

2021 Year-End Results

Board of Directors

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Lake Simcoe Region
conservation authority



Member of Conservation Ontario

Presentation Outline

1. 2021 Highlights
2. Progress on Capital Investments in 2021
3. Update on Reserves
4. 2021 Results: Lessons Learned
5. Next Steps
6. Questions



2021 Highlights

1. Operational surplus: \$790K, higher than the year end forecast provided at Q3.
2. Surplus from Offsetting operational programming.
Reserve transfer to payback prior years draw: \$622K.
3. Reserve activity was mostly in line with Budget, with some projects/purchases deferred into 2022.
4. Capital Budget variances due to timing differences, project work carries on into 2022.



2021 Highlights cont'd

5. Procurement Summary (Appendix 3):
 - a) 119 Purchase Orders totalling \$4.86M.
 - b) Almost 70% awarded through standard procurement
6. Offsetting Summary:
 - a) Funded \$275K for Offsetting projects in 2021.
 - b) Deferred Balances available by Offsetting Program (Appendix 4).

Progress on Capital Investments in 2021

2021 Capital Investments	Project Value	Expenditures at Year End	Status
Offsetting Projects	\$1.1M	\$0.3M	4 projects in progress, 2 substantially complete
Restoration Projects	\$0.6M	\$0.4M	4 projects in progress, 1 substantially complete
Asset Management	\$0.6M	\$0.3M	Asset replacements and Building Renovations in progress
Stormwater Projects	\$0.4M	\$0.3M	In progress
Salt Reduction Projects	\$0.4M	\$0.1M	In progress
LID Projects	\$0.2M	\$0.2M	In progress
Land Cover Projects	\$0.2M	\$0.1M	In progress
Watershed Modernization	\$0.2M	\$0.1M	In progress
Water Science and Monitoring	\$0.1M	\$0.1M	In progress
Total	\$3.7M	\$1.9M	



Update on Reserves: \$3.5M*

2021 Year-end Balances*	
Asset Management	\$735K
Rate Stabilization	\$2,308K
Working Capital	\$460K
Restricted	\$34K

NOTE: Updated Reserve Policy to be reviewed/endorsed by the Board in Fall 2022

*Draft Unaudited Balances



2021 Results: Lessons Learned

1. Opportunity: Revenue and fee assumptions to ensure full cost recovery in Planning & Regulations program. Conducted external review of Fee Schedules.

Result: Updated Fees effective January 2022.

2. Issue: Planning for a safe return to office after COVID-19 restrictions eased.

For 2022: Improvements to HVAC in offices, purchase of air filtration units and staff returned to both offices on cohort schedule the week of March 21st. Return under hybrid model April 19th.



2021 Results: Lessons Learned cont'd

3. Opportunity: Update charge out rates to ensure full cost recovery on externally funded projects.

Result: Ongoing monitoring to ensure that external funding for non-core projects adequately covers all costs.

4. Issue: Ongoing review of the MECP Conservation Authorities Act changes.

For 2022: Work to understand how the proposed changes affect funding, budgeting and financial reporting for 2023/2024.



Next Steps

- 1) Learning from 2021 fiscal year has already been used to inform the 2022 Budget
- 2) Audited Financial Statements will be presented to the Board on April 22, 2022
- 3) Asset Management Financial Report will be developed once MECP review is complete
- 4) Reserve Policy update will be brought to the Board for review and endorsement in the Fall

Questions?