranged. The main impact of the lost productivity may be a delay in the production of the draft strategic plan for 2020.

Another core activity impacted is the presentation of the budget companion document to our member municipalities. Efforts to virtually present the document to Councils are being evaluated. Should this alternative not be feasible, presentations would need to wait until the current state of emergency is cancelled.

Corporate Communications

As an enabling service, Corporate Communications has been busy working with internal departments (predominantly Education, Forestry and Green Space Services) to create new channels, target marketing and promotion to support adapted programs and services. Additionally, there has been a significant amount of communications work completed to-date to provide updates on the status of all LSRCA programs and services to our partners, stakeholders and the public. This has necessitated some short-term scheduling changes affecting the delivery of internal products for some departments; however, critical communication needs continue to be met, as well as the majority of business-as-usual. The communications work plan is anticipated to be completed as proposed, with the exception of the 2020 Annual Conservation Awards night, which is being recommended for cancellation in Staff Report No. 24-20-BOD included in this agenda.

Communications products such as the 2020 Budget Companion Document, Conservation Matters articles, AODA compliance work, Foundation Connect campaign support and individual departmental communications needs are still planned for completion in 2020. Currently there is no anticipated financial change to the department except that there will be a small savings associated with the postponement of the Conservation Awards.

Human Resources

The Human Resources department also experienced a brief change in workload associated with adapting policy and program to accommodate the move to a remote workplace.

Currently Human Resources staff are conducting weekly employee engagement conversations to connect with employees to ensure they are adapting, both mentally and physically, to their new telecommuting arrangements. This requires a day of time to personally connect with the more than ninety employees across the organization. Virtual recruitments were continued during the initial weeks to ensure potential candidates were secured to fill needed positions upon return to work. Since then, the recruitment of projected positions has been placed on hold as a concrete return to work date remains unknown. Health and Safety (H&S) under Human Resources has also been kept very busy creating and adapting H&S Standard Operating

Procedures (SOPs) and protocols to ensure LSRCA is adapting to the business needs arising from this pandemic.

Other initiatives such as the implementation of a talent management strategy, inclusive of a succession plan and the completion of AODA legislated compliance requirements are proceeding as planned. As such, there is no anticipated financial impact on the department.

Corporate and Financial Services

Corporate and Financial Services have made significant changes to business processes over the last month to support LSRCA's shift to operating remotely. Within 4 business days, 100% of the staff at LSRCA were able to continue to work remotely. IT/IM staff leveraged new Office365 technology to allow staff to connect via video and have supported staff remotely through the helpdesk and by providing additional software training for staff.

The GIS team was able to immediately transition to a remote work environment for virtually 100% of their work. The finance team moved quickly to adapt processes in the following areas: budget, payroll, accounts payable/receivable (including cheque and cash deposits), VISA payments and financial reporting.

The Administration/Reception duties were significantly revamped to ensure mail, fax, Freedom of Information Act requests, couriers and emails were re-routed to a remote location and then on to the appropriate staff person in a timely fashion, ensuring no change in service level for the public.

Corporate and Financial Services is prepared to shift its work in supporting the workforce of LSRCA, even if a full lockdown gets introduced by Public Health Authorities. Currently there is no anticipation of lost revenue to Corporate and Financial Services associated with the state of emergency. Expenditures also have not significantly changed.

Greenspace Services

Prior to March 24th, all LSRCA lands were open to the public; however, they were posted with information related to trail use etiquette in order to keep users safe and avoid the spread of COVID-19. The Bark Park at Scanlon Creek Conservation Area was closed as it normally is during this time of year due to the ground conditions.

On March 24th, all properties were closed, posted, and the public were notified of the closures through news articles, social media and posted web updates. Forestry and Greenspace Services staff have been visiting all LSRCA's Conservation Areas to ensure that the barricades and signs remain in place, and they are reporting any parking or trespassing issues to municipal by-law officers or police. Staff also continue to actively respond to inquiries and reports from the public with regards to members of the public who are ignoring closures, and concerns that further measures need be taken to protect the community from people who are travelling from other communities to visit properties.

Staff are conducting routine inspection of all our facilities to ensure that they are not being vandalized and remain in good condition. More frequent and enhanced cleaning of the Mabel Davis, as well as the Bradford office has been initiated to ensure that the essential services staff reporting to these offices continue to be protected.

On April 3rd, the work of the construction company completing the renovations at the Scanlon Creeks Operations Centre was deemed non-essential and the company ceased operations and completely shut the site down. The project is past 90% complete, but this delay will push the project past the deadline and require an extension to the office lease on Artesian Parkway in Bradford. As a result, there will be an impact to the project budget which will need to be addressed.

Conservation area management plans continue to be completed for Thornton Bales, and scheduled updates to Scanlon Creek and Rogers Reservoir are proceeding as planned. Efforts to complete Conservation Area Maintenance Guidelines and the Greenspace Disposition Strategy are also underway. It is anticipated that the Greenspace Disposition Strategy will be presented to the Board of Directors in May for review and approval.

There is no significant loss of revenue anticipated with the closure of our properties as most are seasonal providing passive use. In fact, the opposite might be true given that routine maintenance is not being conducted which could result in a small savings. A report is currently being completed that will speak to additional resources that may be required should LSRCA decide to re-open conservation areas ahead of the end of the pandemic and associated social restrictions.

The associated cost of the delay in completing the Scanlon Creek Operations Centre will be identified in a Q2 report to the Board.

Education and Engagement

Once the Province declared the state of emergency, all place-based and in-classroom school programs ceased operations. Since the closure education staff have demonstrated they are innovative and adaptable by using the closure to update lesson plans and transition to remote online learning. To date, 31 lesson plans have been updated and two new on-line resources have been developed, along with five videos, and one live Facebook event. In addition, 13 lesson plans and 18 power point presentations have recently been edited to comply with AODA requirements.

In collaboration with Corporate Communications, a new section has been added to the LSRCA website entitled [Online Learning](#) with nature-based activities and resources to help keep children learning, organized under three audience profiles (Family at Play, Print and Play, Learn at Home). LSRCA has also launched a new Facebook group called 'Outdoor Learning with LSRCA'. This provides an opportunity for members to share their favourite nature-inspired activities, comment and ask questions, and share their experiences with each LSRCA activity.

Discussions with local school boards are currently ongoing to discuss how LSRCA online resources and remote learning tools can be integrated into their remote learning curriculum.

There will be a loss in revenue associated with the cancelling of place-based and in-classroom school programming. This is being assessed by the department with the assistance of corporate finance and will be reported at the end of Q2.

Forestry Services

Forestry Services has been impacted by the current state of emergency. The annual private land planting, community events, and Do It Yourself (DIY) planting programs for 2020 have been postponed until 2021 due to concerns over the ability to maintain safe working conditions for staff, interpretation of the Province's *essential* services list, and anticipated delays in the availability and quantity of planting stock from nursery suppliers. Several other conservation authorities have also cancelled their spring planting programs including the Grand, Upper Thames and Credit Valley Conservation Authorities. Seasonal staff that are usually employed to assist the workshop staff in spring tree planting have not been hired. Where feasible, a portion of the planting program may be undertaken in the fall. Currently staff are working remotely with landowners to complete applications for the Managed Forest Tax Incentive Program that will help realize property tax savings.

There will be a loss in revenue due to cancelling the spring tree and DIY planting programs. A portion of the expenditures associated with the programs, including plant material purchases and seasonal staffing will also not be realized. Impacts on the remainder of Forestry programming budgets are being assessed by the department with the assistance of corporate finance and will be reported at the end of Q2.

Restoration and Regeneration (Ecological and Water Risk Management)

Due to Provincial state of emergency, all community planting events, and related tree planting activities for restoration projects have been cancelled through June 2020. Environmental rehabilitation projects were declared as essential, but all projects are "shut-down" due to the wet spring conditions. These projects will begin soon once the weather cooperates and staff will commence inspections once construction begins anew.

Staff are actively developing projects for implementation in the third quarter of 2020. Field work for project development is limited, but staff are working with air photos, GIS and landowner photos to pursue projects. In addition, several request for quotes are being developed to obtain construction designs for offsetting projects for immediate implementation and to take advantage of any economic stimulus programs that may be announced.

The loss of the planting events, while significant in meeting ecological targets, does not have a significant economic impact. Plantings associated with projects usually occur in the fall and will be accommodated. In conclusion, there is no significant impact to the budget associated with the current state of emergency other than some project funding that may need to be deferred

should projects be delayed. This is not anticipated unless the state of emergency extends past June.

Planning and Development Services

Both the workload and revenue associated with planning and development applications do not appear to have been impacted by the current pandemic. The department is continuing to see new development files submitted across the watershed. Staff have raised concerns over current restrictions to conducting fieldwork including wetland, buffer and top of bank staking which may result in an eventual slow-down in development submissions and approvals.

Applications for stormwater environmental compliance approvals (ECA) have seen an increase and staff have been successful in granting approvals and reducing the approval period to approximately six weeks from what was nine to twelve months prior to MECP transfer of review.

Due to the ability of the development industry and LSRCA to adapt, there is no negative impact anticipated on revenues or to expenditures at this time.

Permitting Regulations and Enforcement

Current statistics suggest that permit applications are down approximately 10% since the office closure on March 17th, while property inquiries are up significantly over same period. Currently all permits are being issued electronically with copies continuing to be sent to the applicants and the municipalities. Efforts to finalize electronic application standards are underway to reduce the potential of incomplete applications. Staff are continuing to track key performance indicators and revenue closely. A detailed report of the first quarter results will be provided to the Board at the May meeting, as well as new shoreline guidelines for consideration and approval.

Several new violations have occurred under Enforcement of activities, and there has been an increase in the number of significant complaints that require a response. There are several instances of people attempting to take advantage of the current situation, and staff are responding following a standard operating procedure which is somewhat limited compared to the normal process but ensures staff are protected from potential infection by limiting social contact.

As with the Planning and Development department, there are no negative impacts anticipated on revenues or to expenditures at this time. Monitoring will be conducted with a report produced in collaboration with Corporate Finance for Q2.

Water Risk Management

Flood management and warning activities have not been affected whatsoever by the current Provincial emergency primarily because these services have been provided remotely for years on weekends and holidays through a designated Flood Warning Officer. Currently a protocol has been produced to ensure that there is always a Flood Officer in place to provide warnings.

Source Water Protection is also operating without interruption by utilizing video conferencing for Source Protection Committee, Source Protection Authority and staff meetings internally and with our municipal and MECP partners. The first such meeting with Risk Management Officials is scheduled on April 20th. In addition, staff are currently reviewing technical reports under Section 34 of the Clean Water Act to amend the Source Protection Plan and Assessment Reports for the Region of Durham, Town of Aurora and Region of York.

Water science and monitoring has been impacted by current events as field monitoring needed to collect water quality samples has stopped resulting in data gaps. Staff time has been reassigned to address a backlog of data quality assurance, checking, analysis and reporting. The biological tributary and lake monitoring program have not yet been affected as the season does not begin until May. Should the current situation continue unabated, the field season will be shortened. Seasonal contract positions normally hired in support of the tributary monitoring program have been placed on hold.

The potential financial impact to the water science and monitoring program is currently unknown. The financial report in Q2 will provide a more complete picture as to whether deliverables can be achieved.

Watershed Studies and Strategies

Preparation of climate change mitigation strategy is progressing according to the annual workplan. A new staff hire in support of implementation of climate change strategies has been placed on hold. Watershed planning is also progressing according to its annual work plan including undertaking a program review and advancing recommendations contained in the winter salt strategy. There is no anticipated financial impact associated with the delivery of these services. Monitoring will be conducted with a report produced in collaboration with Corporate Finance for Q2.

Research and Innovation

Research related to improving inspection and maintenance of Low Impact Development (LID), identifying co-benefits of LID, and the East Holland River stormwater management optimization model are all progressing according to schedule. Impacts are anticipated to complete SWM Inspection and maintenance services. Currently all desktop analysis is being completed, but the continued inability in undertaking fieldwork will lead to delays in completing projects. A staff hired to support the field component of this project has been placed on hold so financial impacts associated with the delay will be minimal.

Issues:

The current pandemic has impacted productivity in the short term; however, with the processes put in place by staff LSRCA can deliver all its programs and services remotely. A majority of programs and services are not affected by the current state of emergency, but those that are will be more closely monitored. Service areas are providing weekly updates on the progress to complete the Annual Operating Priorities along with legislated and strategic activities. Some services such as plan review and permitting are using key performance indicators to document productivity.

Once the current state of emergency is lifted, LSRCA programs and services not considered essential by the Province can return to a “new normal” operating under revised health and safety procedures. Impacts on workplans will continue to be reported along with any delays, cancellations, or failures to meet deliverables that would impact achievement of 2020 goals.

Impact on Authority Finances:

The exact impact associated with COVID-19 on Authority finances is currently unknown. Corporate finance will be keeping a watchful eye on revenue and costs and providing a detailed report in the second quarter of 2020. There remains time within the current fiscal year to implement budgetary control should it be required. There are some programs and goals which will now have to be delayed or cancelled as a result of the current state of emergency. For example, the budget companion document will not be presented to Councils in April but can hopefully be done remotely with Councils in May or June.

Summary and Recommendations:

One of LSRCA’s strengths has always been our ability to adapt to change. We are ensuring that lessons learned during this pandemic are not being lost. If there is any perceived benefit of the current working environment, it is that beneficial process improvement and innovative approaches to delivering services will be retained. It is anticipated that returning to work post pandemic will be staged, and staff are discussing developing a plan and processes to facilitate “back to work” once the state of emergency is lifted or relaxed. Finally, a full assessment of the impact of the COVID-19 pandemic on LSRCA will be documented and presented to the Board when conditions return to normal.

It is therefore RECOMMENDED THAT Staff Report No. 21-20-BOD regarding the update in LSRCA’s business continuity and operations in response to the COVID-19 pandemic be received for information.

Signed by:

Mike Walters
Chief Administrative Officer



TO: Board of Directors

FROM: Ashlea Brown
Acting Director, Regulations

DATE: April 14, 2020

SUBJECT: Appointment of Enforcement Officer(s) under the *Conservation Authorities Act*

RECOMMENDATION: THAT Staff Report No. 22-20-BOD regarding the appointment of Mr. Matthew Brown and Mrs. Ashlea Brown as Enforcement Officers for the Lake Simcoe Region Conservation Authority per Section 28 of the *Conservation Authorities Act* be approved.

Purpose of this Staff Report:

The purpose of this Staff Report No. 22-20-BOD is to request that staff members Mr. Matthew Brown, Environmental Compliance Officer, and Mrs. Ashlea Brown, Acting Director, Regulations, be appointed as Enforcement Officers under Sections 28 of the *Conservation Authorities Act*.

Background:

The *Conservation Authorities Act*, Section 28(1)(d) and (e) allows conservation authorities to appoint officers to enforce regulations made under Section 28 of the *Conservation Authorities Act*:

- 28(1) *Subject to the approval of the Minister, an authority may make regulations applicable in the area under its jurisdiction,*
- 28(1)(d) *Providing for the appointment of officers to enforce any regulation made under this section or section 29;*
- 28(1)(e) *providing for the appointment of persons to act as officers with all the powers and duties of officers to enforce any regulation made under this section.*

The MNRF class designation was signed June 14, 1999 by the Minister of Natural Resources and Forestry regarding the appointment of a class of person as officers under the *Conservation Authorities Act* and the *Trespass to Property Act*. The class designation enabled the Board of Directors of a conservation authority to appoint an employee as an officer under Section 28 and/or Section 29 of the *Conservation Authorities Act* subject to the following criteria:

1. The officer shall provide proof of a clean criminal record check;
2. The officer shall be adequately trained in the legislation they are to enforce through the completion of the level 1 regulatory compliance training or equivalent;
3. An officer must be appointed at an official Board meeting; and
4. Each conservation authority is responsible for the filing and record keeping of each designation within their organization.

LSRCA's Planning & Development staff are involved in the enforcement of Ontario Regulation 179/06, made pursuant to Section 28 of the *Conservation Authorities Act*. This regulation deals with development activities within LSRCA's jurisdiction as prescribed in the regulation.

Issues:

LSRCA protects residents of the Lake Simcoe watershed through the administration and enforcement of the *Conservation Authorities Act* and Ontario Regulation 179/06. Specifically, this legislation requires that development be prohibited within hazard lands unless it can be demonstrated through the submission of a permit application that development can occur without impacting the control of flooding, erosion, pollution or the conservation of land. Further, the activity should not create conditions or circumstances that, in the event of a natural hazard, would jeopardize the health or safety of persons or result in the damage or destruction or property.

As such LSRCA Environmental Officers are responsible for the enforcement of the regulation through collection of information, preparation of Violation Notices, laying of charges and testifying in court. They perform these functions under the immediate direction of the Acting Director, Regulations and the General Manager, Planning & Development.

Currently, Environmental Compliance Officer, Ms. Kristin Nyborg and General Manager of Planning and Development, Mr. Rob Baldwin, are appointed Enforcement Officers. LSRCA recently hired Environmental Compliance Officer, Mr. Matthew Brown. The appointment of Mr. Brown as an Enforcement Officer under Section 28(1)(d)(e) of the *Conservation Authorities Act* is necessary for the purpose of administering Ontario Regulation 179/06. It is further requested that Mrs. Ashlea Brown, Acting Director, Regulations be appointed as Enforcement Officers for the purpose of administering and enforcing regulations made under Section 28 of the *Conservation Authorities Act*.

Both Mr. Brown and Mrs. Brown successfully completed the Level 1 compliance training through Conservation Ontario and have provided clean criminal record checks. As such, they meet the requirements to be designated as officers.

Relevance to Authority Policy:

The appointment of Enforcement Officers by the Board of Directors is in keeping with provincial legislation, including the *Provincial Offences Act* Section 1 (3), *Conservation Authorities Act* and Ontario Regulation 179/06), as well as LSRCA process and policy.

Impact on Authority Finances:

There are no impacts on Authority finances as a result of these appointments.

Summary and Recommendations:

It is therefore RECOMMENDED THAT Staff Report No. 22-20-BOD regarding the appointment of Mr. Matthew Brown and Mrs. Ashlea Brown as Enforcement Officers for the Lake Simcoe Region Conservation Authority per Section 28 of the Conservation Authorities Act be approved.

Pre-Submission Review:

This Staff Report has been reviewed by the General Manager, Planning & Development and the Chief Administrative Officer.

Signed by:

Rob Baldwin
General Manager,
Planning & Development

Signed by:

Michael Walters
Chief Administrative Officer

TO: Board of Directors

FROM: Ashlea Brown
Acting Director, Regulations

Taylor Stevenson
Senior Regulations Analyst

DATE: April 14, 2020

SUBJECT: Proposed Amendments of LSRCA's Watershed Development Guidelines regarding Lake Simcoe shoreline alteration

RECOMMENDATION: THAT Staff Report No. 23-20-BOD regarding changes to LSRCA's Watershed Development Guidelines be received; and

FURTHER THAT the Shoreline Section of the Watershed Development Guidelines contained herein be approved for implementation effective June 1, 2020.

Purpose of this Staff Report:

The purpose of this Staff Report No. 23-20-BOD is to provide the Board of Directors with information regarding proposed changes to "Chapter 6 – Lake Simcoe Shoreline Alteration" and "Chapter 11 – Glossary" of LSRCA's Watershed Development Guidelines." For simplicity, all glossary items are included in Section 6 for the purpose of this document. These glossary terms are shown in **bold**.

The main changes to the Watershed Development Guidelines include:

1. The requirement of a LSRCA permit under O.Reg.179/06 for development on Crown land (the bed of Lake Simcoe).
2. Changes to the Watershed Development Guidelines as a result of the requirement of permissions to develop on Crown land (e.g. docks and boathouses).
3. Changes to the definition of a boathouse to ensure that the structures approved by the LSRCA are not habitable, due to the hazardous nature of their locations along the Lake Simcoe shoreline.

Background and Consideration:

Development located within hazardous lands places the health and safety of residents and properties at risk. The social disruption and costs associated with development in hazardous lands have been demonstrated throughout the Province, as well as multiple examples in our watershed. To help avoid risks associated with the natural occurring processes of watercourses, wetlands, lakes and other areas that could be subject to hazardous natural processes, development in Ontario is generally directed outside of hazard lands through Provincial Legislation.

Previous policy interpretation considered development on Crown land exempt from requiring permission under the Conservation Authorities Act, however, in January 2020 Conservation Ontario in consultation with the Ontario Ministry of Natural Resources and Forestry (OMNRF) provided clarification on the issuance of section 28 permits on Crown land. Specifically, it was determined that while the Conservation Authorities Act does not bind the Crown, it does apply to the activities of third-party proponents that take place on Crown land. As such, development including docks and boathouses on the bed of the lake would require permission under Ontario Regulation 179/06 pursuant to the Conservation Authorities Act.

Issues:

The nature of boathouses and shoreline structures requires that they be in an area extremely susceptible to damages as a result of flooding, ice, and wind. Generally, development in these areas would be prohibited due to the risks. However, LSRCA recognizes the recreational nature of the lake and permits structures to accommodate recreational uses associated with the lake.

As a small accessory structure, boathouses and other structures present limited liability or risk to the Authority due to limited risk to people and property. However, most new boathouse applications being received by the LSRCA include multiple rooms, large glass doors and railings as well as full second stories that could easily accommodate overnight habitation. As such, the cost of the damages that would be sustained and the risk to life has greatly increased the liability associated with approving these structures.

By changing the Watershed Development Guidelines and Glossary definition of boathouses, staff will have the policy backing to restrict any new boathouses along the Lake Simcoe shoreline to a one story structure that contain no living and/or habitable space (e.g. bedroom, washroom, kitchen, sauna, living room, hot tub etc.). This ensures consistency with the *Public Lands Act* stipulations for boathouses on Crown land. It will also bring the Watershed Guidelines more into conformity with the Lake Simcoe Protection Plan (LSPP), specifically preventing the significant alteration of natural shorelines to construct new boathouses.

Staff have conducted a review of other Conservation Authorities and regulatory agencies' boathouse policies, which also consistently limit boathouses to single story structure. In addition, some Conservation Authorities limit the overall footprint of the structure to further reduce risk.

Relevance to Authority Policy:

Development such as boathouses and docks on Crown land undertaken by a third party will now be required to obtain a Conservation Authority permit. Further definitions have been added and Chapter 6 of the Watershed Development Guidelines has been updated consistent with the Conservation Authorities Act and Ontario Regulation 179/06.

Impact on Authority Finances:

There are no significant financial implications directly associated with the changes to the Watershed Development Guidelines. However, there may be an increase in permit numbers (increased revenue) and enforcement matters as a result of the new shoreline requirements.

Summary and Recommendations:

It is therefore RECOMMENDED THAT Staff Report No. 23-20-BOD regarding changes to LSRCA's Watershed Development Guidelines be received; and FURTHER THAT the Shoreline Section of the Watershed Development Guidelines contained herein be approved for implementation effective June 1, 2020.

Pre-Submission Review:

This Staff Report has been reviewed by the General Manager, Planning & Development and the Chief Administrative Officer.

Signed by:

Rob Baldwin
General Manager,
Planning & Development

Signed by:

Michael Walters
Chief Administrative Officer

Attachment: LSRCA's Watershed Development Guidelines, Chapter 6 – Lake Simcoe Shoreline and Lakebed

Chapter 6 LAKE SIMCOE SHORELINE AND LAKEBED

6.1 General Guidelines

In accordance with the *Lake Simcoe Protection Act* and Plan, of which the Authority's permits are prescribed instruments, the LSRCA encourages the restoration, enhancement or re-establishment of natural shorelines wherever these opportunities exist. This approach will assist in maintaining a healthy and functional watershed and minimize the need for future restoration and mitigation works.

6.1.1 In general, no new development will be permitted within the 30-metre minimum vegetation protection zone (MVPZ) of Lake Simcoe as defined in the relevant policies of the Lake Simcoe Protection Plan (LSPP) except as:

- Permitted under 6.1 DP of the LSPP

6.1.2 Where development or site alteration is permitted within the vegetation protection zone, the proposal must demonstrate that the following has been achieved:

- (a) the adjacent riparian areas will be maintained, protected and/or improved; and
- (b) that ecological functions be enhanced and/or improved wherever possible; and
- (c) erosion, sedimentation and introduction of excess nutrients or pollutants be minimized; and
- (d) planning and construction practices be utilized to maintain and improve water quality; and
- (e) any removal of vegetation that cannot be mitigated will be compensated to the satisfaction of the LSRCA; and

6.2 Shoreline Alteration

6.2.1 In general, alterations to a shoreline shall not be permitted except in accordance with the policies 6.2.2 through 6.2.9.

6.2.2 No reasonable alternative for the proposed alteration to the shoreline exists and the alteration has been assessed through a Natural Heritage Evaluation.

6.2.3 Natural shoreline treatments (e.g. planting of natural vegetation, bioengineering, granite boulders) that maintain the natural contour of the shoreline will be used.

6.2.4 The alteration will not adversely affect the ecological function of the shoreline and surrounding riparian area and, will result in a net environmental improvement.

6.2.5 Shoreline hardening techniques such as the use of concrete, sheet steel, railway ties, pressure treated lumber, gabion baskets, and terracing will generally not be permitted.

- 6.2.6. Erosion and sediment control measures shall be put in place prior to any work along a shoreline and maintained during construction and until the site is permanently stabilized. This will include, where applicable, the use of silt fence, check dams, floating silt curtains, and/ or vegetation protection zones.
- 6.2.7. Surplus excavated fill material is removed from the shoreline and placed outside of the regulated area.
- 6.2.8. The transition between proposed protection works and adjacent shoreline properties must be designed so that erosion, debris accumulation and changes in sediment transport will not occur and/or impact neighbouring properties.
- 6.2.9. Shorelines that have steep slopes may require input from a geotechnical engineer to support the proposed development in the vicinity of the steep slope. If the slope is deemed to be stable by a geotechnical engineer than development and/or alteration to the slope will not be permitted.
- 6.2.10. The creation of new artificial sand beaches will not be permitted along the shoreline of Lake Simcoe.

6.3 Habitable Structures/Additions

- 6.3.1. Generally, new habitable structures/additions will not be permitted within the 30-metre minimum vegetation protection zone of the shoreline of Lake Simcoe. Exceptions may be permitted within existing settlement areas or where lot sizes are restricted and must meet policies 6.3.2 through 6.3.8.
- 6.3.2. There is no area to locate the structure/addition outside of the setback.
- 6.3.3. The setback from the shoreline is maximized to the greatest extent possible.
- 6.3.4. The property is an existing lot of record, where the current zoning permits the development of a habitable structure/addition.
- 6.3.5. Any habitable structure/addition within 15 metres of the shoreline will be accompanied by a Coastal Engineering report to the satisfaction of the LSRCA.
- 6.3.6. Additional natural protection measures and/or ecological enhancements along the shoreline are incorporated into the design (e.g. planting plans required to compensate for development within the MVPZ).
- 6.3.7. That all other applicable guidelines of this document can be met to the satisfaction of the LSRCA.
- 6.3.8. When appropriate, a restrictive covenant under the *Conservation Land Act* be registered on title at the expense of the applicant.

6.4 Boathouses

The LSRCA recognizes that the proximity to water is a key consideration in the use and enjoyment of recreational facilities such as **boathouses**. Boathouses have a long history on the Lake Simcoe shoreline.

Boathouse Definition:

Single story accessory building that is designed and used solely for the purpose of storing and docking boats and related equipment. The structure does not contain **habitable space**, water and/or sanitary servicing and has an opening to the water of an appropriate size to accommodate a boat.

- 6.4.1 The LSRCA may permit the construction of boathouses along the shoreline or within Lake Simcoe provided that:
- (a) the structure is a single storey building; and
 - (b) the structure is firmly anchored in place to ensure that it is not affected by changing water levels; and
 - (c) the structure is to be wet flood-proofed to the fullest extent possible (e.g. electrical outlets 0.3 m above flood elevation); and
 - (d) the structure does not include any habitable space including but not limited to living accommodations, kitchen or food prep areas, bedroom, washroom, hot tub, whirlpool, sauna, fireplace; and
 - (e) the structure is not to be serviced by natural gas, propane, oil, other similar types of fuel or potable water and sanitary.
 - (f) the structure is located within an area that was previously disturbed or developed and the ecological function of the vegetation protection zone be maintained (e.g. no alteration to naturally vegetated shorelines). If no previously disturbed area of the shoreline exists, the development will need to be supported through the submission of Natural Heritage Evaluation to the satisfaction of the LSRCA.
 - (g) the structure does not impede the natural flow of water along the shoreline. Coastal Engineering studies will be required if there is potential for an impact to the flow of water and/or natural hazards; and
 - (f) the applicant/landowner registers a Restrictive Covenant under the Conservation Land Act acknowledging that the structure could be damaged by flooding and/or ice and floating debris and agrees to hold the LSRCA safe hold harmless and to remove or repair the structure should it be significantly damaged or destroyed.
 - (g) the location of the structure does not impact a neighbour's use and enjoyment of their waterfront and is generally located within the projected lot lines; and
 - (h) the structure shall not be permitted to include excavated and/or dredged wet boat slips.

6.5 Docks

Dock definition: structure that is perpendicular to the shoreline, extending out from the shoreline into a body of water, and used to dock/moor boats

- 6.5.1 The LSRCA may permit the construction of **docks** in Lake Simcoe, provided that:

- (a) the structure does not impede the flow of water along the shoreline. Coastal Engineering studies will be required if there is potential for an impact to the flow of water and/or natural hazards; and
- (b) the structure is designed to minimize damages that could occur as a result of coastal processes; and
- (c) the structure is anchored appropriately to the shoreline to minimize erosion.
- (d) the supporting structure of the proposed dock is not concrete, sheet steel, railway ties, pressure treated lumber or gabion baskets.
- (e) the location of the structure does not impact a neighbour's use and enjoyment of their waterfront and is located within the projected lot lines.

6.6 Shore Decks

Shore deck definition: A platform structure that is situated partially on the shoreline and/or over the Lake that is used to store or anchor seasonal docks.

6.6.1 **Shore decks** greater than 100 square feet (9.3 sq.m.) will not be permitted along the shoreline of Lake Simcoe.

6.7 Dredging

Dredging Definition: excavating material from the bed of the Lake or along the shoreline area of Lake Simcoe.

6.7.1 The LSRCA may permit dredging in Lake Simcoe, provided that:

- (a) it does not impede the natural flow of water along the shoreline and does not have an impact on littoral drift.
- (b) the intent is not for the purposes of creating an inland boat slip, canal and/or lagoon.
- (c) the dredged material is placed in a manner that prevents it from re-entering the Lake. Proper Silt controls must be installed and maintained until the material is taken off-site.
- (d) the area has been previously dredged and is a known navigation channel.

6.8 Groynes and Breakwaters

Groyne Definition: A structure that projects out from the shoreline in order to interrupt waterflow and limit the movement of sediment. Materials generally consist of stone, wood, or concrete.

Breakwater Definition: An offshore structure that is constructed to protect harbours and marinas from heavy wave action and currents. Materials generally consist of stone or concrete.

6.8.1 The construction of new **groynes** will not be permitted within Lake Simcoe.

6.8.2 The construction of new **breakwaters** will not be permitted within Lake Simcoe.

Special Note:

- a) Boathouses are subject the Building Code and as such require a Building Permit from the local municipality and as well may be subject to other municipal requirements and bylaws.**
- b) Any proposed project on or partially on Crown land may require approval from the Ontario Ministry of Natural Resources and Forestry.**
- c) Any proposed project within or on the bed of Lake Simcoe may require a permit or authorization from Fisheries and Oceans Canada.**



TO: Board of Directors
FROM: Kristen Yemm
Director, Communications & Community Engagement
DATE: April 24, 2020

SUBJECT: 2020 Conservation Awards Program

RECOMMENDATION: THAT Staff Report No. 24-20-BOD regarding cancellation of the 2020 Conservation Awards Ceremony in response to the COVID-19 Pandemic be received; and

FURTHER THAT the recommendation provided in the report be supported.

Purpose of this Staff Report:

The purpose of Staff Report No. 24-20-BOD is to provide the Board of Directors with rationale for making an early decision to cancel this year’s Conservation Awards Ceremony based on impacts of the COVID-19 pandemic.

Background:

Although scheduled for November 5, 2020, planning, material purchases and promotion of the conservation awards program and gala event begins in April of each year and continues to accelerate as we near the date of the event.

To delay a cancellation decision beyond April would put staff in the position of continuing efforts to plan and begin securing materials and supplies for the event. Costs to secure entertainment, hospitality, photography and the venue will also be incurred, as deposits for these services are required several months in advance.

At the time this report is being written, provincial requirements for physical distancing and restrictions on gatherings continue, with the possibility of increased restrictions into the future. These factors, coupled with the lack of a confirmed timeframe for when communities can once

again participate in social gatherings, staff are recommending the Board of Directors support an immediate decision to cancel the event.

To demonstrate to our watershed citizens that they play an important role in achieving our Lake Simcoe Region Conservation Authority mission, staff will open nominations for a period extending into 2021. At various points throughout that timeframe, staff will make concerted efforts to promote our program through various promotional channels. All nominations submitted in the extended timeframe will be considered for recognition at the awards ceremony to be held in mid-November of 2021.

Relevance to Authority Policy:

The Conservation Awards Program supports LSRCA’s mission to work with our community to protect and restore the Lake Simcoe watershed by leading research, policy and action. The awards program and ceremony is intended to celebrate the efforts of those undertake environmental projects and inspire and motivate others to get involved and support our work. It strengthens our community connections, engagement and relationships and promotes opportunities to improve the health of our watershed.

Impact on Authority Finances:

Cancellation of the 2020 Conservation Awards Program will allow the reallocation of staff time to other priority projects and will avoid expenses related to hosting the awards ceremony. The budget for the 2020 Conservation Awards Ceremony is \$15,000.

Summary and Recommendations:

It is therefore RECOMMENDED THAT Staff Report No. 24-20-BOD regarding cancellation of the 2020 Conservation Awards Ceremony in response to the COVID-19 Pandemic be received; and FURTHER THAT the recommendation provided in the report be supported.

Pre-Submission Review:

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

Signed by:

Kristen Yemm
Director
Communications & Community Engagement

Signed by:

Michael Walters
Chief Administrative Officer



TO: Board of Directors

FROM: Lauren Grzywniak
Land Management Technician

DATE: April 14, 2020

SUBJECT: Thornton Bales Conservation Area Management Plan

RECOMMENDATION: THAT Staff Report No. 25-20-BOD regarding the Thornton Bales Conservation Area Management Plan be received; and

FURTHER THAT the Management Plan and associated Business Plan be approved; and

FURTHER THAT staff continue to pursue funding and in-kind support to implement the recommendations of the Management Plan.

Purpose of this Staff Report:

The purpose of this Staff Report No. 24-20-BOD is to provide the Board of Directors with the Thornton Bales Conservation Area 2020 Management Plan for consideration and approval.

Background:

Thornton Bales Conservation Area is 20 ha (50 acres) in size and is situated within the Township of King (Attachment 1 – Location Map). It is located along the northern margins of the Oak Ridges Moraine, which contributes to the wide variety of habitats on the property, including upland forest, lowland forest, and forested wetlands. This diversity of habitat also supports a wide range of species on the property. Thornton Bales Conservation Area has been identified in the York Region Official Plan and the Township of King Official Plan as an Area of Natural and Scientific Interest (ANSI).

A Master Plan was prepared in 1979 to guide the management of the property. Since that time, a Natural Heritage Inventory was undertaken (2010), which included a list of the species that utilize the habitat at Thornton Bales Conservation Area (TBCA). In 2018, a Steering Committee was formed to guide the creation of a Management Plan for Thornton Bales Conservation Area.

The purpose of a conservation area management plan is to establish long and short-term goals and to develop strategies by which those goals can be achieved. Management Plans include a Business Plan which project the financial and staff resources required over a five-year period to implement the Management Plan objectives.

The proposed 2020 Management Plan has reconfirmed the long-term direction for the property, but more importantly it provides short-term direction with a timeline of deliverables and a financial outlook for the next five years.

Issues:

Managing conservation areas requires dedicated staff and funding resources to ensure an acceptable level of maintenance that encourages public visitation and provides positive experiences. Not having adequate resources may expose LSRCA to a higher level of risk and liability. By developing management plans and outlining areas to improve the property and maintain infrastructure, LSRCA is taking a proactive approach to managing its lands.

This property has experienced increased usage as the surrounding areas continue to become more urbanized and population in the region continues to grow. Some of the challenges LSRCA faces when managing this conservation area include the lack of trail wayfinding and information signage, enforcement of rules and regulations, and the lack of safe parking spaces. These issues were also raised by members of the public during the public consultation phase.

Consultation with conservation area users and key stakeholder groups has been an important part of the development of this Management Plan. Consultation provided conservation area users an opportunity to reflect on how they value the conservation area today and the changes they have seen over time, as well as the ability to express ideas for how the conservation area could be further enhanced. Based on feedback through public consultation, it has been confirmed that many aspects of the conservation area are valued and appreciated by the community. However, some of the issues that diminish user experience also brought forward include:

- Lack of trail mapping and signs.
- Lack of property boundary signage.
- Lack of enforcement of rules; and
- Lack of parking spaces.

The Executive Summary (Attachment 2) identifies opportunities to help address these issues. Section 4: Business Plan (Attachment 3) provides the schedule of implementation priorities and responsibilities, coupled with projected revenues and expenses over a five-year period. The full Management Plan can be accessed through the following link: [Thornton Bales Conservation Area Management Plan](#)

Relevance to Authority Policy:

LSRCA’s mission is “to work with our community to protect and restore the Lake Simcoe watershed by leading research, policy, and action”. Thornton Bales Conservation Area plays an important role in achieving this mission as it provides a physical example of natural heritage stewardship, as well as a unique natural space that encourages the community to experience the natural environment and to protect and maintain a healthy watershed.

This is recognized in the current LSRCA Strategic Plan: Vision to Action, Action to Results 2016-2020, which identifies the importance of “creating a more connected and engaged watershed community through education and engagement” and to “support a safer, healthier and liveable watershed” as two of the goals. This updated Management Plan is an important step in meeting both these goals.

Impact on Authority Finances:

Preliminary projections for the cost to implement projects and programs identified in this Management Plan total approximately \$79,800 over five years. Some of the projects include updating and posting a trail map of the property, as well as way-finding signs throughout the property, adding interpretative signage, conducting a natural heritage inventory, implementing a no smoking policy within the conservation area, and developing and implementing best management practices for forest stand health.

The Municipal Levy requirements outlined in the Business Plan will continue to utilize existing Municipal Levy funds and will not require additional funding from municipal partners. Should additional funding be required, a special Business Case will be developed in consultation with our Municipal partners.

In order to successfully implement priority projects within the Management Plan, LSRCA will continue to pursue additional funding sources and in-kind support. Funding may include grants, community partner support, business partner funding, sponsorships and volunteer support, as well as provision of municipal in-kind services.

Summary and Recommendations:

It is therefore RECOMMENDED THAT Staff Report No. 25-20-BOD regarding the Thornton Bales Conservation Area Management Plan be received; and FURTHER THAT the Management Plan and associated Business Plan be approved; and FURTHER THAT staff continue to pursue funding and in-kind support to implement the recommendations of the Management Plan.

Pre-Submission Review:

This Staff Report has been reviewed by the General Manager, Conservation Lands and the Chief Administrative Officer.

Prepared by: Lauren Grzywniak, Land Management Technician

Signed by:

Brian R. Kemp
General Manager, Conservation Lands

Signed by:

Michael Walters
Chief Administrative Officer




Attachments:

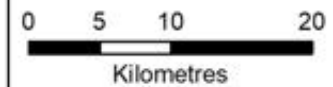
1. Thornton Bales Conservation Area Location Map
2. Thornton Bales Conservation Area Management Plan (2020) Executive Summary
3. Thornton Bales Conservation Area Management Plan (2020) Business Plan

Thornton Bales Conservation Area

Map 1: Regional Setting

Legend

-  Road
-  Lake Simcoe Watershed
-  Thornton Bales CA



Lake Simcoe Region
conservation authority

This product was produced by the Lake Simcoe Region Conservation Authority and some information depicted on this map may have been compiled from various sources. While every effort has been made to accurately depict the information, data / mapping errors may exist. This map has been produced for illustrative purposes only.
LSRCA GIS Services DRAFT DC.Ig created: December 2019.
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Thornton Bales Conservation Area Management Plan

2020



Lake Simcoe Region
conservation authority

Executive Summary

The Management Plan has been written in four sections, including: a **Background Report** which summarizes and synthesizes information on the natural heritage of the property and its current levels of development and public use; a **Development of the Revised Plan** section which describes the public consultation process and input received during plan review, as well as outlining the process and timeline for future plan review; a **Management Plan** which identifies long- and short-term goals for the management of the property; and a **Business Plan** which provides a description and schedule of implementation priorities, coupled with projections of revenues and expenses over a five year period.

Background

Thornton Bales Conservation Area is 20 ha (50 acres) in size, and is located in the Township of King. It is located within the northern margins of the Oak Ridges Moraine, which contributes to the wide variety of habitats on the property, including upland forest, lowland forest, and forested wetlands. This diversity of habitat also supports a wide diversity of species on the property. This property has been identified in the York Region Official Plan and the Township of King Official Plan as an Area of Natural and Scientific Interest (ANSI).

Mr. Thornton J. Bales first purchased the property in 1911 and later donated it to the Township of King with the expectation that it would be maintained as a natural area. Mr. Bales recognized the property's recreational and wildlife potential and wanted to ensure its protection for future years. King Township donated the property to the Holland Valley Conservation Authority in 1961, which then became the South Lake Simcoe Conservation Authority. In 1970 the South Lake Simcoe Conservation Authority changed the name of the property from King Conservation Area to Thornton Bales Conservation Area, to honour the late Mr. Bales. The current Lake Simcoe Region Conservation Authority still owns and manages Thornton Bales Conservation Area.

A Master Plan was prepared in 1979 to guide the management of the property. Since that time a Natural Heritage Inventory was undertaken (2010), which includes a list of the species that utilize the habitat at Thornton Bales Conservation Area (TBCA), with a particular focus on vegetation and breeding birds.

Consultation

Consultation has played an important role in the development of this Management Plan. The public were provided opportunities to deliver feedback and to voice their thoughts, values and opinions of Thornton Bales Conservation Area. The Public Consultation phase consisted of an online user survey, which was available from September 19th to November 23rd, 2018.

A Steering Committee was developed in the summer of 2018 to provide direction throughout the Management Plan development process. The Committee met periodically to review the steps of the development process, to review the information collected through the consultation phase, and to assist in developing the direction the final Management Plan would take. The Steering Committee was supported by an Internal Project Team composed of staff experts from various departments within LSRCA.

Management Plan Goal and Objectives

The goal and objectives of this Management Plan were developed by an Internal Project Team, then reviewed and amended by the Steering Committee before being finalized.

Goal:

Thornton Bales Conservation Area will be managed to sustain the ecological integrity of the Oak Ridges Moraine and its natural features and functions, while providing for compatible recreational, educational and research activities with our partners.

Objectives:

1. Continue to provide compatible recreational opportunities through maintenance and refinement of the trail network, while ensuring a balance between recreational uses and conservation of important natural heritage features
2. Develop and implement a signage strategy along with creating updated property and trail maps for users
3. Maintain a healthy forest ecosystem for future generations through the implementation of sustainable/best forest management practices
4. Protect and enhance/restore the natural heritage features located on the property through invasive species monitoring and removal, and through conserving the biodiversity and native species currently present on the property
5. Promote physical and mental well-being by encouraging members of the community to participate in a range of healthy activities including quiet contemplation, nature connection, and recreational activities in this natural setting
6. Enhance opportunities for user engagement, appreciation, and education on the property with our partners

Management Plan Direction

This Management Plan provides the basis and long-term direction for the management of Thornton Bales Conservation Area. It is based on identification of the constraints and capabilities provided by the property (Section I), and public, internal and stakeholder consultation (Section II).

There are fewer implementation objectives identified in this Management Plan than are generally outlined in other conservation area management plans within the Lake Simcoe Region Conservation Authority landholdings. This may be attributed to a number of factors, including property size, level of infrastructure, desired activities and ideal use levels. Since Thornton Bales Conservation Area is a more ecologically sensitive property, due to its location on the Oak Ridges Moraine and its steep topography, significantly increasing property usage could have negative impacts on the conservation area and the associated natural heritage features. The lack of amenities that are currently offered at TBCA are a result of this, and this is also why it has been classified as a Passive Recreation Area in the Conservation Landholding Assessment¹. More specific information regarding the Management Plan direction can be found in *Section 3: Management Plan*, which describes in more detail some of the activities and implementation objectives which are included in the five year Business Plan, and provides background information and additional justification for those items.

¹ LSRCA (2016b)

Business Plan Direction

The purpose of a conservation area management plan is to establish long- and short-term goals for the management of the property and to identify priorities for implementation. The Business Plan component is a description and schedule of implementation priorities, coupled with projections of revenues and expenses over a five-year period.

In addition to revenues and expenses, this Business Plan will identify potential funding sources and provide guidance for LSRCA management in implementing the Thornton Bales Conservation Area Management Plan. To these ends, priorities for investing in amenities and infrastructure for the period of 2020 to 2024 have been identified (Table 1). The items listed in Table 1 are considered outside the scope of regular maintenance and establish a proactive management approach, however, all activities including regular maintenance and monitoring are outlined in the Implementation Schedule.

Implementing all of the objectives outlined in the Business Plan is projected to cost \$79,800 as well as additional staff time (approximately 2.64 FTE).

Table 1: Implementation Priorities

2020	<ul style="list-style-type: none"> • Update information on LSRCA’s website • Re-align the trail network • Develop and install new trail way-finding signs at trail intersections • Conduct a forest stand inventory
2021	<ul style="list-style-type: none"> • Install animal-proof garbage bins • Design and install new trail maps and kiosk • Host a volunteer day
2022	<ul style="list-style-type: none"> • Add interpretative signage to the conservation area • Conduct a Natural Heritage Inventory • Implement a parking fee at Thornton Bales Conservation Area • Implement Best Management Practices for forest stand health
2023	<ul style="list-style-type: none"> • Implement a no-smoking policy within the conservation area • Continue to add interpretative signage to the property • Find solutions to expand limited parking spaces • Implement Best Management Practices for forest stand health
2024	<ul style="list-style-type: none"> • Begin the 5 year Management Plan Evaluation and Review • Continue to implement Best Management Practices for forest stand health • Continue to host annual volunteer day

Conservation Authority Resolution

Placeholder following Board of Directors’ approval of the management plan.

Thornton Bales Conservation Area Management Plan

2020



Lake Simcoe Region
conservation authority

Section IV: Business Plan

Introduction

The purpose of a conservation area management plan is to establish long- and short-term goals for the management of the property and identify priorities for implementation. The Business Plan component is a description and schedule of implementation priorities, coupled with projections of revenues and expenses over a five-year period.

In addition to revenues and expenses, this Business Plan will identify potential funding sources and will provide guidance for LSRCA management in implementing the Thornton Bales Conservation Area Management Plan. To these ends, priorities for investing in amenities and infrastructure for the period of 2020 to 2024 have been identified (Table 2). The items listed in Table 2 are considered above the scope of regular maintenance and establish a proactive management approach, however, all activities including regular maintenance and monitoring are outlined in the Implementation Schedule.

Table 2: Implementation Priorities

2020	<ul style="list-style-type: none"> • Update information on LSRCA’s website • Re-align the trail network • Develop and install new trail way-finding signs at trail intersections • Conduct a forest stand inventory
2021	<ul style="list-style-type: none"> • Install animal-proof garbage bins • Design and install new trail maps and kiosk • Host a volunteer day
2022	<ul style="list-style-type: none"> • Add interpretative signage to the conservation area • Conduct a Natural Heritage Inventory • Implement a parking fee at Thornton Bales Conservation Area • Implement Best Management Practices for forest stand health
2023	<ul style="list-style-type: none"> • Implement a no-smoking policy within the conservation area • Continue to add interpretative signage to the property • Find solutions to expand limited parking spaces • Implement Best Management Practices for forest stand health
2024	<ul style="list-style-type: none"> • Begin the 5-year Management Plan Evaluation and Review • Continue to implement Best Management Practices for forest stand health • Continue to host annual volunteer day

Budget Projection

The budget projection model predicts a five-year financial outlook for Thornton Bales Conservation Area. The model predicts the cost (both staff time and dollar value) to conduct all tasks listed in this management plan. It also includes the predicted revenue sources to fund these implementation objectives. Table 3 below breaks down the projected revenues and expenses required to implement the outlined objectives. It is estimated that to complete all the tasks listed in this management plan, it will cost a total of approximately \$79,800 over the five-year period. It is also predicted that it will require a Full Time Equivalent (FTE) of 2.64 over the five years to adequately deal with this workload.

Table 3: Balanced Projection of Revenues and Expenses

\$	2020	2021	2022	2023	2024	Total
Revenues	\$13,600	\$15,330	\$16,140	\$20,210	\$14,520	\$79,800
Expenses	\$13,600	\$15,330	\$16,140	\$20,210	\$14,520	\$79,800

LSRCA will continue to make fiscally responsible management decisions for the conservation area, prioritize objectives and will implement them once the resources to complete them have been secured.

Projected Expenses

Operational expenses at Thornton Bales Conservation Area have been divided into six categories: Administration, Asset Management/ Monitoring, Visitor Experience/ Management, Boundary Management, Natural Heritage Feature Management, and Partnership Development/ Engagement. Table 4 below shows the projected expenses for each category to implement the objectives in this Management Plan. It also includes the Full Time Equivalent (FTE) which considered the projected amount of staff time to implement the outlined tasks. The level of resources required varies annually, depending on the tasks outlined each year. More details regarding which tasks are scheduled for completion in specific years can be found in the Implementation Schedule or in Appendix A.

Although the expenses listed in this Business Plan are projected to be approximately \$79,800 this is subject to change as the true cost of equipment charge-outs are yet to be finalized. LSRCA is in the process of determining more representative charge-out costs for equipment in order to accurately incorporate their value over the lifetime of the piece of equipment. This management plan included lumped sum charge out costs for small equipment and large equipment. For the purposes of this management plan it was determined that the small equipment charge-out cost would be \$70 per day, for hand-held pieces of equipment such as string trimmers, chainsaws, pole saws, and other hand tools. Large equipment charge-out rates were set at \$150 per day, which includes larger equipment such as the tractor, woodchipper, trailers, and the riding lawn mower. These rates were chosen based on other charge out costs from various municipal partners, as well as the cost of replacing a piece of equipment and how much usage it sees. LSRCA is looking into this with more detail in the upcoming months, and any changes in equipment charge out costs will be reflected in the management plan once the rates are finalized.

Full Time Equivalent (FTE)

This budget projects that the implementation of all tasks associated with this management plan would require an FTE of 2.64 over the five-year implementation period, from 2020 to 2024. The Conservation

Lands division currently has staff resources, and this projection fits within the scope of the work that can be completed in a calendar year, given there aren't other significant requirements at other conservation areas. The basis of including FTE in the Business Plan is to assist with annual work-planning, to understand the expectations being put on staff to complete all tasks for this management plan, and also to showcase how much staff time is involved with managing and maintaining a conservation area. This reference to FTE in the Business Plan is not a request for additional staff at this time. If there is a time when additional staff resources are required, a formal Business Case will be developed and submitted to LSRCA's Board of Directors, as per LSRCA protocol. Currently, salaries in the Conservation Lands division are funded through existing Municipal Levy.

Table 4: Projected Annual Expenses per Category

Projected Annual Expenses and FTE Per Category										
5 Year Projection	2020		2021		2022		2023		2024	
Expenses	Project Expenses	FTE	Project Expenses	FTE	Project Expenses	FTE	Project Expenses	FTE	Project Expenses	FTE
Administration	\$1,330	0.09	\$1,340	0.08	\$1,760	0.1	\$1,800	0.09	\$3,810	0.5
Asset Management/ Monitoring	\$9,130	0.20	\$9,490	0.14	\$8,280	0.08	\$8,290	0.13	\$8,280	0.08
Visitor Experience/ Management	\$2,610	0.04	\$4,350	0.03	\$3,240	0.05	\$4,760	0.1	\$2,070	0.07
Boundary Management	\$170	0.02	\$0	0.01	\$0	0.01	\$0	0.01	\$0	0.01
Natural Heritage Features Management	\$210	0.06	\$0	0.06	\$2,710	0.13	\$210	0.06	\$210	0.06
Partnership Development/ Engagement	\$150	0.08	\$150	0.08	\$150	0.08	\$5,150	0.11	\$150	0.08
Annual Totals	\$13,600	0.49	\$15,330	0.4	\$16,140	0.45	\$20,210	0.5	\$14,520	0.8
5-year \$\$ Total:	\$79,800									
5-year FTE Total:	2.64									

Projected Revenues

In order to implement any tasks, the resources to do so must first be identified and obtained. LSRCA will work with partners and existing identified budgets to source the funds required to implement the tasks identified in this Management Plan. Some of the primary funding sources and partners LSRCA will continue to look to for assistance (both financially and in-kind) are:

- Municipal levy
- Special capital
- Grants
- Greenbelt Foundation
- University of Toronto/ Jokers Hill
- Central Counties Tourism (RTO #6)
- King Township

Staff projections to achieve these implementation priorities also represent a workload increase, approximately ½ a staff person annually on average. Table 5 shows the proposed breakdown of projected revenue sources by each funding partner. Specific objectives were projected to be funded by specific sources based on the types of projects or items that source generally supports, or past activities that were successful in receiving funding in the past, representing which items that organization would likely be most interested in.

For a further breakdown of the items to be funded by each organization, please refer to the Implementation Schedule. Some of these items will be funded through in-kind work, or donations of staff time. These specific items have still been given a dollar amount to ensure the projected numbers accurately reflect how much it costs to manage and maintain this conservation area.

Table 5: Projected Revenues Sources

Projected Revenue Summary

Category	2020	2021	2022	2023	2024	Category Total:
Municipal Levy	\$3,820	\$3,760	\$3,920	\$3,260	\$5,150	\$19,910
Special Capital	\$1,980	\$3,970	\$1,920	\$6,850	\$570	\$15,290
Grants	\$400	\$200	\$2,900	\$1,700	\$400	\$5,600
Property Revenue (Sponsorship)	\$0	\$0	\$0	\$1,000	\$1,000	\$2,000
King Township (in-kind)	\$7,400	\$7,400	\$7,400	\$7,400	\$7,400	\$37,000
Total Revenues:	\$13,600	\$15,330	\$16,140	\$20,210	\$14,520	\$79,800
5 Year Total: \$79,800						

Municipal Levy

Funding received from LSRCA's municipal partners as Municipal Levy primarily supports operational administrative and overhead expenditures, including staff wages, and obligatory property management costs such as property taxes, insurance and vehicle mileage. This source also contributes to the management, maintenance and development program of conservation areas, which traditionally covers costs such as property management and monitoring, maintaining and improving infrastructure, and risk tree management.

The Municipal Levy requirements outlined in this Business Plan will continue to utilize existing Municipal Levy funds and will not require additional funding from municipal partners; if it does a special Business Case will be developed in consultation with our Municipal partners.

Special Capital

Special Capital funding from LSRCA's partner municipalities is used to advance programs and projects and will remain a very important part of the funding formula for Thornton Bales Conservation Area. Existing Special Capital will be utilized to replace, upgrade or construct major infrastructure such as the "99 Steps", boardwalks, trail surface, and viewing platforms.

Special Capital funding is already an existing funding portion being used to manage and maintain many conservation areas. The incorporation of this funding source is projected to continue to be included at Thornton Bales Conservation Area, based on priority projects across all Conservation Areas.

University of Toronto/ Jokers Hill (in-kind contribution)

The University of Toronto owns the Koffler Scientific Reserve (KSR), and Jokers Hill which shares a property boundary with Thornton Bales Conservation Area, and is connected by a single trail. Working with staff at KSR will be done when planning for and implementing specific items within the Conservation Area, such as mapping and trail signage, the organization of volunteer days, and general trail maintenance.

King Township

The contributions projected from King Township in this Management Plan will primarily be in-kind contributions. Many of the items already associated with King Township in this Management Plan are already occurring and are predicted to continue throughout the implementation of this management plan.

Greenbelt Foundation

The Greenbelt Foundation's funding program in 2019 was devoted to supporting organizations to: advance municipal natural asset management; support development activities in nature or culture-based recreation and tourism, and to protect biodiversity by identifying important natural cores and connectivity corridors between the Greenbelt and the broader southern Ontario landscape.

Several objectives that are outlined in the Implementation Schedule would qualify for some funding from the Greenbelt Foundation, based on the above criteria. Although funding programs change annually, it is anticipated that this one will still broadly target very similar, if not the same, types of projects. Therefore, the Greenbelt Foundation has not been associated with any specific projects within this Business Plan, but if funding opportunities are presented throughout the implementation of this management plan, they will be strongly considered.

Parking Fee Revenue

It is anticipated that in 2022, once more amenities such as signage and mapping are available, a parking fee will be implemented at the parking lot located off 19th Sideroad. This revenue will be used to continue managing the property and meeting LSRCA's Maintenance Standards¹. Revenue amounts for parking fees have not been included in the Business Plan as projected revenue because it is very challenging to accurately project how much revenue from parking would be collected.

¹ LSRCA (2016a)

Sponsorship Revenue

LSRCA will be working towards developing, refining and implementing a donation or sponsorship program targeting its conservation areas, including Thornton Bales. This will allow members of the public to either donate any amount to the property, or to sponsor a specific item, such as a trail sign or a step, for a set fee. These funds will go directly back into the maintenance and management of the property.

A goal of raising \$1000 in both 2023 and 2024 through this sponsorship or donation program has been set to provide a target that will be worked towards. This targeted revenue has been included in the Projected Revenue portion of the Business Plan as “Property Revenue.”

Grant Funding

Each year there are new grants or funding opportunities available, which vary widely in their purpose, goal, scope, and eligibility requirements. LSRCA has taken advantage of these opportunities in the past, and will continue to look for them, and apply to them when qualified to do so. Some of the grants which the Conservation Lands department has applied to in the past, and have been successful in receiving, include the Trans Canada Trail, Greenbelt Foundation, Ontario Trails Council, Ontario Trillium Foundation, Provincial Infrastructure funding, and more. Since these funding sources are typically not made publicly available in advance of them being released, it makes planning for revenue from these sources challenging. However, LSRCA will continue seeking appropriate and applicable funding sources to apply to in order to gather the funds required to complete specific tasks.



TO: Board of Directors

FROM: Mike Walters
Chief Administrative Officer

DATE: April 14, 2020

SUBJECT: Update regarding the Alcona NDMP Flood Relief Class EA.

RECOMMENDATION: THAT Staff Report No. 26-20-BOD regarding the update on the Alcona NDMP Flood Relief Class EA be received for information.

Purpose of this Staff Report:

The purpose of this Staff Report No. 26-20-BOD is to provide the Board with an update on the Alcona NDMP Flood Relief Class EA.

Background:

The Alcona South area of the Town of Innisfil in the general Belle Aire Creek subwatershed has been experiencing chronic flooding during the spring months and under the odd significant storm event. The flooding occurs due to a combination of factors including poor local drainage, historical residential development and very low-lying elevations relative to lake levels.

As part of the Alcona South Secondary Plan, the Town of Innisfil also undertook a Master Drainage Plan which was finalized in fall of 2018. This plan recognized the chronic flooding issues and put forth various options and ideas to reduce flood risk including changing drainage patterns, water diversion and potential wetland attenuation.

Recognizing the need to address this chronic flooding issue, LSRCA commenced an Environmental Assessment (Class EA) and hired Greenland Consulting Engineers in cooperation with the Town of Innisfil to conduct the study with the approval of the Board of Directors in July 2019. The primary objective of the Class EA was to develop a flood protection solution that will reduce current flood risks in the project area for frequent flood events.

As has been reported at the last Board of Director's meeting, the study has been completed in accordance with the Conservation Authority Class Environmental Assessment for Remedial Flood

and Erosion Control Projects (Class EA) guidelines. As of April 1, 2020, a *Notice of Completion* has been provided to the Ministry of Environment, Conservation and Parks and all stakeholders as well as being posted on LSRCA's website www.lsrca.on.ca/Pages/Alcona-Flood-Relief-Project.aspx for the standard thirty-day comment period.

Based on the preferred solution, a significant reduction in flooding can be achieved through the implementation of flood relief efforts. The preferred stormwater management solution for the South Alcona area included channel improvements in the residential section of the Belle Aire Creek, as well as redirecting flows above the 2-yr storm away from the Belle Aire Creek to the local Little Cedar Creek wetland. This diversion would be done with an engineer designed flow splitter. The diverted water would travel from the flow splitter to the wetland through a conveyance channel designed to increase sedimentation. A 1.2m berm would be built around the Little Cedar Creek wetland so that it would be able to handle the increase stormwater volume. The primary outlet for the wetland would remain the Little Cedar Creek. A weir control structure would be built at the outlet to maintain pre-development flows in the Little Cedar Creek. An emergency outlet would also be built ~1 km southwest of the primary outlet in order to outlet any storm volume above the 100-yr storm.

Upon final approval of the EA, LSRCA will be approaching the Town of Innisfil to discuss next steps towards completing the final design and eventually the construction of the much need flood relief project.

Issues:

Several issues had to be addressed to complete the EA with the most significant issue being the short timeframe in which the project needed to be completed to ensure that the NDMP funding was expensed. Unfortunately, the NDMP approval and transfer payment agreements were not received until late June/July 2019, and under the terms of the agreement the project had to be completed by March 31, 2020. The project was originally scheduled to commence in January 2020 and take 12 months to complete. To accommodate the reduced timeframe, staff sought and received Board approval in July 2019 to sole source the contract to Greenland Consulting Engineers.

Unfortunately, the shortening of the timeline did have some other unintended consequences on LSRCA resources and required an additional cash contribution from the Authority. This was due in part to an inability of staff to meet the in-kind contribution originally proposed and as a result of a change in project scope and scale. Originally the project was to take a full year to complete and cost in excess of \$800,000. Due to the timeline, the scope of the project was reduced as was the total cost of the project by more than \$300,000. Under the terms of the NDMP agreement, LSRCA's original in-kind contribution had to be reduced even further. This meant that the Authority's cash contribution had to increase to accommodate the funding formulas in the transfer payment

agreement. Based on available funds and significant benefits of the project, staff were directed to proceed with the study.

Impact on Authority Finances:

The total cost to undertake the entire project was originally estimated at \$877,500. Due to the time constraint the project was rescoped to meet proposed completion date of March 31, 2020 while still complying with the Environmental Assessment process. After rescoping the project, the total cost was decreased to \$525,129.00 with the consultant cost being the largest component of the project at \$431,250.00 excluding taxes.

Based on the cost sharing agreement under the National Disaster Mitigation Program, half of the project revenue or \$262,565.00 was available for the project. The remaining funding contribution was as follows: \$138,065 from LSRCA (cash and in-kind), \$64,500 from the Town of Innisfil, and \$60,000 from Greenland Consulting Engineers.

The unfortunate delays associated with process in approval and execution of funding agreements has plagued the National Disaster Mitigation Program for several years. Despite this, the work has been completed and staff will be filing the final report for reimbursement of the NDMP share of the revenue.

Summary and Recommendations

It is therefore RECOMMENDED THAT Staff Report No. 26-20-BOD regarding the update to the Alcona NDMP Flood Relief Class EA be received for information.

Pre-Submission Review:

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

Original signed by:

Michael Walters
Chief Administrative Officer