

# 4<sup>th</sup> Quarter Financial Update Presentation

Board of Directors

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Mark Critch, General Manager,  
Corporate & Financial Services



**Lake Simcoe Region**  
conservation authority



Member of Conservation Ontario

# 4<sup>th</sup> Quarter Update: Outline

1. 2018 Outcomes Achieved
2. Executive Summary
3. Corporate Budget Status Summary
4. Major Project Status
5. Update on Reserves
6. Impact on 2019 Budget
7. Next Steps



# 2018 Outcomes Achieved

1. Establishment of Restoration Services Division
2. Full Cost Recovery for Planning & Development
3. Progress on Education Centre & Operation Centre
4. Salt Management & Carbon Reduction Strategies



# 2018 Outcomes Achieved (Cont'd)

5. Started the Stormwater Management Economic Optimization Study
6. Completed Salary Review
7. Updated Investment Policy, Asset Management Policy and Reserve Management
8. Completion of Ghost Canal Wetland Project



# Executive Summary

1. Small operational surplus for 2018: \$31K
2. LSPOP requires a temporary reserve draw: \$241K
3. Planning/Permitting fees are up \$160K over budget (volume), offsetting higher legal fees (\$140K)
4. Timing differences on some capital projects
5. Investment Policy update & higher interest rates has yielded \$110K in investment income(2017: \$54K)
6. Leveraged municipal partnership opportunity to support asset management reserve: \$253K



# 4<sup>th</sup> Quarter Corporate Budget Status

DRAFT Unaudited Q4 Corporate Budget Status Summary	2018 Budget	2018 Actual	% of Budget
<b>Revenue</b>			
General Levy	\$ 3,777	\$ 3,777	100%
Special Capital Levy & Municipal Partners	7,588	5,704	75%
Provincial & Federal Funding	1,888	1,718	91%
Revenue Generated by Authority	4,415	3,342	76%
Other Revenue	151	228	152%
<b>Total Revenue</b>	<b>17,819</b>	<b>14,769</b>	<b>83%</b>
<b>Expenses</b>			
Corporate Services	5,449	3,968	73%
Ecological Management	3,067	2,616	85%
Education & Engagement	567	556	98%
Greenspace Services	976	794	81%
Planning & Development Services	2,931	2,955	101%
Water Risk Management	3,726	2,409	65%
Watershed Studies & Strategies	1,610	1,556	97%
<b>Total Gross Expenses</b>	<b>18,326</b>	<b>14,854</b>	<b>81%</b>
<b>Board of Directors Approved Draw for 2018</b>	(507)	(138)	
Post Budget Transfers to Reserve from Additional Items	-	263	
Draw from Reserve for LSPOP Operational Expenditures	-	(241)	
Operational Surplus	-	31	
<b>Net Change in Reserves</b>	<b>\$ (507)</b>	<b>\$ (85)</b>	

# 2018 Major Project Update

Budgeted Projects	Project Value*	Phase
Rogers Reservoir (Ghost Canal)	\$0.5M	Completed
Low Impact Development at Magna Centre	\$0.2M	Completed
Solar Panels at Mabel Davis	\$0.15M	Completed
Scanlon Operations Centre Renovation	\$1.5M	In Progress
York Region Phosphorous Removal Demo (Stormwater retrofit)	\$0.5M	In Progress
East Holland River Fish Barrier (Stream Naturalization)	\$0.4M	In Progress
Fish Habitat Rehabilitation	\$0.2M	In Progress
Education and Training Facility Project	\$0.1M	In Progress

New Projects	Project Value*	Phase
Stormwater Management Economic Study (funding includes FCM, NDMP, NRCan)	\$1.3M	In Progress

\* Project value over multiple budget years

# Update on Reserves – \$2.4M\*

Asset Management \$896K	Rate Stabilization \$782K
New Capital \$550K	Restricted \$165K

\*Draft Unaudited Balances

1. Timing versus Project Savings
2. When do we use? Focus on Sustainability
3. Report back in April on Reserve Adequacy



# Lessons Learned: Impact on 2019 Budget

1. Continue to monitor start-up revenue for LSPOP
2. Planning/Permitting Fee Update has been included
3. Legal Fees updated to reflect higher costs
4. Update to Operation Centre to commence
5. Adequacy of Reserves to be better assessed after Asset Management report is completed (FCM funded)
6. Salary Review completed and incorporated into 2019 Budget



# Next Steps

1. 2018 Audited Financial Statements require Board of Director approval
2. Annual Operating Plan for 2019 has been developed
3. 2019 Budget to be presented to the Board of Directors in March



# Questions?