

Staff Report

To: Board of Directors

From: Mark Critch, General Manager, Corporate and Financial Services/CFO

Date: December 19, 2025

Subject:

2026 Draft Capital and Operating Budget

Recommendation:

That Staff Report No. 39-25-BOD regarding the 2026 Draft Capital and Operating Budget be received; and

Further that the Board of Directors endorse the 2026 Draft Capital and Operating Budget for use in consultation with the participating municipalities; and

Further that the 2026 Draft Capital and Operating Budget be made available on the Conservation Authority's Governance webpage for the general public and participating municipalities to view in advance of the 2026 Budget weighted vote, planned for January 23, 2026.

Purpose of this Staff Report:


The purpose of this Staff Report No. 39-25-BOD is to provide the 2026 Draft Capital and Operating Budget for review as required by O.Reg.402/22: Budget and Apportionment (formerly O.Reg.139/96), which requires that the accompanying draft budget document be circulated to participating and specified municipalities 30 days prior to the final weighted vote, which is scheduled for January 23, 2026. The 2026 Draft Capital and Operating Budget was created using the Board-approved budget estimates/assumptions, and a copy is attached.

Background:

I. Budget Process for 2026

The 2026 Budget has followed the same process, outlined below, as previous years.

- Board of Directors approve the budget assumptions in May.
- Staff review of Base Operating Budget for:
 - Efficiencies/Cost Savings
 - Additional funding sources
 - Changes to program expenditures/funding

 Corporate Services Department Legislative Services Division	
Date & Time Received:	January 02, 2026 2:16 pm
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Notes/Comments:	

- Based on the Strategic Plan, the Executive Leadership Team will consider potential key areas of investment for 2026.
- Work with municipal funding partners through communication of budget details and highlights, along with presentations to local Councils as required. Preliminary budgets were circulated to municipal funding partners in late July.

II. Assumptions

On May 23, 2025, the Board of Directors approved Staff Report No. 17-25-BOD regarding the 2026 budget assumptions. Staff proceeded to work within those assumptions to develop the 2026 Budget. The Board-approved budget assumptions used for 2026 are:

Assumption	Approved Guideline	Actual
Inflation	Up to 2.50%	When applicable
COLA (including STEP)	Up to 2.50%	2.00%
New Operating Costs for the Nature Centre	1.0-2.0%	1.0-2.0%
Strategic Initiatives	Up to 1.00%	0.00%
Asset Management Funding (blended)	Up to 0.5%/0.5%	0.50%

The 2026 Budget does contain additional investments for 2026 Annual Priorities that align with the Strategic Plan, but the net increase is 0% (no additional municipal funding required) due to the use of rate stabilization reserves and other external funding. The list of 2026 Annual Priorities can be found in the attached 2026 Draft Budget document.

III. Summary of Progress to Date

The 2026 preliminary budget submissions were provided to participating and specified municipalities on July 30, 2025. Each submission included information on the 2026 approved budget assumptions, a comparison document outlining the 2026 funding request to 2025, and confirmation that the final budget will be presented to the Board for final approval and voting on January 23, 2026.

At the request of municipal funding partners, staff made budget presentations to senior staff or Councils at York Region, the Township of Oro-Medonte, the Town of New Tecumseth. At the January 23, 2026 Board of Directors' meeting, a recorded weighted vote would be the final step of the 2026 Budget process.

IV. Budget Highlights

Detailed information is provided in the attached 2026 Draft (Capital and Operating) Budget document. Some highlights regarding the 2026 draft budget are as follows:

	2025	2026	Change
Operating	\$15.8M	\$15.4M	(\$0.4M)
Capital	\$15.5M	\$14.6M	(\$0.9M)
Total	\$31.3M	\$30.0M	(\$1.3M)

Issues:

What's New for the 2026 Capital, Project and Operating Budget

Staff developed the 2026 Budget to address the 2025-2028 Strategic Plan priorities and 2026 Annual Priorities within the Board of Directors' guidelines to limit the increase in municipal funding categories to no more than 2%.

I. Categories for Municipal Funding

Municipal funding categories are defined in the *Conservation Authorities Act*. Accordingly, all expenditures that require funding from a municipality fall into the three categories below:

- 1) Category 1 Mandatory funding apportioned using Modified Current Value Assessment (MCVA), Category 1 Special Benefiting funding which uses benefit-based apportionment for Mandatory work specific to a participating municipality, and Category 1 *Lake Simcoe Protection Act*, (LSPA), also Mandatory but unique to this Conservation Authority.
- 2) Category 2 (Municipal requested; not mandatory), and
- 3) Category 3 (Conservation Authority requested, beneficial to the watershed; not mandatory).

II. Continuing to Work with Funding Partners

The 2026 Budget was developed with the understanding of the fiscal challenges being faced by municipal funding partners. The alternate challenge to Conservation Authority staff in the development of the budget is the difficult economic climate facing all public sector organizations. The approved assumptions recognized that the Conservation Authority would need to adjust base costs as the funding increase would not, in some cases, cover inflation.

Ensuring each participating and specified municipality pays its fair share of the costs in the operating and capital and project budget is a legislative requirement and critical for the financial sustainability of the Conservation Authority. In 2026, it is anticipated that all funding partners will pay their respective Conservation Authority budget request. A reminder that the City of Orillia is only legally obligated to pay the Lake Simcoe Protection Plan (LSPP) portion of the Conservation Authority's funding request.

Relevance to Conservation Authority Policy:

The Conservation Authority is required to prepare annual budgets as part of its fiscal control and responsibilities. The operating and capital budget is used in the audit process for evaluation

by the external auditing firm. Annual audits are required under Section 38 of the *Conservation Authorities Act*.

Impact on Conservation Authority Finances:

Total Expenditures

The total amount of expenditures for the 2026 Draft Capital and Operating Budget is \$30.0M, down \$1.3M from 2025. The operating decrease of \$0.4M is mainly being driven by a reduction in consulting expenses (using in-house expertise instead) and a reduction in anticipated legal expenses in the Development Services program, offset with the overall 2% increase in cost-of-living allowance for staff. There has also been an increase in the consulting related to Source Water Protection work with the Province and partner agencies. Capital and project spending has decreased by \$0.9M, with work on the new Nature Centre winding down and an increase in the budget for funding Offsetting projects. A detailed summary of the 2026 capital and project investments of \$14.6M can be found on page 16 of the attached 2026 Draft Budget document.

Opportunities for Efficiencies

Annually, staff review business operations and procurement looking for operational savings and efficiencies (both staff time and money). Here are some recent examples, with savings embedded in the 2026 Budget:

- New co-managed IT support provides the most cost-effective approach to protecting IT infrastructure – major strides in network security in 2025 and into 2026;
- Use of in-house expertise to advance studies and policy work in Development Services, saving a draw from reserves;
- Continued benefit from the Procurement Audit that resulted in multi-year savings in waste management, telecom and a different payment provider;
- Long-term investment strategy in a decreasing interest rate environment has led to investment returns outpacing standard (variable rate) investment options.

Salary/Wages

Wages and benefits continue to be the largest line item in the annual budget. Projected spending for 2026 is \$13.7M for all wages and benefits for full time, part-time and contract staff, a decrease of \$0.1M over 2025. Adjustments to staff gapping have been made to align with capacity expectations for 2026, due to a projected decrease in Planning and Development fees. The salary/wage amount also includes the Cost-of-Living Allowance (COLA) increase and step increases for eligible staff.

Staffing Summary:

	2025	2026	Change
Full Time Equivalent (FTE)	109.6	109.6	0
Permanent Part Time (PPTE)*	2	2	0

*Permanent Part time positions included in the 109.6 FTE

The budget also includes 25 contracts for seasonal work, and additional capacity needed for funded projects or programs.

Below is a historical summary of Increases to Cost-of-Living Allowance (COLA):

Year	COLA
2021	1.00%
2022	2.00%
2023	2.00%
2024	2.00%
2025	3.00%
Proposed 2026	2.00%

Working within the budget assumptions approved by the Board in May 2025, staff are recommending a 2% increase for staffing expenses, in line with local municipal and Conservation Authority partners increase for 2026.

Total Revenue

Total Revenue for the 2026 Draft Capital, Project and Operating Budget is \$29.0M, which is down (\$2.2M). Total municipal funding has increased by \$252K or a blended increase of 2.66%.

Revenue Category	2025 (000's)	2026 (000's)	+/- (000's)
Category 1 Funding (2.0% + 1.0% for new Education building)	5,565	5,733	168
Category 1 Funding - Special Benefiting	200	200	-
Category 1 Lake Simcoe Protection Act Funding (2.00%)	2,921	2,978	57
Category 2 Funding (2.00%)	636	649	13
Category 3 Funding (2.0% + 2.0% for additional Education prog.)	361	375	14
Provincial and Federal Funding	2,153	2,276	123
Deferred Funding and Municipal Agreements	1,381	1,238	(143)
Revenue Generated by Conservation Authority	18,037	15,565	(2,473)
Total	\$31,255	\$29,014	(\$2,241)

I. Category 1 Mandatory Funding

The Conservation Authority's 2026 Category 1 funding request of \$5,733K represents an increase of 3.00% over the 2025 Budget. This increase was used to cover Cost-of-Living-

Adjustment for staff, inflation when applicable for program expenses and additional operational building costs related to occupancy of the Nature Centre in April/May of 2026. It also includes dedicated funds for asset management support of the new Nature Centre. The building occupancy costs associated with the Nature Centre will be phased in over multiple years to smooth out the tax levy impact on municipal funding partners. This is within the endorsed guidelines provided by the Board of Directors.

The Conservation Authority has also requested Category 1 Special Benefitting funding in the amount of \$200K from the Region of Durham. This represents the final phase of the \$400K funding request to support the cost to update floodplain mapping work in portions of the Beaver River and Whites Creek watershed that fall within Durham Region.

II. Category 1 Lake Simcoe Protection Act Mandatory Funding

The 2026 *Lake Simcoe Protection Act* funding increased by 2.0% to \$2,978K. This was within the Board-endorsed guideline of 2.0% above the 2025 Budget. The *Lake Simcoe Protection Act* apportionment uses a separate apportionment table provided by the Province (see 2026 Draft Budget document for all apportionment details).

III. Category 2 Work on behalf of the Municipality Funding

In 2026, funding provided to the Conservation Authority by the municipalities to complete work identified in Memorandums of Understanding is increasing by 2.0% over the 2025 Budget. This is in line with Board approved guidelines, along with expectations of municipal funding partners.

IV. Category 3 Funding requested by the Conservation Authority

The Education and Engagement program is essential to ensuring a long-term understanding and passion for Lake Simcoe. Based on the determination made by the Ministry of the Environment, Conservation and Parks, Education and Engagement programs fall into Category 3 for municipal funding. The 2026 budget contains a 2% increase in funding (over the 2025 Budget), and an additional 2% to support the increase in Education and Engagement program costs that are anticipated with the launch of additional programming at the new Nature Centre in September 2026. The operating impact of the new Education programming has been phased over multiple years to smooth out the tax levy impact on our municipal funding partners. This is within the Board-endorsed target.

Provincial and Federal Funding

The 2026 budget for Provincial and Federal funding (new and deferred) is \$2,276K, which is up 5.7% from \$2,153K in 2025. This change in funding can be attributed primarily to funding opportunities that are anticipated to arrive in early 2026 and projects with longer-term agreements that have carried over from 2025. Should this funding not materialize, staff would then adjust expenditures and outcomes accordingly. The 2026 Draft Capital and Operating

Budget includes a provision for Ministry of Natural Resources transfer payments in the amount of \$68,371, which has remained the same for the last four years. This \$68,371 represents the only annual Provincial funding for operating expenses.

V. Deferred Funding and Municipal Agreements

There is a reduction in Deferred and Municipal Agreement funding in 2026, mainly due to the completion of the York Region Urban Forest Studies project. The reduction in Deferred funds is minimal year-over-year but relates to contributions to some restoration projects that have been completed. Looking forward, the Conservation Authority will be minimizing the use of deferred revenue as the transition to mandatory program funding instead of special capital funding occurred.

VI. Revenue Generated by the Conservation Authority

The 2026 budget for Revenue Generated by the Conservation Authority is \$15.5M, down 14.0% from \$18.1M in 2025. This decrease in revenue is due to a reduction of funding through the Foundation for the construction of the new Nature Centre, offset with an increase in funding for Offsetting projects taking place in 2026. Total Foundation support at the time of the budget is \$1,843K, including support of the Nature Centre, Education programming, Climate Change studies, forestry, and restoration work. Additional funds from the Foundation will become available throughout the year, at which time a second round of requests will take place. Education programming fees also contribute to the increase in Conservation Authority revenue, seeing an increase of \$40K over 2025.

Staff continue to monitor the investment of idle cash, looking to receive the highest rate of return to offset rising project costs. In 2024, staff recognized the changing interest rate environment and entered into three longer term interest agreements with fixed rate returns of between 4.6% to 5.0%. This will provide higher than market interest returns that will go directly into reserves for future use. As these term investments come due, staff will continue to look at ways to maximize returns.

The 2026 Budget for Planning and Development fees was developed using the same fee schedule as was used in 2025, due to the Provincial decision to freeze fee schedules across the Province. For 2026, staff reviewed volumes and have adjusted estimates to reflect all current information and trends seen in 2025 and in the housing market. This resulted in reduced fee estimate of about \$860K. This variance in fees is being offset with a reduction in operating expenses, mainly consulting, gapping and legal expectations as noted above.

Summary of 2025 Municipal Funding

The 2026 Budget is supported by \$9,735K in funding from municipal funding partners. This represents a blended increase of 2.66%; however, each municipality will be slightly different due to year-over-year changes to the Modified Current Value Assessments (MCVA).

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

*Excludes \$200K for Category 1 Special Benefit funding from Durham Region for Floodplain Mapping

Reserve Draws

The 2026 Draft Budget includes a net draw of \$949K from reserves.

Reserves	Opening Balance (Estimate)	2026 Contributions	2026 Draws	Projected Ending Balance
Rate Stabilization	\$2,827	723	(310)	\$3,240
Asset Management	2,290	409	(752)	1,947
Working Capital	1,303	-	(841)	462
Restricted	2,102	10	(188)	1,924
Total	\$8,522	\$1,142	(\$2,091)	\$7,573

The current reserve adequacy for the budget is in line with the Conservation Authority's targets for 2026. A more thorough review of reserves will be done at year end and will be reported to the Board of Directors in the Fourth Quarter Financial Report.

Summary and Recommendations:

The 2026 Draft Capital and Operating Budget of \$30.0M can be summarized into the following key highlights:

- Budget is in line with Board approved budget assumptions.
- Preliminary Budget was circulated in July, and there is a legislated requirement to circulate a more detailed draft budget 30 days in advance of a vote.
- Occupancy of the new Nature Centre is anticipated in the Spring of 2026 with Education programming expected to start in September. The 2026 Draft Budget includes additional operating and program investments for the new Nature Centre, and the full investment will be phased in over 2-3 years.
- Reserve adequacy is at or above Board endorsed staff targets.
- The 2026 Budget is balancing the need of investing in staff, research and assets, while meeting the budget targets provided by funding partners.

It is therefore **Recommended That** Staff Report No. 39-25-BOD regarding the 2026 Draft Capital and Operating Budget be received; and **Further that** the Board of Directors endorse the 2026 Draft Capital and Operating Budget for use in consultation with the participating municipalities; and **Further that** the 2026 Draft Capital and Operating Budget be made available on the Conservation Authority's Governance webpage for the general public and participating municipalities to view in advance of the 2026 Budget weighted vote, planned for January 23, 2026.

Pre-Submission Review:

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

Signed by:

Signed by:

Mark Critch
General Manager, Corporate and Financial
Services/CFO

Rob Baldwin
Chief Administrative Officer

Attachments:

1. 2026 Draft Capital and Operating Budget

2026

DRAFT
BUDGET



Lake Simcoe Region
conservation authority

OUR VISION

Sustain a healthy lake, healthy land, and healthy life for future generations.

OUR MISSION

We collaborate to protect and restore the Lake Simcoe watershed with research, policies, and engagement driven action.





AT-A-GLANCE

The Lake Simcoe Region Conservation Authority is a local watershed management organization incorporated under the *Conservation Authorities Act (1946)*.

Since our formation in 1951, we have been dedicated to conserving, restoring, and managing the Lake Simcoe watershed for 75 years.

Our jurisdiction, which began in the East Holland River with five municipalities, has grown to include the entire Lake Simcoe watershed except for the City of Orillia and the Upper Talbot River subwatershed.

The Conservation Authority is governed by an 18-member Board of Directors, appointed within a four-year cycle by its 9 member municipalities. Each year, the Board of Directors elect a Chair and Vice Chair from among its 18 board members.

OUR WATERSHED

The Lake Simcoe watershed is a 3,400 square kilometre area that sweeps across 20 municipalities, from the Oak Ridges Moraine in the south to the Oro Moraine in the north, through York and Durham Regions, Simcoe County and the cities of Kawartha Lakes, Barrie, and Orillia.

The watershed is delineated by 18 major river systems and many smaller ones that flow through the landscape to the heart of the watershed: Lake Simcoe.

AT THE FOREFRONT

Our watershed is one of the fastest growing regions in Canada and is currently home to 513,000* people. Based on the Province of Ontario's Places to Grow Plan and municipal official plans, it's projected that the urban area within our watershed will increase by approximately 50% by the year 2041 and the population will nearly double.

Defined by our mandate under the *Conservation Authorities Act (1946)*, and shaped by continuous challenges presented by urban growth and climate change, the Conservation Authority delivers a number of programs and services to our municipal partners and watershed residents. Our strategic focus includes 26 programs within the following seven service areas - Corporate Services, Ecological Management, Education and Engagement, Greenspace Services, Planning and Development, Water Risk Management and Watershed Studies and Strategies.

As the leading local integrated watershed management agency, our business is built on programs and services that support the ecological, social and economic health of Lake Simcoe and the surrounding environment. While we have a long and accomplished history as expert practitioners, we don't do it alone. We are continually reaffirming and establishing partnerships at every level and within all of our communities to support our ongoing mission.

*based on 2021 Environics data

OPERATIONS PROFILE

The Conservation Authority's business operation employs over 100 full time, part time, contract, and seasonal staff.

Our science, research and restoration business relies on a vast range of experts in the field of environmental science including specialists in limnology, hydrogeology, hydrology, biology, botany, soil science and more. Additionally, recognized experts in water resource and environmental engineering, urban and community planning, forestry, conservation, and natural resource management, support the numerous activities of the organization.

Our education business depends on accomplished environmental leaders who are Ontario Certified Teachers and Outdoor Education Specialists, trained in delivering formal curriculum-based education programs to school-aged children and youth. Their expanded role includes delivering programs to engage citizens of all ages in making a meaningful and lasting connection with Lake Simcoe and its watershed.

These teams are championed internally by an equally broad range of experts delivering strategic leadership and essential services in several specialized fields including business planning; human resource management; financial planning and management; geographic information systems and information technology; and corporate communications, public and media relations, design, and marketing.



2026 ANNUAL PRIORITIES

1. Conservation Authority Consolidation

While continuing to deliver the critical programs and services that define our work, we will collaborate with the Province, municipalities, and other conservation authorities throughout the proposed consolidation process. Our goal is to be a trusted partner, working together to find innovative, efficient, and future-focused solutions that strengthen conservation efforts for the communities we serve.

2. 75th Anniversary

Commemorate the 75th anniversary of the Lake Simcoe Region Conservation Authority as a pivotal milestone, honoring decades of leadership in watershed stewardship and community engagement. This celebration is a timely priority, reinforcing our organizational values, strengthening stakeholder relationships, and affirming our role in shaping the future of conservation.

3. New Nature Centre

Finalize building construction and site development, and implement a comprehensive operational plan designed to expand education and community programs, strengthening stakeholder engagement, fostering environmental literacy, and advancing long-term watershed stewardship across the Lake Simcoe watershed.

4. Lake Simcoe Conservation Preserve

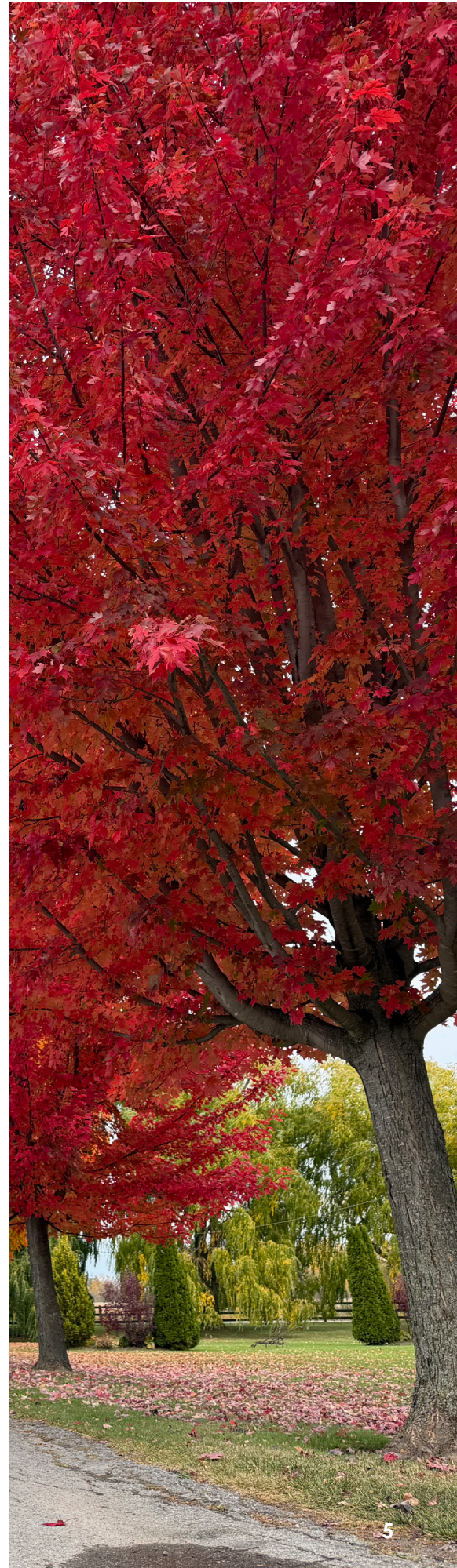
Complete development of a comprehensive stewardship plan, guided by Indigenous and community input, to support short and long-term decision-making for this unique property, protecting ecological integrity and promoting human health and well-being.

5. Indigenous Relations Framework

Continue to advance a framework that strengthens reconciliation, by empowering staff to cultivate meaningful engagement and carry out formal consultation with Indigenous Nations connected to the Lake Simcoe watershed. This includes rights-holders, along with other First Nations, Métis, and urban Indigenous communities whose traditional territories encompass the watershed and who share responsibilities as caretakers of these lands and waters.

6. Flood Forecasting and Warning and Low Water Response Programs Audit

Implement recommendations from the 2025 audit, to ensure these cornerstone programs deliver maximum effectiveness, maintain compliance with provincial standards, and adapt to climate change. This implementation phase is focused on strengthening public safety, enhancing watershed resilience, and enabling proactive responses to flooding and drought.





2026 BUDGET AT-A-GLANCE

\$15.38 Million - Operating

\$14.58 Million - Capital and Projects

\$29.96 Million - Total

2026 BUDGET HIGHLIGHTS

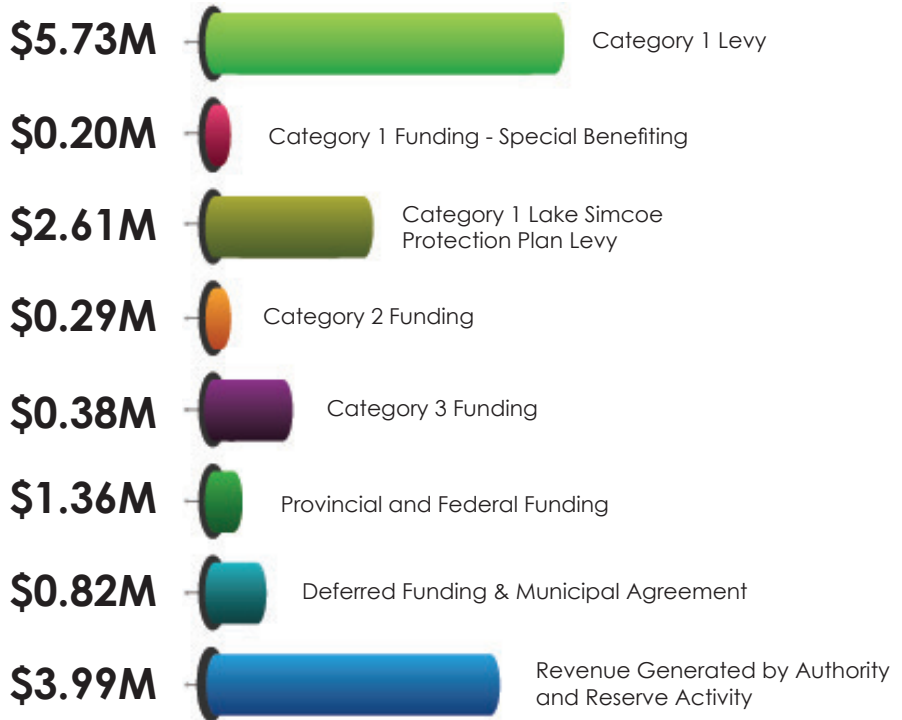
- Transparency and accountability remain central.
- Strategic Plan renewed for 2025 to 2028.
- Spending increase held at or below inflation.

The Conservation Authority continues to respect taxpayers by limiting increases and collaborating closely with municipal partners. Construction of the new Nature Centre at Scanlon Creek is on track for completion by September 2026, supported by a phased-in funding approach adopted in 2025.

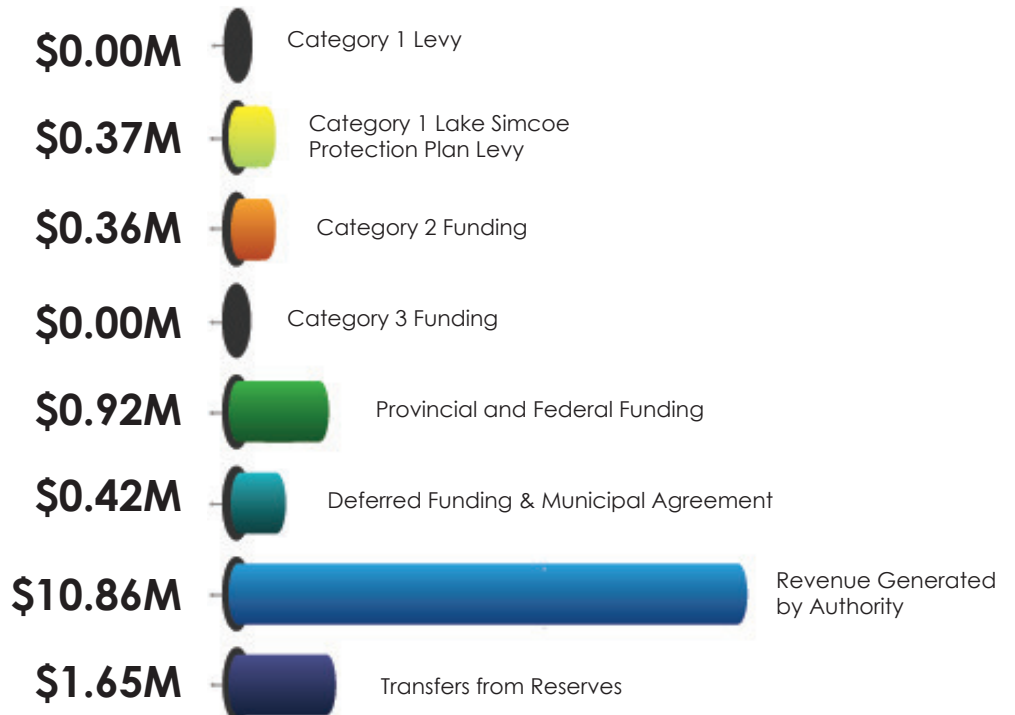
Our updated Strategic Plan, **Determination 2025–2028**, sets the course for navigating sector changes and future challenges. As we continue delivering essential programs and services, we will work closely with the Province, municipalities, and fellow conservation authorities throughout the proposed consolidation process. Our commitment is to be a trusted partner, collaborating on solutions that enhance the resilience of our watershed communities.

2026 FUNDING SOURCES

Operating \$15.38 Million



Capital and Projects \$14.58 Million



2026 DRAFT* CAPITAL AND OPERATING BUDGET

For the period January - December 31, 2026

CONSOLIDATED SUMMARY	APPROVED BUDGET 2025 (IN THE 000s)	PROPOSED BUDGET 2026 (IN THE 000s)
<u>Revenue:</u>		
Category 1 Levy	5,565	5,733
Category 1 Funding - Special Benefiting	200	200
Category 1 Lake Simcoe Protection Plan Levy	2,921	2,978
Category 2 Work on behalf of Municipality Funding	636	649
Category 3 Funding requested by Authority	361	375
Provincial and Federal Funding	2,153	2,276
Deferred Funding and Municipal Agreements	1,381	1,238
Revenue Generated by Authority	18,038	15,565
Total Revenue	31,255	29,014
<u>Expenditures:</u>		
Corporate Services	6,276	6,186
Ecological Management	1,969	2,000
Education and Engagement	938	1,027
Greenspace Services	1,051	1,037
Development Services	5,025	4,179
Water Risk Management	2,648	2,940
Watershed Studies & Strategies	1,063	1,082
Operating Expenditures	18,970	18,451
Internal Fee for Service	(3,187)	(3,068)
Capital and Project Expenditures	15,492	14,580
Total Expenditures	31,275	29,963
Required Draws to/(from) Reserve	(20)	(949)
Net Revenue (Expenditures)	-	-

2026 OPERATING BUDGET STATUS REPORT

For the period January - December 31, 2026

CORPORATE SERVICES	APPROVED BUDGET 2025 (IN THE 000s)	PROPOSED BUDGET 2026 (IN THE 000s)
<u>Revenue:</u>		
Category 1 Levy	2,950	3,065
Category 1 Lake Simcoe Protection Plan Levy	282	288
Category 2 Work on behalf of Municipality Funding	-	-
Category 3 Funding requested by Authority	-	-
Provincial and Federal Funding	2	2
Deferred Funding and Municipal Agreements	-	-
Revenue Generated by Authority	693	619
Total Revenue	3,927	3,974
<u>Expenditures:</u>		
Corporate Communications	1,037	1,063
Facility Management	736	655
Financial Management	1,513	1,416
Governance	791	784
Human Resource Management	581	624
Information Management	1,618	1,644
Total Gross Expenditures	6,276	6,186
Internal Fee for Service	(3,162)	(3,046)
Required Draws to/(from) Reserve	813	834
Net Revenue (Expenditures)	-	-

2026 OPERATING BUDGET STATUS REPORT

For the period January - December 31, 2026

ECOLOGICAL MANAGEMENT	APPROVED BUDGET 2025 (IN THE 000s)	PROPOSED BUDGET 2026 (IN THE 000s)
<u>Revenue:</u>		
Category 1 Levy	82	84
Category 1 Lake Simcoe Protection Plan Levy	1,117	1,082
Category 2 Work on behalf of Municipality Funding	149	152
Category 3 Funding requested by Authority	-	-
Provincial and Federal Funding	2	2
Deferred Funding and Municipal Agreements	229	311
Revenue Generated by Authority	365	327
Total Revenue	1,944	1,958
<u>Expenditures:</u>		
Ecosystems Science and Monitoring	681	718
Forestry Services	713	732
Restoration and Regeneration	575	550
Total Gross Expenditures	1,969	2,000
Internal Fee for Service	(25)	(22)
Required Draws to/(from) Reserve	-	(20)
Net Revenue (Expenditures)	-	-



2026 OPERATING BUDGET STATUS REPORT

For the period January - December 31, 2026

EDUCATION AND ENGAGEMENT

Revenue:

	APPROVED BUDGET 2025 (IN THE 000s)	PROPOSED BUDGET 2026 (IN THE 000s)
Category 1 Levy	-	-
Category 1 Lake Simcoe Protection Plan Levy	-	-
Category 2 Work on behalf of Municipality Funding	-	-
Category 3 Funding requested by Authority	361	375
Provincial and Federal Funding	-	-
Deferred Funding and Municipal Agreements	-	-
Revenue Generated by Authority	570	639
Total Revenue	931	1,014

Expenditures:

Community Programming	197	231
School Programming	741	796
Total Gross Expenditures	938	1,027
Internal Fee for Service	-	-
Required Draws to/(from) Reserve	(7)	(13)
Net Revenue (Expenditures)	-	-



2026 OPERATING BUDGET STATUS REPORT

For the period January - December 31, 2026

GREENSPACE SERVICES

**APPROVED
BUDGET 2025
(IN THE 000s)**

**PROPOSED
BUDGET 2026
(IN THE 000s)**

Revenue:

Category 1 Levy	950	969
Category 1 Lake Simcoe Protection Plan Levy	-	-
Category 2 Work on behalf of Municipality Funding	-	-
Category 3 Funding requested by Authority	-	-
Provincial and Federal Funding	-	-
Deferred Funding and Municipal Agreements	22	22
Revenue Generated by Authority	69	44
Total Revenue	1,041	1,035

Expenditures:

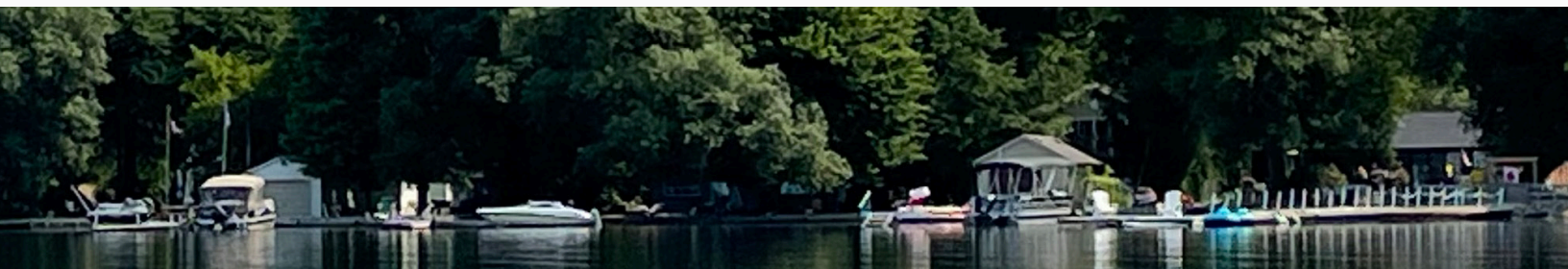
Management	837	840
Securement	214	197
Total Gross Expenditures	1,051	1,037
Internal Fee for Service	-	-
Required Draws to/(from) Reserve	(10)	(2)
Net Revenue (Expenditures)	-	-



2026 OPERATING BUDGET STATUS REPORT

For the period January - December 31, 2026

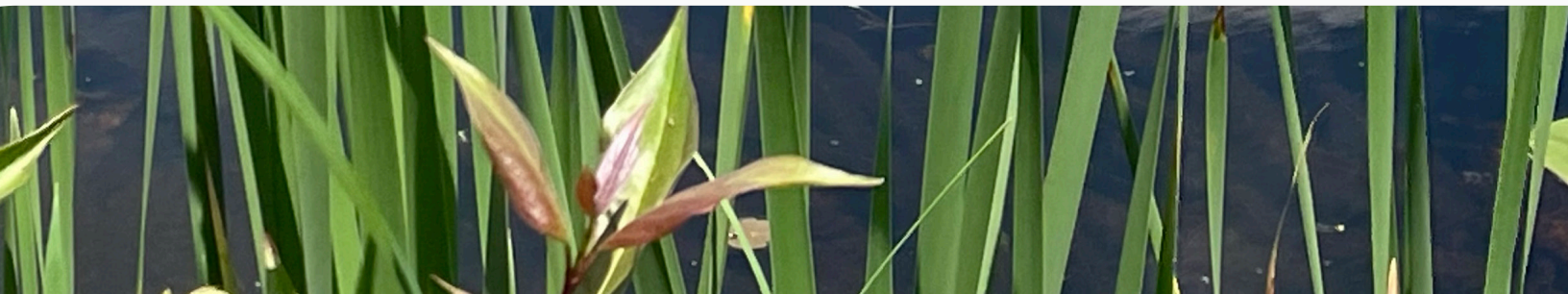
DEVELOPMENT SERVICES	APPROVED BUDGET 2025 (IN THE 000s)	PROPOSED BUDGET 2026 (IN THE 000s)
<u>Revenue:</u>		
Category 1 Levy	661	674
Category 1 Lake Simcoe Protection Plan Levy	-	-
Category 2 Work on behalf of Municipality Funding	26	27
Category 3 Funding requested by Authority	-	-
Provincial and Federal Funding	22	22
Deferred Funding and Municipal Agreements	440	449
Revenue Generated by Authority	3,864	3,002
Total Revenue	5,013	4,174
<u>Expenditures:</u>		
Development Planning	2,413	1,954
Permitting and Enforcement	2,612	2,225
Total Gross Expenditures	5,025	4,179
Internal Fee for Service	-	-
Required Draws to/(from) Reserve	(12)	(5)
Net Revenue (Expenditures)	-	-



2026 OPERATING BUDGET STATUS REPORT

For the period January - December 31, 2026

WATER RISK MANAGEMENT	APPROVED BUDGET 2025 (IN THE 000s)	PROPOSED BUDGET 2026 (IN THE 000s)
Revenue:		
Category 1 Levy	786	802
Category 1 Funding - Special Benefiting	200	200
Category 1 Lake Simcoe Protection Plan Levy	321	322
Category 2 Work on behalf of Municipality Funding	113	109
Category 3 Funding requested by Authority	-	-
Provincial and Federal Funding	1,008	1,332
Deferred Funding and Municipal Agreements	127	38
Revenue Generated by Authority	214	63
Total Revenue	2,769	2,866
Expenditures:		
Flood Management and Warning	1,085	1,054
Source Water Protection	766	1,073
Water Management/Restoration	472	488
Water Science and Monitoring	325	325
Total Gross Expenditures	2,648	2,940
Internal Fee for Service	-	-
Required Draws to/(from) Reserve	121	(74)
Net Revenue (Expenditures)	-	-



2026 OPERATING BUDGET STATUS REPORT

For the period January - December 31, 2026

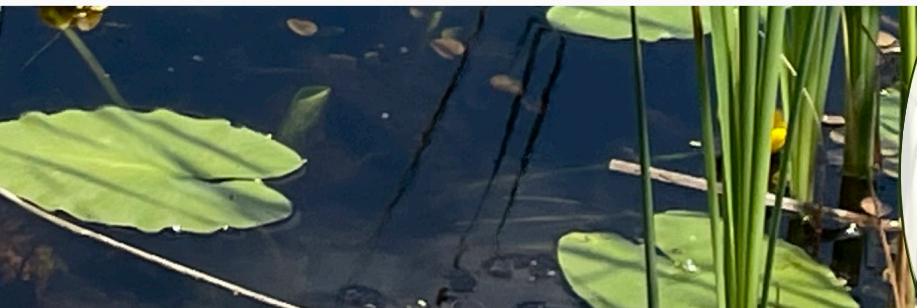
WATERSHED STUDIES & STRATEGIES

Revenue:

	APPROVED BUDGET 2025 (IN THE 000s)	PROPOSED BUDGET 2026 (IN THE 000s)
Category 1 Levy	136	139
Category 1 Lake Simcoe Protection Plan Levy	838	916
Category 2 Work on behalf of Municipality Funding	-	-
Category 3 Funding requested by Authority	-	-
Provincial and Federal Funding	13	-
Deferred Funding and Municipal Agreements	-	-
Revenue Generated by Authority	41	9
Total Revenue	1,028	1,064

Expenditures:

Climate Change Adaptation	443	359
Watershed Subwatershed Planning	248	344
Research and Innovation	372	379
Total Gross Expenditures	1,063	1,082
Internal Fee for Service	-	-
Required Draws to/(from) Reserve	(35)	(18)
Net Revenue (Expenditures)	-	-



2026 CAPITAL AND PROJECTS BUDGET STATUS REPORT

For the period January - December 31, 2026

CONSOLIDATED SUMMARY	APPROVED BUDGET 2025 (IN THE 000s)	PROPOSED BUDGET 2026 (IN THE 000s)
<u>Expenditures:</u>		
Offsetting Projects	3,935	6,442
Scanlon Creek Nature Centre	8,125	4,241
Assets and Capital	809	1,576
Simcoe Hydrology and Lake Decoupling	661	674
Restoration Projects	440	394
Climate Change Studies	310	334
Stormwater Management Inspection and Maintenance	299	310
Subwatershed Plan Projects	-	169
Infrastructure Hazard Projects	93	119
Lake Simcoe Preserve	165	86
Stormwater Pretreatment	-	72
Chloride Monitoring	-	72
Flow Guage Monitoring Project	75	68
Greensapce Projects	14	21
Other Projects	10	2
Landcover Update	209	-
Watershed Plan Modernization	169	-
Urban Forest Study Projects	122	-
Salt Case Studies	56	-
Total Gross Expenditures	15,492	14,580
<u>Revenue:</u>		
Category 1 Levy	-	-
Category 1 Lake Simcoe Protection Plan Levy	363	370
Category 2 Work on behalf of Municipality Funding	348	361
Category 3 Funding requested by Authority	-	-
Provincial and Federal Funding	1,106	918
Deferred Funding and Municipal Agreements	563	418
Revenue Generated by Authority	12,222	10,862
Transfers from Reserves	890	1,651
Total Revenue	15,492	14,580

OVERVIEW OF 2026 MUNICIPAL FUNDING

MUNICIPALITIES	APPORTIONMENT		TOTAL FUNDING		CATEGORY 1 MANDATORY (IN THE 000s)		CATEGORY 1 MANDATORY LSPP (IN THE 000s)		CATEGORY 2 (IN THE 000s)		CATEGORY 3 (IN THE 000s)	
	% MCVA	% LSPP	2026 PROPOSED	2025 ACTUAL	2026 PROPOSED	2025 ACTUAL	2026 PROPOSED	2025 ACTUAL	2026 PROPOSED	2025 ACTUAL	2026 PROPOSED	2025 ACTUAL
Region of Durham												
Brock	1.64%	1.59%										
Scugog	0.44%	0.43%										
Uxbridge	3.57%	3.52%										
	5.65%	5.54%	534	530	324	320	165	165	24	24	21	21
Region of York												
Aurora	16.24%	15.37%										
East Gwillimbury	8.36%	8.12%										
Georgina	7.90%	7.68%										
King	4.91%	4.97%										
Newmarket	19.59%	19.01%										
Richmond Hill	0.62%	0.01%										
Whitchurch-Stouffville	7.62%	7.19%										
	65.24%	62.35%	6,343	6,183	3,740	3,632	1,857	1,825	501	492	245	234
City of												
Barrie	16.51%	16.10%	1,558	1,506	946	913	480	466	70	68	62	59
Orillia		2.66%	79	78			79	78				
Kawartha Lakes	0.35%	1.40%	65	63	20	20	42	41	2	1	1	1
Municipality of												
Bradford-West Gwillimbury	5.27%	4.88%	489	474	302	292	145	141	22	22	20	19
Innisfil	4.63%	4.49%	437	421	266	257	134	128	20	19	17	17
New Tecumseth	0.48%	0.54%	47	47	27	27	16	16	2	2	2	2
Oro-Medonte	0.98%	1.22%	100	99	56	55	36	36	4	4	4	4
Ramara	0.90%	0.82%	83	82	52	51	24	24	4	4	3	3
Grand Total	100.00%	100.00%	9,735	9,483	5,733	5,567	2,978	2,920	649	636	375	360

2026 RESERVE BUDGET (IN THE 000S)

RESERVE BUDGET	DRAFT UNAUDITED ESTIMATED			ESTIMATED ENDING BALANCE DECEMBER 2026
	OPENING BALANCE JANUARY 2026	2026 TRANSFERS	2026 DRAWS	
Rate Stabilization	2,827	723	(310)	3,240
Asset Management	2,290	409	(752)	1,947
Working Capital	1,303	-	(841)	462
Restricted	2,102	10	(188)	1,924
Total Reserve	8,522	1,142	(2,091)	7,573

Total opening balances includes re-balancing that will occur at December 31, 2025, through the delegated authority to the CFO and in line with our Reserve Management targets





Lake Simcoe Region Conservation Authority (LSRCA) is the leading environmental protection agency in the Lake Simcoe watershed. For 75 years, we've been collaborating with community, government and other partners to protect and restore the environmental health and quality of Lake Simcoe and its watershed.

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If you require this document in an alternate format, please contact us at 905-895-1281.



Lake Simcoe Conservation Foundation (LSCF) is the leading environmental charity in our watershed, raising funds from individuals and organizations for the critical environmental programs and projects of Lake Simcoe Region Conservation Authority. It is one of only a few environmental charities nation-wide that has been accredited in Imagine Canada's Standards Program after demonstrating excellence in operations in the charitable sector. Contact them directly for information about how you can support their important fundraising activities.

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