

Upper Thames River Conservation Authority Board of Directors'
Annual General Meeting Agenda
Thursday February 17, 2022 at 9:30 A.M

Virtual Meeting Due to COVID-19 Pandemic

1. Approval of Agenda

Mover: N.Manning

Seconder: H.McDermid

THAT the Board of Directors approve the Agenda as posted.

2. Declaration of Conflicts of Interest

3. Minutes of the Previous Meetings: Tuesday January 25, 2022

Mover: P.Mitchell

Seconder: A.Murray

THAT that the Upper Thames River Conservation Authority Board of Directors approve the Board of Directors' minutes dated January 25, 2022, including any closed session minutes, as posted on the Upper Thames River Conservation Authority web-site.

4. Business Arising from the Minutes

5. Delegations

6. Correspondence

7. Business for Approval

7.1. Review and Approval of the Factual Certificate – T.Annett/A.Dale

Mover: B.Petrie

Seconder: J.Reffle

THAT the Board of Directors approve the factual certificate as presented.

7.2. 2022 Draft Budget – T.Annett/C.Saracino Admin #4421

Mover: J.Salter

Seconder: M.Schadenberg

That the UTRCA Board of Directors approve the 2022 Draft Operating Budget under Section 27 of the *Conservation Authorities Act* in the amount of \$17,411,197 and that staff be directed to circulate the Approved Budget to member municipalities as part of the required 30 day review period. Please note the 2022 new levy component of the operating budget of \$5,984,456* will be apportioned to member municipalities based on a general levy formula as developed by the Ontario Ministry of Natural Resources and Forestry using Current Value Assessment data from the Municipal Property Assessment Corporation and by Special Benefitting Percentages for structure operations.

Mover: A.Westman

Seconder: M.Blosh

THAT the UTRCA Board of Directors approve the 2022 Capital Budget under Section 26 of the *Conservation Authorities Act* in two parts:

- a) The amount of \$1,302,557 to support the Authority's 20 year Flood Control Capital Plan for water and erosion control structures. Apportionment of the flood control portion of the 2022 capital levy of \$839,727 is based on Special Benefitting Percentages, by structure, as presented in the 2022 Draft Budget. It is noted this levy amount has been set based on cooperative discussions with participating municipalities and assumes that the majority of the works will receive a matching funding contribution through the provincial Water and Erosion Control Infrastructure Program (WECI) or federal Disaster Mitigation and Adaptation Fund program (DMAF).

Mover: A.Hopkins

Seconder: T.Jackson

THAT the UTRCA Board of Directors approve the 2022 Capital Budget under Section 26 of the *Conservation Authorities Act* in two parts:

- b) The amount of \$440,000 to support the Authority's other (non-flood control) capital spending needs. The municipal levy share of this capital amount is \$183,627 and will be apportioned to member municipalities based on a general levy formula as developed by the Ontario Ministry of Natural Resources and Forestry using Current Value Assessment data from the Municipal Property Assessment Corporation.

7.3. 2022 Capital Water and Erosion Control Infrastructure (WECI) Projects

C.Tasker FC #2161

Mover: S.Levin

Seconder: M.Lupton

THAT the Board of Directors approve the recommendation as presented in the report.

- 7.4. Inventory of Programs and Services – T.Annett Admin #4422
Mover: H.McDermid
Seconder: N.Manning
THAT the Board of Directors approve the recommendations as presented in the report.

8. Business for Information

- 8.1. Section 28 Annual Service Delivery Report – J.Allain ENVP #11420
Mover: A.Murray
Seconder: P.Mitchell
THAT the Board of Directors receives the report as presented.
- 8.2. Conservation Authorities Act Phase 2 Regulations Consultation Guidelines
T.Annett Admin #4425
Mover: J.Reffle
Seconder: B.Petrie
THAT the Board of Directors receives the report as presented.
- 8.3. Service Awards – T.Annett/J.Howley Admin #4418
Mover: M.Schadenberg
Seconder: J.Salter
THAT the Board of Directors receives the report as presented.

9. Presentation of the 2022 Inspiration Award – Erin Mutch

10. February 2022 For Your Information Report

11. Other Business (Including Chair and General Manager's Concluding Remarks)

12. Closed Session – In Accordance with Section C.13 of the UTRCA Administrative By-Law

13. Adjournment

Mover: M.Schadenberg



Tracy Annett, General Manager

Minutes

Upper Thames River Conservation Authority Board of Directors

Annual General Meeting

Thursday, February 17, 2022

Virtual Meeting Due to COVID-19 Pandemic.

Alan Dale, UTRCA Board Chair, called the meeting to order at 9:31am.

Members Present:

M.Blosh	P.Mitchell
A.Dale – Chair	A.Murray
A.Hopkins	B.Petrie
T.Jackson	J.Reffle
S.Levin	J.Salter
M.Lupton	M.Schadenberg
N.Manning	A.Westman
H.McDermid	

Regrets: None

Staff:

J.Allain	S.Howley
T.Annett	M.Kyte
E.Chandler	C.Saracino
B.Dafoe	J.Schnaithmann
J.Dony	D.Schofield
B.Drybrugh	P.Switzer
K.Flear	C.Tasker
B.Glasman	B.Verscheure
B.Hertner	M.Viglianti - Recorder
T.Hollingsworth	

1. Approval of Agenda

The Chair confirmed the mover and seconder were willing to let their names stand.

Mover: N.Manning

Secunder: H.McDermid

THAT the Board of Directors approve the agenda as amended.

Carried.

2. Declaration of Conflicts of Interest

The Chair inquired whether the members had any conflicts of interest to declare relating to the agenda. There were none.

3. Minutes of the Previous Meeting – January 25, 2022

The Chair confirmed the mover and seconder were willing to let their names stand.

Mover: P.Mitchell

Secunder: A.Murray

THAT the UTRCA Board of Directors approve the Board of Directors' minutes dated January 25, 2022, including any closed session minutes, as posted on the Members' web-site.

Carried.

4. Business Arising from the Minutes

There was no business arising from the minutes.

5. Delegations

There were no delegations.

6. Correspondence

There was no correspondence to consider.

7. Business for Approval

7.1. Review and Approval of the Factual Certificate

(Report attached)

The Chair confirmed the mover and seconder were willing to let their names stand.

Mover: B.Petrie

Secunder: J.Reffle

THAT the Board of Directors approve the factual certificate as presented.

Carried

7.2. 2022 Draft Budget

(Report attached)

The Chair confirmed the mover and seconder were willing to let their names stand.

The Board discussed the compensation review. Staff confirmed the Consultant conducting the compensation review will be present when the recommendations are presented to the Board.

Mover: J.Salter

Secunder: M.Schadenberg

That the UTRCA Board of Directors approve the 2022 Draft Operating Budget under Section 27 of the *Conservation Authorities Act* in the amount of \$17,411,197 and that staff be directed to circulate the Approved Budget to member municipalities as part of the required 30 day review period. Please note the 2022 new levy component of the operating budget of \$5,984,456* will be apportioned to member municipalities based on a general levy formula as developed by the Ontario Ministry of Natural Resources and Forestry using Current Value Assessment data from the Municipal Property Assessment Corporation and by Special Benefitting Percentages for structure operations.

Municipality	For, Against or Absent	Current Value Assessment (CVA) Apportionment Percentage	Voting Weight	Weight Per Member
County of Oxford – Total	-	16.843	23.37	
County of Oxford A.Dale	For	-	-	4.71
County of Oxford M.Lupton	For	-	-	4.71
County of Oxford P.Mitchell	For	-	-	4.71
County of Oxford B.Petrie	For	-	-	4.71
County of Oxford M.Schadenberg	For	-	-	4.71
City of London - Total	-	64.2416	50.00	
City of London M.Blosh	For	-	-	12.5
City of London A.Hopkins	For	-	-	12.5

Municipality	For, Against or Absent	Current Value Assessment (CVA) Apportionment Percentage	Voting Weight	Weight Per Member
City of London S.Levin	For	-	-	12.5
City of London J.Reffle	For	-	-	12.5
Lucan-Biddulph A.Westman	For	0.3468	0.48	0.48
Thames Centre A.Westman	For	3.1857	4.45	4.45
Middlesex Centre N.Manning	For	2.3789	3.33	3.33
Stratford J.Salter	For	7.2417	10.13	10.13
Perth East H.McDermid	Against	1.4232	1.99	1.99
West Perth A.Murray	For	1.4873	2.08	2.08
St. Marys T.Jackson	For	1.4482	2.02	2.02
Perth South T.Jackson	For	1.2009	1.68	1.68
South Huron T.Jackson	For	0.2028	0.28	0.28

The vote carried with 98.01% support of the weighted vote

*Based on UTRCA share of assessment

Notes: Voting weight is capped at 50% for any municipality unless the number of its representatives exceeds 50% of the total number of municipal appointees. The voting weight of the remaining municipalities is increased proportionally.

The Chair confirmed the mover and seconder were willing to let their names stand.

Mover: A.Westman

Secunder: M.Blosh

THAT the UTRCA Board of Directors approve the 2022 Capital Budget under Section 26 of the *Conservation Authorities Act* in two parts:

- a) The amount of \$1,302,557 to support the Authority's 20 year Flood Control Capital Plan for water and erosion control structures. Apportionment of the flood control portion of the 2022 capital levy of \$839,727 is based on Special Benefiting Percentages, by

structure, as presented in the 2022 Draft Budget. It is noted this levy amount has been set based on cooperative discussions with participating municipalities and assumes that the majority of the works will receive a matching funding contribution through the provincial Water and Erosion Control Infrastructure Program (WECI) or federal Disaster Mitigation and Adaptation Fund program (DMAF).

Municipality	For, Against or Absent	Current Value Assessment (CVA) Apportionment Percentage	Voting Weight	Weight Per Member
County of Oxford – Total	-	16.843	23.37	
County of Oxford A.Dale	For	-	-	4.71
County of Oxford M.Lupton	For	-	-	4.71
County of Oxford P.Mitchell	For	-	-	4.71
County of Oxford B.Petrie	For	-	-	4.71
County of Oxford M.Schadenberg	For	-	-	4.71
City of London - Total	-	64.2416	50.00	
City of London M.Blosh	For	-	-	12.5
City of London A.Hopkins	For	-	-	12.5
City of London S.Levin	For	-	-	12.5
City of London J.Reffle	For	-	-	12.5
Lucan-Biddulph A.Westman	For	0.3468	0.48	0.48
Thames Centre A.Westman	For	3.1857	4.45	4.45
Middlesex Centre N.Manning	For	2.3789	3.33	3.33
Stratford J.Salter	For	7.2417	10.13	10.13
Perth East H.McDermid	For	1.4232	1.99	1.99
West Perth A.Murray	For	1.4873	2.08	2.08
St. Marys T.Jackson	For	1.4482	2.02	2.02
Perth South T.Jackson	For	1.2009	1.68	1.68

Municipality	For, Against or Absent	Current Value Assessment (CVA) Apportionment Percentage	Voting Weight	Weight Per Member
South Huron T.Jackson	For	0.2028	0.28	0.28

The vote carried with 100% support of the weighted vote

*Based on UTRCA share of assessment

Notes: Voting weight is capped at 50% for any municipality unless the number of its representatives exceeds 50% of the total number of municipal appointees. The voting weight of the remaining municipalities is increased proportionally.

The Chair confirmed the mover and seconder were willing to let their names stand.

Mover: A.Hopkins

Secunder: T.Jackson

THAT the UTRCA Board of Directors approve the 2022 Capital Budget under Section 26 of the *Conservation Authorities Act* in two parts:

- b) The amount of \$440,000 to support the Authority's other (non-flood control) capital spending needs. The municipal levy share of this capital amount is \$183,627 and will be apportioned to member municipalities based on a general levy formula as developed by the Ontario Ministry of Natural Resources and Forestry using Current Value Assessment data from the Municipal Property Assessment Corporation.

Municipality	For, Against or Absent	Current Value Assessment (CVA) Apportionment Percentage	Voting Weight	Weight Per Member
County of Oxford – Total	-	16.843	23.37	
County of Oxford A.Dale	For	-	-	4.71
County of Oxford M.Lupton	For	-	-	4.71
County of Oxford P.Mitchell	For	-	-	4.71
County of Oxford B.Petrie	For	-	-	4.71
County of Oxford M.Schadenberg	For	-	-	4.71
City of London - Total	-	64.2416	50.00	
City of London M.Blosh	For	-	-	12.5

Municipality	For, Against or Absent	Current Value Assessment (CVA) Apportionment Percentage	Voting Weight	Weight Per Member
City of London A.Hopkins	For	-	-	12.5
City of London S.Levin	For	-	-	12.5
City of London J.Reffle	For	-	-	12.5
Lucan-Biddulph A.Westman	For	0.3468	0.48	0.48
Thames Centre A.Westman	For	3.1857	4.45	4.45
Middlesex Centre N.Manning	For	2.3789	3.33	3.33
Stratford J.Salter	For	7.2417	10.13	10.13
Perth East H.McDermid	For	1.4232	1.99	1.99
West Perth A.Murray	For	1.4873	2.08	2.08
St. Marys T.Jackson	For	1.4482	2.02	2.02
Perth South T.Jackson	For	1.2009	1.68	1.68
South Huron T.Jackson	For	0.2028	0.28	0.28

The vote carried with 100% support of the weighted vote

*Based on UTRCA share of assessment

Notes: Voting weight is capped at 50% for any municipality unless the number of its representatives exceeds 50% of the total number of municipal appointees. The voting weight of the remaining municipalities is increased proportionally.

7.3. 2022 Capital Water and Erosion Control Infrastructure (WECI) Projects
(Report attached)

The Chair confirmed the mover and seconder were willing to let their names stand.

There was a brief discussion on the Pittock Dam concrete assessment.

A typo was noted in the recommendation; the date should read February 11, 2022, not 2021.

Mover: S.Levin

Secunder: M.Lupton

THAT the Board of Directors approve the recommendation, as corrected, in the report.
Carried.

7.4. Inventory of Programs and Services

(Report attached)

The Chair confirmed the mover and secunder were willing to let their names stand.

Staff confirmed they had all materials required to meet the February 28, 2022 Provincial deadline. Staff also confirmed this inventory is to begin discussions with member Municipalities and will change as those discussions progress.

Mover: H.McDermid

Secunder: N.Manning

THAT the Board of Directors approve the recommendations as presented in the report.
Carried.

8. Business for Information

8.1. Section 28 Annual Service Delivery Status Report

(Report attached)

The Chair confirmed the mover and secunder were willing to let their names stand.

Staff confirmed that information packages outlining the programs and services provided by the UTRCA, which will include data from this report, are being put together to present to member Municipalities.

It was noted that with the staff turnover in the Planning and Regulations department it had been a challenge attracting qualified and experienced staff.

It was noted that ongoing complex major applications that are a continuation from 2021 submissions were not captured in these statistics.

Mover: A.Murray

Secunder: P.Mitchell

THAT the Board of Directors receives the report as presented.
Carried.

8.2. Conservation Authorities Act Phase 2 Regulations Consultation Guidelines
(Report attached)

The Chair confirmed the mover and seconder were willing to let their names stand.

Members raised questions regarding user fees and full cost recovery. Staff noted they were still expecting additional regulations from the Province that are expected to clarify user fees.

Mover: J.Reffle

Secunder: B.Petrie

THAT the Board of Directors receives the report as presented.

Carried.

8.3. Service Awards
(Report attached)

The Chair confirmed the mover and seconder were willing to let their names stand.

Mover: M.Schadenberg

Secunder: J.Salter

THAT the Board of Directors receives the presentation as presented.

Carried.

9. Presentation of the 2022 Inspiration Award – Erin Mutch

Erin Mutch was presented with the 2022 Inspiration Award for her significant contributions to environmental education in the UTRCA watershed over the last six years in her role as the Learning Coordinator for Environmental Education, Science and Experiential Learning for Kindergarten to Grade 12 with the Thames Valley District School Board.

10. February 2022 For Your Information Report

The February FYI was presented for the member's information.

11. Other Business (Including Chair and General Manager's Concluding Remarks)

The Chair made his closing remarks, providing the Board and staff with thanks and encouragement.

The General Manager noted the Ministry had begun advertising the Agricultural Sector Representative appointments to all Conservation Authority Board of Directors.

The General Manager announced the Court's decision to allow the appeal of the Fanshawe Cottagers and noted more information would be provided at the March meeting.

12. Closed Session – In Camera

There was no closed session business.

13. Adjournment

The Chair confirmed the mover was willing to let their name stand. There being no further business, the meeting was adjourned at 11:13 am on a motion by M.Schadenberg.



Tracy Annett, General Manager
Att.

Upper Thames River Conservation Authority

FACTUAL CERTIFICATE

To: **Board of Directors**

The undersigned hereby certify that, to the best of their knowledge, information and belief after due inquiry, as at 4 February, 2022:

1. The UTRCA is in compliance, as required by law, with all statutes and regulations relating to the withholding and/or payment of government remittances, including, without limiting the generality of the foregoing, the following:
 - All payroll deductions at source, including Employment Insurance, Canada Pension Plan and Income Tax;
 - Ontario Employer Health Tax;
 - WSIB premiums

And, they believe that all necessary policies and procedures are in place to ensure that all future payments of such amounts will be made in a timely manner.

2. The UTRCA has remitted, when due, to the Group RRSP carrier, Group Insurance carrier and to OMERS Pension Plan all funds deducted from employees along with all employer contributions for these purposes.
3. The UTRCA is in compliance with all applicable Health and Safety legislation and all applicable Pay Equity legislation.
4. The UTRCA is in compliance, as required by law, with remittances and claims for:
 - Federal Harmonized Sales Tax (HST)
5. The UTRCA is in compliance with the requirements of the Charities Act. Corporate information updates are provided through this means. The 2020 T3010 Charity Return was filed before due.
6. In addition to statutory obligations, the UTRCA, through its internal processes, confirms the payment of supplier transactions so as to support the credit-worthiness of the organization.
7. The UTRCA is providing the prescribed standard of service in the performance of its functions and following the prescribed procedures and practices in accordance with our funding agreements and as reported to the Board of Directors of the UTRCA through the following reports:
 - Quarterly Financial Report to the Board
 - Regular program updates from the General Manager and unit Managers
8. The operating line of credit was not used during 2021, and there is no current outstanding balance.

Dated at London, Ontario on 4 February, 2022



Chair, Finance and Audit Committee



General Manager

To: UTRCA Board of Directors
From: Tracy Annett, General Manager
Date: February 8, 2022
Filename: Admin # 4421
Agenda #: 7.2
Subject: 2022 Draft Budget

Recommendation

- 1. That the UTRCA Board of Directors approve the 2022 Draft Operating Budget under Section 27 of the *Conservation Authorities Act* in the amount of \$17,411,197 and that staff be directed to circulate the Approved Budget to member municipalities as part of the required 30 day review period. Please note the 2022 new levy component of the operating budget of \$5,984,456* will be apportioned to member municipalities based on a general levy formula as developed by the Ontario Ministry of Natural Resources and Forestry using Current Value Assessment data from the Municipal Property Assessment Corporation and by Special Benefitting Percentages for structure operations.**

- 2. That the UTRCA Board of Directors approve the 2022 Capital Budget under Section 26 of the *Conservation Authorities Act* in two parts:**
 - a) The amount of \$1,302,557 to support the Authority's 20 year Flood Control Capital Plan for water and erosion control structures. Apportionment of the flood control portion of the 2022 capital levy of \$839,727 is based on Special Benefitting Percentages, by structure, as presented in the 2022 Draft Budget. It is noted this levy amount has been set based on cooperative discussions with participating municipalities and assumes that the majority of the works will receive a matching funding contribution through the provincial Water and Erosion Control Infrastructure Program (WECI) or federal Disaster Mitigation and Adaptation Fund program (DMAF).**

 - b) The amount of \$440,000 to support the Authority's other (non-flood control) capital spending needs. The municipal levy share of this capital amount is \$183,627 and will be apportioned to member municipalities based on a general levy formula as developed by the Ontario Ministry of Natural Resources and Forestry using Current Value Assessment data from the Municipal Property Assessment Corporation.**

*\$1 differences between budget document and municipal levy table due to rounding of percentages

Discussion

The UTRCA's 2022 Draft Budget was approved by the Board of Directors at the October Board of Directors Meeting with revisions accepted at the November meeting. The Draft Budget was circulated to member municipalities for comment on December 23, 2021 and provided at the January meeting. No changes have been made to the draft budget and no further municipal input has been received since the January Board meeting.

We anticipate receiving the consultant's recommendations contained in the Compensation Review report in the coming weeks. At this time, we recommend a 3.5% increase to Grade 4 and above of the salary grid as an interim measure in anticipation of the recommendations. Implementation of the Compensation Review will begin in 2022 and follow the recommendations provided in the consultant's report.

Prepared and Recommended by:
Tracy Annett, General Manager
Christine Saracino, Supervisor, Finance and Accounting

2022

Draft Budget

November 2021



1424 Clarke Road, London, ON N5V 5B9
519-451-2800
infoline@thamesriver.on.ca
www.thamesriver.on.ca

UPPER THAMES RIVER
CONSERVATION AUTHORITY

UTRCA 2022 Draft Budget

Overview	1	Source Protection Planning	10
Draft Budget: Summary	2	Watershed Planning, Research and Monitoring	12
Draft Operating Budget	3	Conservation Services	14
Draft Capital Budget	4	Lands and Facilities	16
Draft Budget: All Units, All Activities	5	Conservation Areas	18
Draft Flood Control Capital Levy	6	Community Partnerships	20
Mission Cost Centre Budgets	7	Service Cost Centre Budget	22
Water and Information Management	7	Corporate and Support Services	22
Environmental Planning and Regulations	9	Draft Budget: Municipal Levy	24
		Draft Budget: Dam & Flood Control Levy - Details	24

Overview

The Upper Thames River Conservation Authority's (UTRCA) 2022 Draft Budget forecasts expenditures of \$19,154,354. This total includes operating (\$17,411,797) and capital expenses (\$1,742,557).

The Draft Budget has been developed as we continue to navigate the pandemic that has impacted our service delivery levels and the corresponding budgets. With pandemic wage subsidy programs out of reach, vacant staff positions were not filled and Environmental Targets work was postponed in 2020 and for much of 2021. The 2022 Draft Budget foregoes implementation of the final phase of Environmental Targets funding, and represents an effort to regain service delivery levels, particularly in the areas of environmental planning and hazard mapping, while recognizing the work required to achieve initial stages of compliance with the new provincial regulations.

Key influences on the 2022 Draft Budget include the following.

1. Changes to the Conservation Authorities Act and related regulations

The Province released the Phase 1 Regulations in October 2021. Significant administrative and technical staff effort will be required to undertake or update components of the regulations, which include:

- Watershed-Based Resource Management Strategy,
- Conservation Authority Land Strategy and Land Inventories,
- Natural Hazards Infrastructure Operational Management Plan, and
- Natural Hazards Infrastructure Asset Management Plan.

The full extent of these impacts has not been included in this Draft Budget. Preliminary review of the regulations indicates significant additional capacity may be required to fulfill the requirements over the next two years. Additional administrative effort will also be required to produce the required Inventory of Programs and Services, including funding sources and estimated annual costs, and to develop and negotiate MOUs/cost apportioning agreements for non-mandatory programs and services requiring levy.

2. Uncontrollable Expenses

An inflationary increase of 3.5% has been applied to the 2022 Draft Budget, where not otherwise known as higher. Just the

increased cost of insurance programs is an additional expense of approximately \$65,000.

3. Organization Modernization and Compensation Review

Modernization of the UTRCA's programs and services is underway. This reorganization is designed to incorporate the requirements of the new regulations, consider the retirement of many long-term staff, and increase the organization's effectiveness.

Staff retention is a key UTRCA management priority. Reduced staff turn-over benefits the organization through employment of experienced staff, return on investment in staff training, and fewer disruptions to work flow. The last formal salary review was completed in 2006 and, while the organizational structure has been tweaked over time, there are also structural barriers to staff growth and advancement. Both issues have been recognized during the past few years but have recently become a priority as staff retention is being affected.

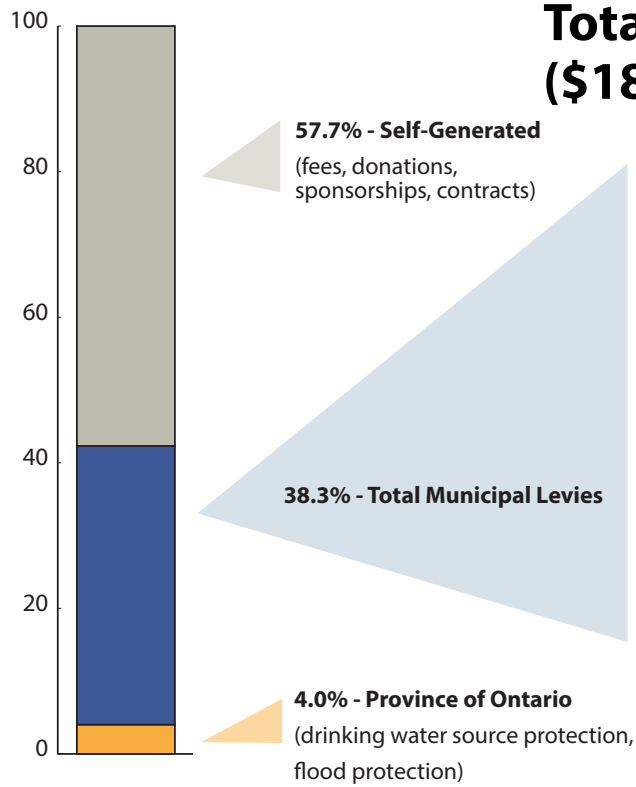
A compensation review by ML Consulting is underway. An estimated 5% increase to the salary grid has been included in the Draft Budget as a first step to account for the costs of implementing the recommendations of this review. The review recommendations may have additional financial and organizational implications for the UTRCA.

In summary, the UTRCA is presenting a combined (operating and capital) Draft Budget with a projected deficit of \$834,435, more than half of which is planned to be absorbed by Flood Control reserves. This forecast includes a conservative estimate of "soft revenue," which is typical contract revenue that is expected during the year from programs that have not yet been announced. The municipal levy increase is 3.5% for operating purposes, of which 55% is driven by flood control needs with the remainder supporting general levy. Provincial funding remains inadequate for the mandatory responsibilities delegated to the UTRCA.

We remain proud of our staff's effort and commitment to leverage our member municipalities' investment and deliver programs that improve watershed health and contribute to building resilient communities in the face of a changing climate, through these challenging times.

Draft Budget: Summary

Total combined Budget Revenue (\$18,319,921)



Municipality	% of CVA for Part of Levy	Total 2022 Levy
County of Oxford	16.8428	\$1,046,256
City of London	64.2416	\$4,771,651
Township of Lucan Biddulph	0.3468	\$18,056
Municipality of Thames Centre	3.1857	\$171,162
Municipality of Middlesex Centre	2.3789	\$123,856
City of Stratford	7.2417	\$417,9454
Township of Perth East	1.4232	\$76,699
Municipality of West Perth	1.4873	\$145,153
Town of St. Marys	1.4482	\$143,332
Township of Perth South	1.2009	\$62,524
Municipality of South Huron	0.2028	\$10,557
Township of Zorra	0	\$15,000 *
Township of South-West Oxford	0	\$5,610 *
TOTAL	100%	\$7,007,811

* The dam levy is applied directly as these municipalities are the sole beneficiaries of the structures.

The formula that determines each municipality's share (percentage) of the levy reflects, in part, the assessed value of each municipality's land within the watershed, as set out in the Conservation Authorities Act. The Province provides these assessed values (Current Value Assessment or CVA) annually.

The remainder of the levy reflects the specific benefiting percentage each municipality derives from the flood control structures. These percentages are identified in the table titled "Dam and Flood Control Levy - Details" (see last page of this budget). For example, the City of London benefits 100% from Fanshawe Dam and, therefore, is the only municipality levied for operating and maintaining that structure. Wildwood and Pittock Dams use unique benefiting formulas.

The municipal levy is the most important funding received by the Conservation Authority as this investment allows the Authority to obtain and retain staff expertise. Staff leverage the municipal share by applying for grants from foundations, generating funds from user fees, entering into contracts, and obtaining sponsorships from the private sector.

In the draft budget, the UTRCA leverages the 38.3% funded by municipalities into another 57.7% of funding to support a broad range of services for watershed residents, as directed by the Board of Directors.



Draft Operating Budget

	Final 2021 Budget	Draft 2022 Budget	% Change between Years	Notes
REVENUES				
New Levy Funding				
Municipal General Levy	4,154,463	4,245,898	2.20%	
Dam and Flood Control Levies	1,591,062	1,703,866	7.09%	
Operating Reserve Levy	34,014	34,692	1.99%	
	5,779,539	5,984,456	3.55%	Overall increase to member municipalities
Amortized Levy from previous years				
Municipal General Levy	560,214	410,932	-26.65%	Less funding deferred in 2021 than 2020 due to COVID
Flood Control Levies	119,786	201,386	68.12%	From previously funded capital projects
Capital Maintenance Levy	54,457	84,968	56.03%	From previously deferred maintenance levies
	734,457	697,286	-5.06%	
MNRF Transfer Payment				
	181,213	181,213	0.00%	
Contracts and Grants				
Municipal within Watershed	996,200	1,054,028	5.80%	
Municipal outside Watershed	132,176	157,402	19.09%	
Provincial	1,152,224	877,636	-23.83%	Grants expected to decline still
Federal	635,075	332,038	-47.72%	Grants expected to decline still
All Other	1,845,487	1,816,095	-1.59%	
	4,761,161	4,237,199	-11.00%	
User Fees and Other Revenues				
Conservation Areas	3,455,733	3,873,302	12.08%	
Planning and Permit Fees	355,000	580,000	63.38%	
Education Fees	55,000	95,000	72.73%	
Landowner tree sales, cost recoveries	229,193	228,943	-0.11%	
	4,094,926	4,777,245	16.66%	New fee schedules anticipated
Other Revenues				
From deferred revenues	538,297	684,873	27.23%	
Donations, interest and gains	77,206	391,520	407.11%	Expected recognition of investment gains \$300K
	615,503	1,076,393	74.88%	
Funding required from Flood Reserves	285,576	321,950	12.74%	
TOTAL REVENUES	16,452,375	17,275,742	5.00%	
EXPENDITURES				
Mission Cost Centres				
Community Partnerships	1,765,700	1,534,305	-13.11%	
Water and Information Management	3,000,802	3,240,256	7.98%	
Environmental Planning and Regulations	2,218,022	2,521,671	13.69%	
Conservation Services	1,914,209	1,915,209	0.05%	
Watershed Planning, Research and Monitoring	1,150,060	1,150,682	0.05%	
Conservation Areas	4,238,181	4,712,154	11.18%	
Lands and Facilities	1,724,133	1,870,499	8.49%	
Service Cost Centres	155,657	467,021	200.03%	Direct costs not allocated (covered primarily from investment gains)
Program Operating Expenditures	16,166,763	17,411,797	7.70%	
Desired transfers to Flood Reserves	254,014	28,400	-88.82%	Eliminated transfers for HR, WCC, and operating reserve
TOTAL EXPENDITURES	16,420,777	17,440,197	6.21%	
NET SURPLUS (DEFICIT)	31,598	(164,455)		
Depreciation Expense	1,148,343	1,162,263	1.21%	
CASH SURPLUS (DEFICIT)	1,179,941	997,809	-15.44%	

Draft Capital Budget

	Final 2021 Approved Budget	Draft 2022 Budget	Notes
FLOOD CONTROL			
Capital Funding			
Flood Control Capital levy	1,844,248	730,000	
Federal Funding	1,028,976	160,000	
Provincial - Water and Erosion Control Infrastructure	81,371	277,500	
Funding Deferred	(6,687)	-	
Total Current Year Funding	2,947,908	1,167,500	
Capital Projects			
Fanshawe Dam	40,230	202,232	
Wildwood Dam	80,319	-	
Pittock Dam	52,091	105,562	
London Dykes	2,618,561	449,596	
RT Orr Dam	-	125,408	
Mitchell Dam	36,760	40,000	
Small Dams	64,267	79,396	
Erosion Control Structures	-	300,363	Includes City of London request
Total Spending	2,892,228	1,302,557	Dependent on WECl approvals
Surplus (Deficit) from Flood Control Capital	55,680	(135,057)	
Funding Required from Reserves	(54,666)	137,000	From Flood Control reserve
Balance Surplus (Deficit) Capital Flood Activities	1,014	1,943	
OTHER CAPITAL NEEDS			
Capital Funding			
Current Capital Maintenance Levy	178,626	183,627	
Land Grant	-	15,000	Applied for grant
Capital Expenditures			
Land	-	25,000	
Infrastructure	194,000	150,000	Electrical Infrastructure Improvement Project
Vehicles and Equipment	-	195,000	3 pickup trucks, tire changer
Technology Equipment	-	70,000	Computers, electrofisher
Total Spending	194,000	440,000	
Surplus (Deficit) from other Organizational Capital	(15,374)	(241,373)	
Funding Required from Reserves	-	150,000	From Conservation Area reserve
Balance Surplus (Deficit) other Organizational Capital	(15,374)	(91,373)	
Total Capital Budgets Surplus (Deficit)	(14,360)	(89,430)	

List of Acronyms

WCC - Watershed Conservation Centre

WECl - Water and Erosion Control Infrastructure

Draft Budget: All Units, All Activities

	Year to Date Actual 30-Nov-21	Approved 2021 Budget	Draft 2022 Budget	% Change from Final 2021 Budget	Notes (see page 4 for list of acronyms)
Funding					
Municipal Levies	4,154,463	4,154,463	4,245,898	2.2%	
Dam and Flood Control Levy	1,625,294	1,591,062	1,703,866	7.1%	
Operating Reserve Levy	34,014	34,014	34,692	2.0%	
Flood Control Capital Levy	1,181,071	1,868,892	839,726	-55.1%	Project list subject to WECl funding
Capital Maintenance Reserve Levy	-	178,626	183,627	2.8%	
Government Transfer Payments	181,213	181,213	181,213	0.0%	
Contracts	5,516,279	5,789,508	4,599,699	-20.6%	Reflects Flood Control capital spending plans
User Fees	4,043,969	4,176,926	4,867,245	16.5%	
All other incl. Deferred Revenues	1,488,757	1,318,629	1,663,953	26.2%	Increase to investment gains included
Total Funding	18,225,060	19,293,333	18,319,919	-5.0%	
Expenditures					
Wages, Benefits, Per Diems	9,039,559	10,130,400	11,373,834	12.3%	Staffing and grid adjustments
Training, PPE, Travel Reimbursements	113,496	199,710	194,110	-2.8%	
Legal, Audit, Insurance, Banking	446,459	433,874	506,969	16.8%	Insurance expected to rise 22%
Advertising and Promotion	34,066	54,255	52,350	-3.5%	
Consulting and Services	756,319	1,094,304	1,322,419	20.8%	Primarily consulting design for West London Dyke project
Computers and Communications	283,510	364,156	309,655	-15.0%	
Property, Utilities, Security	1,046,432	1,240,493	1,379,211	11.2%	
Contracted Services, incl. Flood Control	2,255,193	2,977,102	1,035,412	-65.2%	
Supplies	563,480	1,279,696	1,171,482	-8.5%	
Flow Through Expenses	66,666	136,650	204,650	49.8%	
Depreciation Expense	976,991	1,148,343	1,162,263	1.2%	
Unallocated Costs	-	7	1,999	28457.1%	
Mission Centre Capital Costs	3,643	395,000	440,000	11.4%	Electrical Infrastructure Improvement Project, trucks, computers, electrofisher
Total Expenditures	15,585,814	19,453,990	19,154,354	-1.5%	
Surplus (Deficit) from these budgets	2,639,247	(160,657)	(834,435)		Expected deficit to apply to all reserves

Draft Flood Control Capital Levy



The UTRCA operates and manages a number of water and erosion control structures on behalf of its member municipalities. The operation and maintenance costs for these structures are apportioned to municipalities on a beneficiary pays basis. The UTRCA also maintains and operates a number of recreation dams on behalf of member municipalities. The benefiting municipality for these recreational structures is the municipality within which they are located. Capital maintenance of all of these structures is funded in the same proportions as operating, as shown in the table below.

The UTRCA Board of Directors has approved a 20 Year Capital Maintenance Plan for Water and Erosion Control Structures. This long term plan has been developed to coordinate the timing and financing of major capital repairs to the water and erosion control structures. The plan is reviewed and updated annually, to maintain a rolling 20 year estimate for planning and financing purposes.

With the plan in place, the UTRCA is able to leverage the municipal contributions to pursue senior government funding support for specific projects. The long term cost projections are also used to lobby senior levels of government to continue providing major capital repair grant programs, such as Ontario's Water and Erosion Control Infrastructure (WECI) program.

The UTRCA continues to receive funding from the federal Disaster Mitigation and Adaptation Fund for the West London Dyke Reconstruction Project, which is in place until March 2028. Funding from WECI is not generally confirmed until May/June.

The amounts for the annual fixed contributions from the affected municipalities are calculated based on long term flood control capital repair estimates. The 20 Year Capital Maintenance Plan includes provisions for reviews and for adjusting the municipal contributions, depending on updated studies and cost estimates. The 2022 Draft Flood Control Capital Levy is described in the following table.

Flood Control Capital Levy Summary

Municipality	Structure	Apportionment	2022 FC Capital Levy Total
Oxford County	Wildwood Dam	1.01%	\$29,879
	Pittock Dam	62.11%	
	Ingersoll Channel	100.00%	
City of London	Fanshawe Dam	100.00%	\$733,348
	Wildwood Dam	83.85%	
	Pittock Dam	36.75%	
	London Dykes and Erosion Control Structures	100.00%	
	Springbank Dam	100.00%	
Town of St. Marys	St. Marys Floodwall	100.00%	\$45,000
	Wildwood Dam	14.09%	
City of Stratford	RT Orr Dam and Channel	100.00%	--
Municipality of West Perth	Fullarton Dam	100.00%	\$5,000
	Mitchell Dam	100.00%	\$20,000
Township of Zorra	Embro Dam	100.00%	\$1,500
	Harrington Dam	100.00%	\$5,000
Total Flood Control Capital Levy			\$839,727

2022 Draft Flood Control Capital Levy

Protecting People and Property, and Supporting Sustainable Development

Mission Cost Centre Budgets Water and Information Management

What We Do

- Reduce the risk of property damage and loss of lives due to flooding by providing watershed municipalities with flood forecasting and warning services and low water response.
- Operate and maintain water control structures (dams, dykes, channels, floodwalls), constructed in partnership with municipalities, to control flood flows and augment stream flow during dry periods.
- Operate and maintain recreational water control structures on behalf of municipalities.
- Comply with legislative requirements and guidelines at the local level.



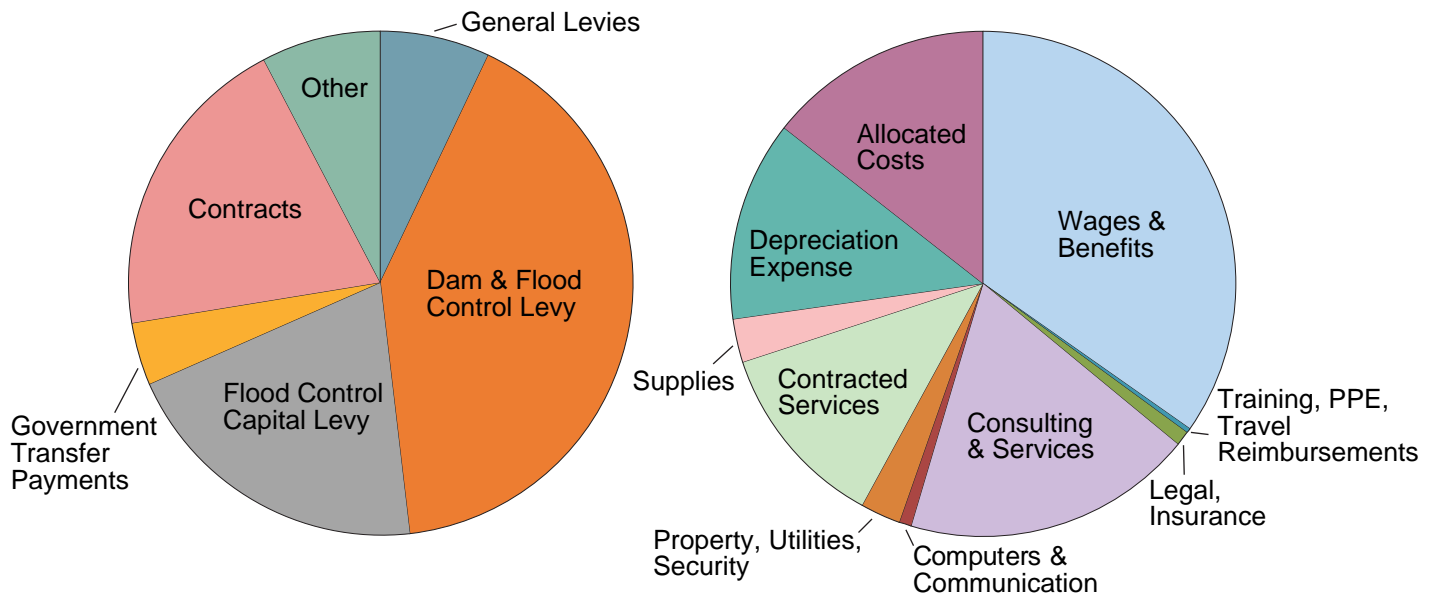
Examples

- Provide and maintain flood situation emergency plans and a flood warning system
- Continually monitor stream flow, reservoirs, and watershed conditions at 31 surface water monitoring stations, 23 precipitation stations, and 13 snow survey stations
- Forecast floods, issue flood bulletins, and collect and maintain flood damage information and historical flooding data
- Maintain and expand stream gauge network in order to improve stream flow, climatic and water quality monitoring
- Improve and calibrate flood forecasting models
- Coordinate, maintain, and improve stream flow through flow augmentation reservoirs
- Coordinate the upper Thames River watershed Low Water Response Team, which plans for drought response to meet the needs of watershed residents and business while protecting natural systems and human health
- Operate, inspect, and maintain flood control dams, dyke systems, channels, and erosion control structures, as well as medium sized municipal recreation dams and Conservation Area dams
- Undertake major maintenance projects on water and erosion control structures, and assess municipal erosion control works
- Secure capital maintenance funding for water and erosion control infrastructure, as well as senior government funding support for flood hazard mitigation
- Undertake dam safety studies and improve public safety around dams
- Update operation and maintenance manuals
- Provide technical expertise to identify natural hazards (such as flood plains and steep slopes) with the goal of protecting people and property from these natural hazards
- Host annual meeting with municipal flood coordinators
- Map and model flood plains and update hazard modelling and mapping in support of UTRCA Environmental Planning and Regulations unit

2022 Draft Budget

Draft Budget Water and Information Management

	YTD Actual 30-Nov-21	Approved 2021 Budget	Draft 2022 Budget	% Change from Final 2021 Budget	Notes (see page 4 for list of acronyms)
Funding					
General Levies	199,339	287,037	292,491	1.9%	
Dam and Flood Control Levy	1,625,294	1,591,062	1,703,866	7.1%	
Flood Control Capital Levy	1,181,071	1,868,892	839,726	-55.1%	Dependent on approved WECl projects
Government Transfer Payments	166,270	166,270	166,270	0.0%	
Contracts	1,386,161	1,648,596	824,174	-50.0%	WECl approvals estimated
User Fees	50	-	-	0.0%	
All other incl. Deferred Revenues	400,207	293,403	318,311	8.5%	
Total Funding	4,958,390	5,855,260	4,144,838	-29.2%	
Expenditures					
Wages and Benefits	1,214,847	1,356,140	1,577,368	16.3%	
Training, PPE, Travel Reimbursements	7,255	13,600	13,400	-1.5%	
Legal, Audit, Insurance, Banking	29,924	34,300	43,806	27.7%	
Consulting and Services	310,018	465,095	847,000	82.1%	Primarily consulting design for West London Dyke project
Computers and Communications	32,066	36,950	34,750	-6.0%	
Property, Utilities, Security	89,425	102,125	115,700	13.3%	
Contracted Services, incl. Flood Control	2,001,264	2,502,825	548,000	-78.1%	
Supplies	(165,296)	111,250	125,250	12.6%	
Depreciation Expense	487,697	588,903	582,871	-1.0%	
Allocated Costs	500,715	681,841	654,668	-4.0%	
Total Expenditures	4,507,915	5,893,029	4,542,813	-22.9%	
Surplus (Deficit) from these budgets	450,476	(37,769)	(397,975)		



Protecting People and Property, and Supporting Sustainable Development

Environmental Planning and Regulations

What We Do

- Reduce the risk to life and property from natural hazards such as flooding and unstable slopes, and support safe development.
- Promote the maintenance and enhancement of natural heritage features and areas such as woodlands, wetlands, and threatened species, and protect groundwater resources and promote their wise use.
- Comply with legislative requirements under the Conservation Authorities Act.
- Assist municipalities with fulfilling their Planning Act responsibilities by identifying natural hazard areas and natural heritage features, and providing policy support.

Examples

- Review construction and approve projects in and around watercourses, flood plains, valley slopes, and wetlands to ensure development is safe for individuals and the community
- Provide land use planning advisory services to identify planning concerns related to natural hazards, natural heritage, development servicing, water quality, and natural resources
- Provide comments to assist municipalities with processing Official Plan and zoning by-law amendments, severances, variances and plans of subdivision
- Provide municipalities with access to policy and technical experts in various disciplines, including hydrology, hydrogeology, ecology, fisheries, engineering, bioengineering, stream morphology, and land use planning.
- Answer questions from the public regarding environmental aspects of land use planning
- Respond to property inquiries and mapping requests (legal, real estate, and general information)
- Administer approvals and investigate violations related to regulations made pursuant to Section 28 of the Conservation Authorities Act
- Increase implementation of green infrastructure (Low Impact Development) through pilot projects and professional development opportunities



Protecting People and Property, and Supporting Sustainable Development

Source Protection Planning

(Included in Environmental Planning and Regulations Budget)

What We Do

- Deliver programs and services related to the conservation authority's duties, functions and responsibilities as a source protection authority under the Clean Water Act, 2006.
- Maintain local governance and capacity to facilitate and coordinate source protection initiatives for the Thames-Sydenham and Region.
- Engage local and regional stakeholders, provide source protection expertise, and coordinate local activities that support the implementation and updating of the Thames-Sydenham and Region Source Protection Plan.
- Monitor and report on Source Protection Plan implementation progress within the Thames-Sydenham and Region in accordance with requirements set out in the Act.
- Provide maintenance and operation of an informed and engaged local, multi-stakeholder Source Protection Committee for the Thames-Sydenham and Region to guide the local planning process.

Examples

- Undertake work to update the Assessment Reports and Source Protection Plan (SPP) to protect human health and municipal drinking water sources (quality and quantity) by addressing implementation challenges, adding new scientific or technical information, or when a new drinking water system is added or changed.
- Receive and maintain information related to the monitoring policy summaries from municipalities and other implementing bodies, including analyzing and interpreting the information received to report on implementation progress to local stakeholders and the Province.
- Issue confirmation notices to municipal drinking water system owners, as required under the Act, for new and changing municipal residential drinking water systems.
- Provide advice to stakeholders on the review of local applications, planning proposals, or decisions in vulnerable areas to ensure SPP policies are considered.
- Provide Risk Management Services to assist participating municipalities in implementing the SPP through risk management, prohibition, and restricted land use policies. Education and outreach are key policy priorities to deliver an effective program.
- Collaborate with municipalities and conservation authorities to develop and operate the Local Source Water Information Management System to assist municipalities in meeting their obligations under the Clean Water Act and Source Protection Plans.

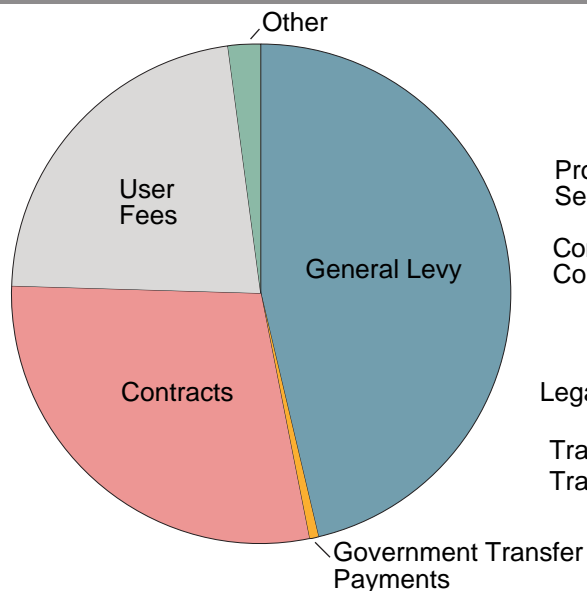


2022 Draft Budget

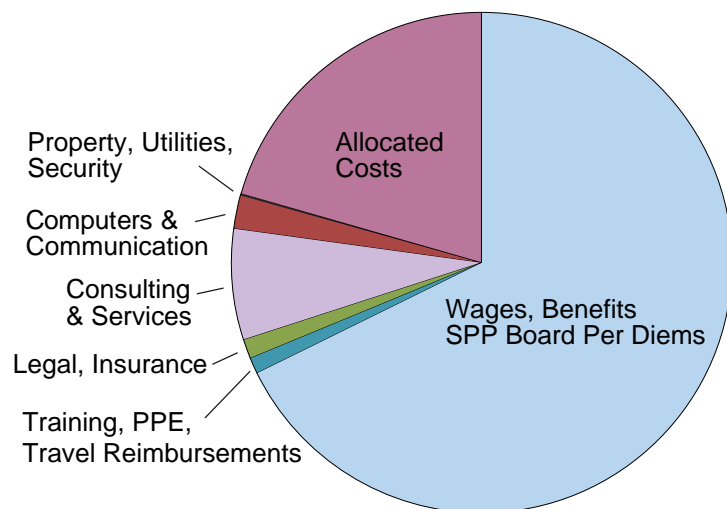
Draft Budget Environmental Planning and Regulations

	YTD Actual 30-Nov-21	Approved 2021 Budget	Draft 2022 Budget	% Change from Final 2021 Budget	Notes
Funding					
General Levies	1,013,393	1,049,114	1,202,260	14.6%	
Government Transfer Payments	14,943	14,943	14,943	0.0%	
Contracts	560,362	720,439	743,530	3.2%	
User Fees	371,863	345,000	580,000	68.1%	Anticipated fee changes included
All other incl. Deferred Revenues	(0)	31,324	55,646	77.6%	
Total Funding	1,960,560	2,160,820	2,596,379	20.2%	
Expenditures					
Wages, Benefits, Per Diems	1,174,932	1,401,467	1,708,042	21.9%	Additional staffing required
Training, PPE, Travel Reimbursements	10,584	25,900	25,900	0.0%	
Legal, Audit, Insurance, Banking	66,198	31,800	32,228	1.3%	
Advertising and Promotion	407	-	-	0.0%	
Consulting and Services	180,837	189,560	180,519	-4.8%	
Computers and Communications	40,510	54,350	54,350	0.0%	
Property, Utilities, Security	316	1,700	1,700	0.0%	
Supplies	-	900	900	0.0%	
Allocated Costs	425,058	512,345	518,032	1.1%	
Total Expenditures	1,898,842	2,218,022	2,521,671	13.7%	
Surplus (Deficit) from these budgets	61,719	(57,202)	74,708		

FUNDING



EXPENDITURES



Making Science-Based Decisions

Watershed Planning, Research and Monitoring

What We Do

- Undertake environmental monitoring including collecting, analyzing, and reporting on data for surface water and groundwater quality, stream health, fisheries, habitat, and species at risk.
- Compile and maintain a comprehensive environmental monitoring database that is integrated and available to watershed partners, and is commonly accessed by development proponents in watershed municipalities when undertaking technical studies or assessments associated with land development activities.
- Produce concise state of the environment reporting every 5 years in a Watershed Report Card document, to understand current local (subwatershed) health and emerging trends as a basis for setting environmental management priorities and inspiring local environmental action.
- Develop and maintain watershed, subwatershed, and property specific management plans in cooperation with government agencies, municipalities, and community groups.
- Implement research studies to fill resource information gaps and develop innovative methods of protecting and enhancing watershed resources, including natural heritage systems studies, water quality assessments, and management plans.



Examples

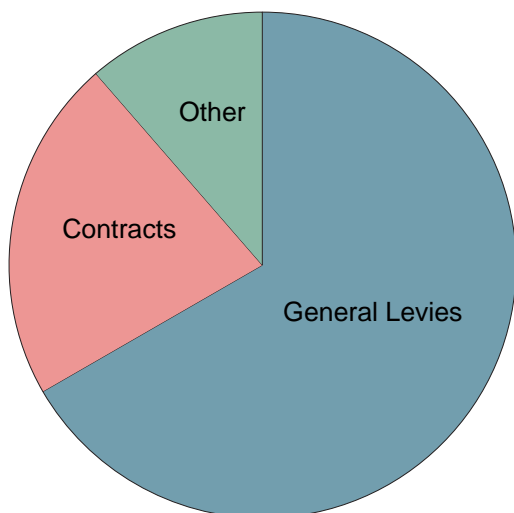
- Monitor groundwater at 24 sites as part of the Provincial Groundwater Monitoring Information System in partnership with the Ministry of the Environment, Conservation and Parks (MECP)
- Collect and analyze surface water samples at 24 sites as part of the Provincial Water Quality Monitoring Network in partnership with the MECP and local Health Units
- Undertake expanded water quality and stream health monitoring, in support of efforts identified in the UTRCA Strategic Plan and in partnership with member municipalities
- Monitor aquatic community health including benthic invertebrates, fisheries, and species at risk to identify priority areas for implementation of best management practices and stewardship
- Participate in senior government working groups related to development of a Domestic Action Plan to reduce phosphorus loads to Lake Erie
- Develop and maintain Geographic Information System (GIS) databases, performing spatial analysis and producing mapping and GIS tools to support watershed planning initiatives, assist in property management, and support regulatory activities
- Develop land management plans for UTRCA properties, such as the Cade Tract, Dorchester Swamp, and conservation area lands, in partnership with the Conservation Areas and Lands and Facilities units
- Provide technical support and review for applications related to planning advisory services
- Study species at risk and their habitat requirements that are indicators of watershed health
- Develop natural heritage system studies to determine significance, spatially quantify gains and losses, and identify areas of concern as well as areas with potential for enhancement.
- Work with a broad range of stakeholders, including municipalities, First Nations and senior government, in the Thames River Clear Water Revival collaborative, to implement *The Thames River (Deshkan Zibi) Shared Waters Approach to Water Quality and Quantity*, which focuses shared water management objectives and supports efforts to address local and Great Lake water quality and quantity issues.
- Gather long term data and create information to measure outcomes related to the UTRCA Environmental Targets Strategic Plan and to guide work to improve environmental health
- Develop strategies for clean water and natural heritage feature protection and restoration in the watershed, as identified in UTRCA Environmental Targets

2022 Draft Budget

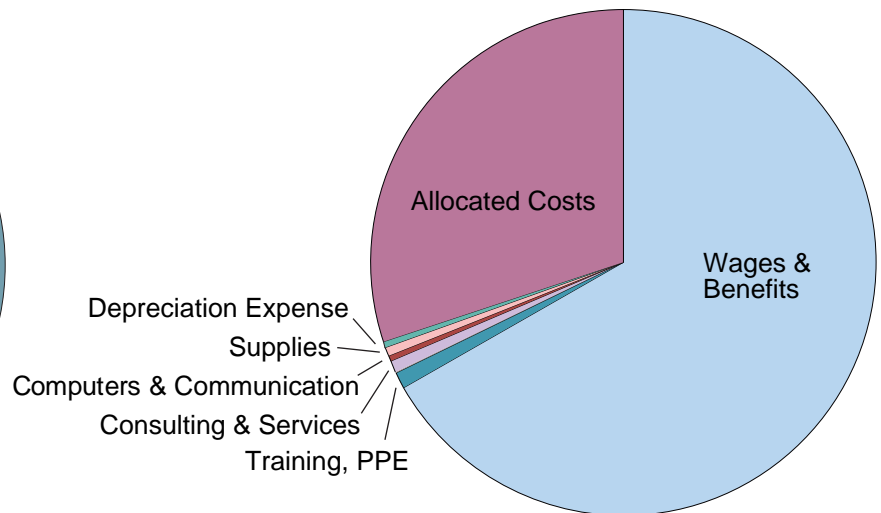
Draft Budget Watershed Planning, Research and Monitoring

	YTD Actual 30-Nov-21	Approved 2021 Budget	Draft 2022 Budget	% Change from Final 2021 Budget	Notes
Funding					
General Levies	693,900	629,064	592,618	-5.8%	
Contracts	292,867	239,150	195,000	-18.5%	Reduced contracts available
User Fees	349	10,000	-	0.0%	
All other incl. Deferred Revenues	2,867	111,107	101,340	-8.8%	
Total Funding	989,983	989,321	888,958	-10.1%	
Expenditures					
Wages and Benefits	641,469	697,543	768,365	10.2%	
Training, PPE, Travel Reimbursements	2,345	10,450	12,200	16.7%	
Advertising and Promotion	-	100	100	0.0%	
Consulting and Services	38,218	65,000	9,000	-86.2%	
Computers and Communications	3,827	3,662	4,200	14.7%	
Contracted Services	-	5,525	-	0.0%	
Supplies	8,924	11,000	6,500	-40.9%	
Depreciation Expense	1,202	1,442	4,299	198.1%	Adding electrofisher equipment
Allocated Costs	263,912	355,338	346,018	-2.6%	
Total Expenditures	959,896	1,150,060	1,150,682	0.1%	
Surplus (Deficit) from these budgets	30,087	(160,739)	(261,724)		

FUNDING



EXPENDITURES



Fostering Landowner Stewardship

Conservation Services

What We Do

- Address soil and water quality concerns by providing comprehensive face-to-face in-field and in-stream conservation planning services, technical services, and engineering planning and design.
- Address locally identified water quality and wildlife habitat impairment issues.
- Improve water quality and habitat for fish and wildlife, and reestablish natural aquatic linkages.
- Offer a range of tree planting and woodlot management services, and increase natural cover to improve water quality, provide wildlife and pollinator habitat, and build climate change resiliency.
- Deliver the Clean Water Program (CWP), which provides a one-window service for rural landowners to access technical assistance and financial incentives for implementing best management practices (BMPs) that improve surface water and groundwater quality and soil health, and contribute to sustainable agricultural operations. The CWP is funded by the Counties of Oxford, Middlesex and Perth, Town of St. Marys, and Cities of Stratford and London, with additional funding leveraged from industry, government, foundations, and donations.



Examples

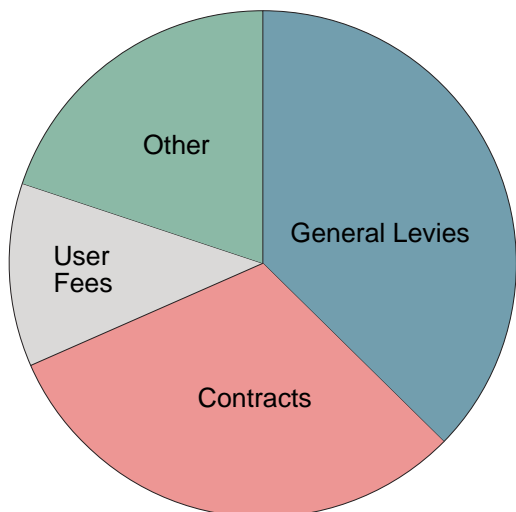
- Deliver a wide range of BMPs through the CWP, which provides more than \$240,000 in grants to an average of 150 projects annually, approved by the local CWP committee. The CWP has completed over 46500 projects since 2001, including 33700 projects cost shared (over \$11 million in capital project value plus landowner inputs of \$54.6 million).
- Deliver Medway Creek watershed phosphorus reduction research and demonstration projects partnering with Environment and Climate Change Canada (ECCC) and the Ontario Ministry of Agriculture, Food and Rural Affairs (OMAFRA)
- Lead cutting-edge research and demonstration projects focused on agricultural stewardship efforts to reduce nutrients in the Thames River and improve the health of Lakes St. Clair and Erie. Projects bring additional investment into the watershed and offset costs to municipalities (e.g., \$300,000/3 years from ECCC; \$280,000/3 years from Agriculture and Agri-Food Canada (AAFC)).
- Lead information sharing and coordinate innovation through research, demonstration projects, workshops, and field tours, in partnership with landowners, agencies, academia, and private sector. Examples include Living Labs, ONFARM, controlled drainage, engineered vegetated filter strips, saturated buffers, constructed wetlands, on-farm stormwater management, slag filters to remove phosphorus from barnyard and silage leachate runoff and from tile drainage systems, edge-of-field research to monitor phosphorus movement on cropland, and biofilters. Project partners include University of Waterloo, University of Guelph, Western University, Great Lakes and St. Lawrence Cities Initiative on the Thames River Phosphorus Reduction Collaborative, OMAFRA, AAFC, OSCIA and others.
- Recently created a UTRCA Demonstration Farm to showcase progressive agricultural BMPs to area landowners, extension staff and the private sector. Several industry partners along with ECCC and OMAFRA contributed to its creation.
- Partner with ECCC to establish and monitor water quality from agriculture-based subwatersheds
- Provide forestry services such as tree planting plans, woodlot management, invasive species control, planning and auditing for the Managed Forest Tax Incentive Program, and help source alternate funding to offset tree planting costs for landowners
- Implement naturalization projects through the Communities for Nature program, which gives 5,000 students and community members each year a hands-on educational experience and creates opportunity for private sector (e.g., TD, DANCOR, 3M Canada, Dillon Consulting, DANCOR, Home Hardware, Columbia Sportswear), service clubs, and donors to provide lands and/or financial support
- Coordinate Memorial Forest programs, in partnership with local funeral homes
- Plant over 2,800,000 trees across the watershed since 1990 (approximately 2000 hectares)
- Partner with London Hydro to offer "Tree Power" program that sells 600 trees to London homeowners each year, as well as launching similar programs in 2021 in Stratford (Festival Hydro) and in Perth South
- Participate in forest health research partnership with Canadian Forestry Service and Ministry of Northern Development, Mines, Natural Resources and Forestry (e.g., Emerald Ash Borer, Oak Wilt Disease, Beech Leaf Disease), and work with partners to preserve the genetics of native butternut trees

2022 Draft Budget

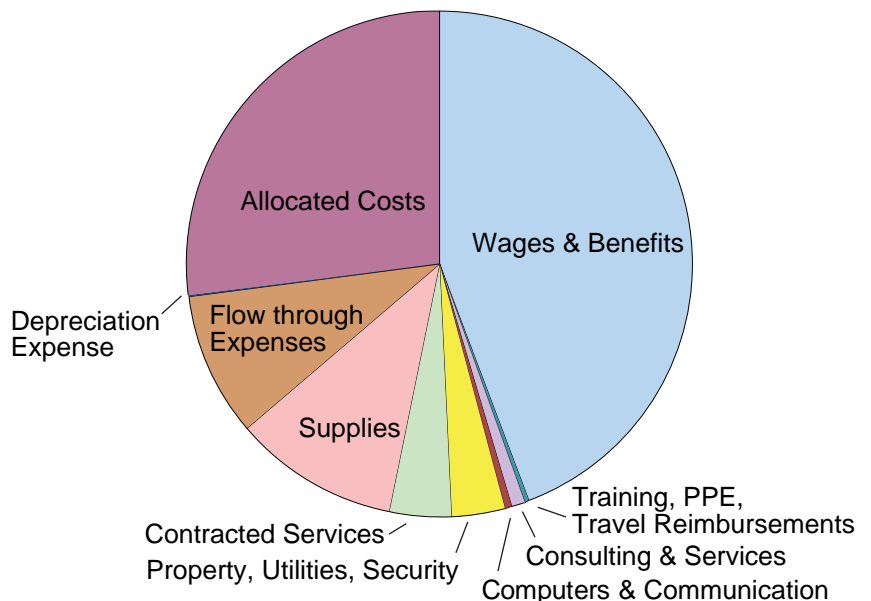
Draft Budget Conservation Services

	YTD Actual 30-Nov-21	Approved 2021 Budget	Draft 2022 Budget	% Change from Final 2021 Budget	Notes
Funding					
General Levies	590,781	602,564	725,337	20.4%	
Contracts	898,943	978,764	603,250	-38.4%	
User Fees	181,389	227,443	227,443	0.0%	
All other incl. Deferred Revenues	83,738	144,520	385,986	167.1%	Plan to clear deferrals from earlier years
Total Funding	1,754,850	1,953,291	1,942,016	-0.6%	
Expenditures					
Wages and Benefits	669,940	750,685	847,615	12.9%	
Training, PPE, Travel Reimbursements	3,494	5,250	5,400	2.9%	
Legal, Audit, Insurance, Banking	222	-	324	100.0%	
Advertising and Promotion	631	-	-	0.0%	
Consulting and Services	3,326	16,700	16,700	0.0%	
Computers and Communications	5,990	4,705	7,905	68.0%	
Property, Utilities, Security	28,342	25,350	65,350	157.8%	
Contracted Services	101,427	151,000	76,000	-49.7%	
Supplies	176,264	331,014	201,700	-39.1%	
Flow through Expenses	66,716	127,550	175,550	37.6%	Grants anticipated higher in 2022
Depreciation Expense	2,002	2,403	2,402	-0.0%	
Allocated Costs	377,014	499,552	516,263	3.3%	
Total Expenditures	1,435,368	1,914,209	1,915,209	0.1%	
Surplus (Deficit) from these budgets	319,482	39,082	26,807		

FUNDING



EXPENDITURES



Providing Natural Spaces and Recreational Opportunities

Lands and Facilities

What We Do

- Create value for the environment by providing safe access to UTRCA-owned/managed lands and permitted outdoor recreational opportunities.
- Work in partnership with the community to ensure the long-term protection of natural areas, such as woodlands and wetlands. Hazard lands and wetlands were acquired for flood risk reduction and recreation, and contribute to natural heritage conservation and water quality protection (surface water and groundwater).
- Lease structures and properties to clubs, community groups, individuals, and municipalities for activities that complement the UTRCA's programs and services.
- Negotiate land management agreements with municipalities to permit free access to day use facilities.
- Land acquisition and disposition.

Examples

- Own 1900 hectares of rural properties to ensure the long-term protection of natural areas, such as woodlands and wetlands, and provide a variety of passive recreational opportunities.
- Manage 12 Environmentally Significant Areas (ESAs) covering 778.3 hectares, under in an agreement with the City of London
- Work with the local community to implement ESA Conservation Master Plans, in partnership with the City of London
- Initiate asset management plan as per the UTRCA Strategic Plan
- Initiate or assist with capital development projects
- Manage UTRCA fleet vehicles and equipment system
- Manage/maintain Watershed Conservation Centre (LEED Platinum designation)
- Work with the local community to implement the Ellice and Gads Hill Swamps Management Strategy
- Perform comprehensive risk management and safety inspections on UTRCA-owned properties
- Assess hunting opportunities on UTRCA-owned properties and, where appropriate, implement a controlled hunting program
- Respond to infringement and encroachment related issues on UTRCA-owned properties
- Maintain a range of lease agreements for properties and structures, including:
 - o 7 community-based groups that manage and maintain our rural conservation areas
 - o More than 20 clubs that engage in recreational activities at Fanshawe, Wildwood, and Pittock Conservation Areas
 - o 80 cottages at two locations
- When acquiring lands for development of the reservoirs, the UTRCA was obliged to purchase entire holdings (farms); some of these lands are not needed to support the UTRCA's flood management and recreational programs, and are leased by community members, including:
 - o 24 UTRCA-owned agricultural properties totalling approximately 475 hectares
 - o Manage/maintain 7 storage buildings located throughout the watershed
- Partner with municipalities to control invasive species

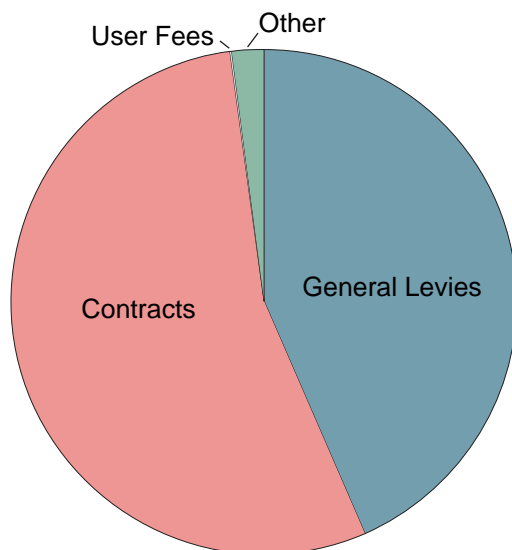


2022 Draft Budget

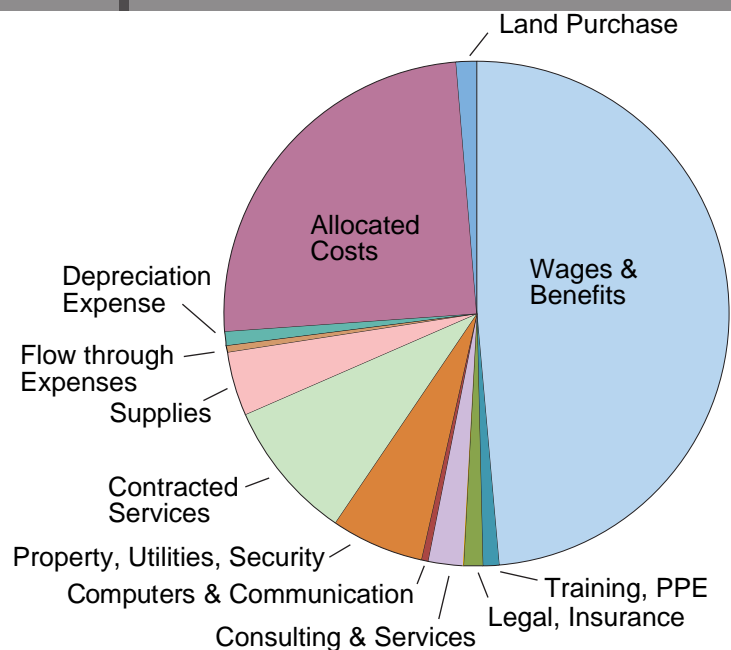
Draft Budget Lands and Facilities

	YTD Actual 30-Nov-21	Approved 2021 Budget	Draft 2022 Budget	% Change from Final 2021 Budget	Notes
Funding					
General Levies	708,507	739,238	804,831	8.9%	
Contracts	948,617	872,157	1,006,400	15.4%	
User Fees	8,352	2,000	2,000	0.0%	
All other incl. Deferred Revenues	110,000	44,639	37,911	-15.1%	
Total Funding	1,775,476	1,658,034	1,851,142	11.6%	
Expenditures					
Wages and Benefits	788,029	875,458	921,360	5.2%	
Training, PPE, Travel Reimbursements	10,220	19,200	19,200	0.0%	
Legal, Audit, Insurance, Banking	24,208	19,825	23,090	16.5%	
Advertising and Promotion	2,105	1,350	1,350	0.0%	
Consulting and Services	8,823	42,000	42,000	0.0%	
Computers and Communications	4,690	7,800	7,800	0.0%	
Property, Utilities, Security	73,085	112,600	112,600	0.0%	
Contracted Services	20,580	70,000	170,000	142.9%	Includes lands assesment costs
Supplies	62,324	77,600	77,600	0.0%	
Flow through Expenses	-	8,000	8,000	0.0%	
Depreciation Expense	14,643	17,572	17,572	0.0%	
Allocated Costs	355,655	472,728	469,927	-0.6%	
Land Purchase	-	-	25,000	100.0%	Dorchester area parcel
Total Expenditures	1,364,361	1,724,133	1,895,499	9.9%	
Surplus (Deficit) from these budgets	411,115	(66,099)	(44,357)		

FUNDING



EXPENDITURES



Providing Natural Spaces and Recreational Opportunities

Conservation Areas

What We Do

- Create value for the environment by providing recreational opportunities and facilities on 3200 hectares of conservation lands at Fanshawe, Wildwood and Pittock Conservation Areas for 650,000 visitors annually. These lands were acquired for the development of flood control reservoirs and also serve as multi-purpose recreational facilities.
- Provide safe access to UTRCA-owned lands and permitted activities, and improved access to facilities such as docks, boat launches, and trails.
- Participate in local job fairs and employ 60 seasonal staff annually to operate the recreational areas.



Examples

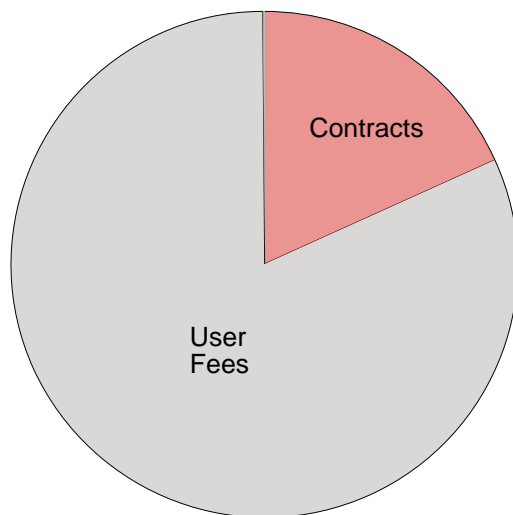
- Provide more than 1300 seasonal and nightly camping sites, including back country camp sites
- Maintain more than 50 km of trail systems for biking, hiking and nature appreciation
- Provide water-based recreational opportunities including rental equipment
- Offer a variety of special events and environmental programs in partnership with local organizations
- Day use opportunities including picnic areas, playgrounds and pavilion rentals, disc golf, geocaching, sand volleyball, yoga classes
- Oversee and administer lease agreements for properties and structures, including:
 - o More than 20 clubs that engage in recreational activities at Fanshawe, Wildwood, and Pittock Conservation Areas
 - o 80 cottages at two locations
- Assistance with the delivering of the recreational hunting program with Lands and Facilities Unit
- Assist with a range of other UTRCA activities and programs, including:
 - o Flood control operations and snow course readings
 - o Providing and maintaining land base for Community Education programs
 - o Grounds maintenance and snow removal for the Watershed Conservation Centre
 - o Tree storage and pick up locations for tree planting programs
 - o Memorial forests and dedication services
- Land Management Agreement with the City of Woodstock for portions of the north shore and the entire south shore of Pittock Reservoir as well as the walkway across Pittock Dam
- Use our conservation areas as demonstration sites for other programs and services offered by the UTRCA (e.g., green infrastructure rain garden, fish habitat creation, shoreline erosion solutions)
- Ensure conservation area lands comply with applicable legislation
- Set annual goals and implement strategies to continue improving and expanding services and opportunities

2022 Draft Budget

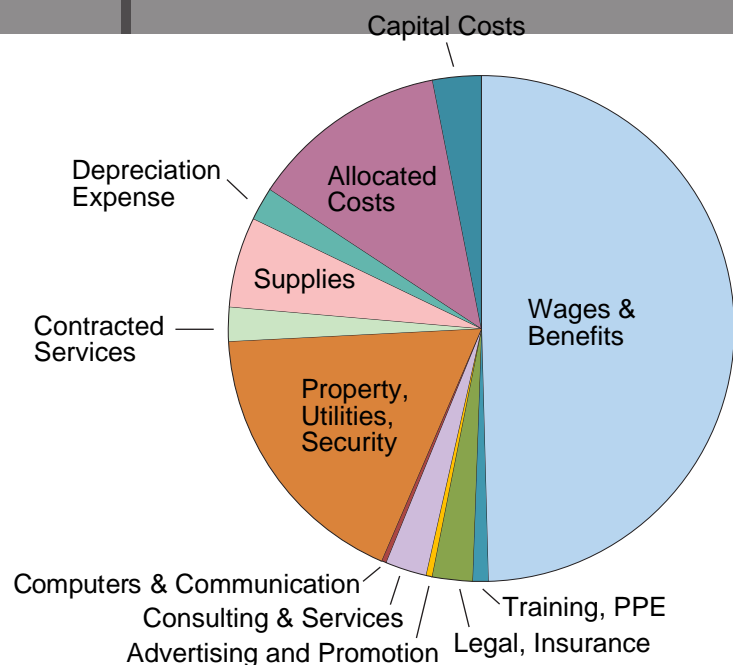
Draft Budget Conservation Areas

	YTD Actual 30-Nov-21	Approved 2021 Budget	Draft 2022 Budget	% Change from Final 2021 Budget	Notes
Funding					
Contracts	867,417	806,148	863,845	7.2%	
User Fees	3,330,675	3,453,733	3,871,302	12.1%	Fees increase included
All other incl. Deferred Revenues	10,530	-	5,840	100.0%	
Total Funding	4,208,621	4,259,881	4,740,987	11.3%	
Expenditures					
Wages and Benefits	1,921,643	2,053,172	2,408,916	17.3%	Planned staffing to return to pre-Covid levels
Training, PPE, Travel Reimbursements	40,731	46,200	49,700	7.6%	
Legal, Audit, Insurance, Banking	111,824	100,100	124,379	24.3%	Legal and insurance expected higher in 2022
Advertising and Promotion	26,695	24,809	18,700	-24.6%	
Consulting and Services	135,138	131,000	130,000	-0.8%	
Computers and Communications	13,269	15,289	14,900	-2.5%	
Property, Utilities, Security	716,231	787,822	860,265	9.2%	
Contracted Services	97,340	105,000	107,000	1.9%	
Supplies	207,584	264,300	280,300	6.1%	
Depreciation Expense	93,311	85,601	102,815	20.1%	Reflects replacement vehicles
Allocated Costs	597,083	624,888	615,179	-1.6%	
Mission Centre Capital Costs	-	194,000	150,000	-22.7%	Electrical Infrastructure Improvement Project
Total Expenditures	3,960,849	4,432,181	4,862,154	9.7%	
Surplus (Deficit) from these budgets	247,772	(172,300)	(121,167)		

FUNDING



EXPENDITURES



Empowering Communities and Youth

Community Partnerships

What We Do

- Create value for a healthy environment by providing opportunities to experience and learn about conservation.
- Motivate watershed residents to adopt stewardship actions that protect and restore the environment, by facilitating access to environmental and conservation information, and involvement in stewardship activities.
- Build capacity in local communities by providing hands-on learning opportunities to address local environmental concerns.

Examples

- Motivate watershed residents to adopt stewardship actions that mitigate the impacts of Climate Change by facilitating access to environmental and conservation information, and involvement in stewardship activities
- Facilitate watershed “Friends of” groups, NGOs, community and neighbourhood groups, and service clubs in addressing local environmental concerns, planning and implementing enhancement projects, and building resiliency. Ongoing partnerships in the Medway, Cedar, Ingersoll Corridor, Stoney, and Forks watersheds, as well as the Dorchester Mill Pond, create wetlands and trails, restore streams, and plant thousands of trees with hundreds of community volunteers each year.
- Help landowners, community groups, and municipalities access funding for environmental projects
- Facilitate involvement of the community, industry, and corporations in environmental clean ups and community events
- Provide a range of curriculum-based environmental education programs and hands-on resource management opportunities in local natural areas, in class, and virtually to over 20,000 students and community groups each year (e.g., stream health monitoring, stream rehabilitation, Watershed Report Card program, Nature School, Wetlands Education program)
- Partner with watershed school boards to develop and offer curriculum-based environmental education programs, including focus on flooding, storm water, and water safety programs, secondary school environmental program certifications, as well as installing Low Impact Development (LID) projects at local schools
- Partner with the private sector (e.g., Toyota, Start.ca, GM, Cargill Cares, Ontario Power Generation, service clubs) to offer programs such as GREEN Leaders Program, Watershed Report Card, Wetlands Education, and River Safety
- Build partnerships with First Nation communities and integrate Traditional Ecological Knowledge into programming
- Partner with service clubs and community funders to offer accessible programming, River Safety education programs, and Nature Nearby family hikes in local natural areas
- Assist communities in learning about and implementing low impact development (LID) for storm water projects, including hosting professional development and training and offering the Stream of Dreams storm water education program
- Partner with the City of Woodstock to re-naturalize Burgess Park and restore the Brick Ponds Wetland Complex
- As a member of the Oxford County Trails Council, assist with developing and promoting trails throughout Oxford County, while protecting and enhancing natural heritage within trail corridors
- Coordinate the 2021 Perth County and the 2022 Oxford County Children’s Water Festivals

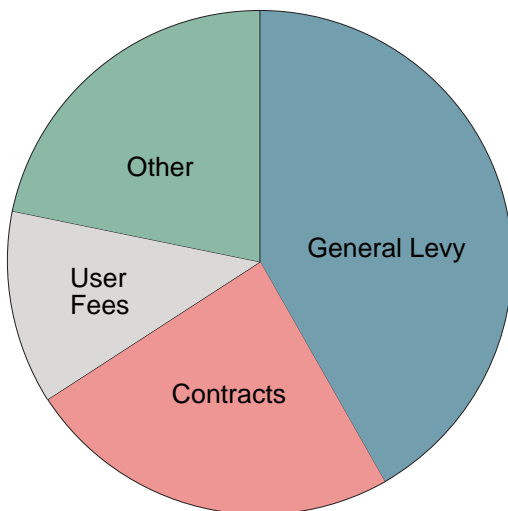


2022 Draft Budget

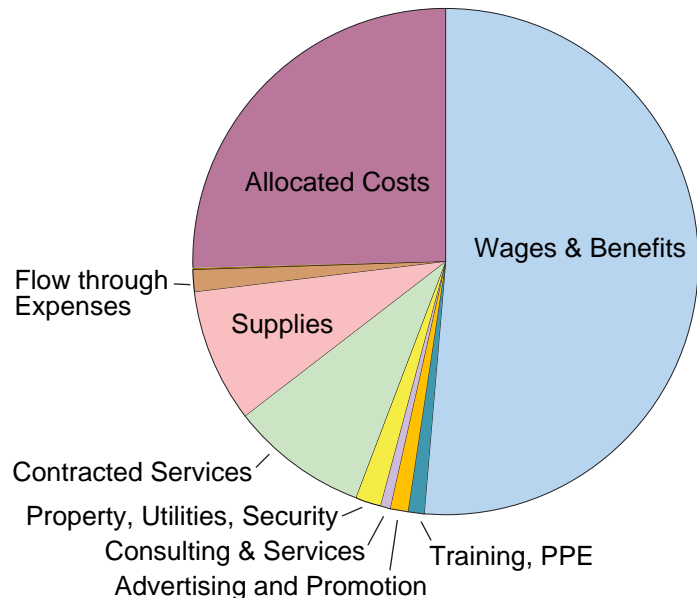
Draft Budget Community Partnerships

	YTD Actual 30-Nov-21	Approved 2021 Budget	Draft 2022 Budget	% Change from Final 2021 Budget	Notes
Funding					
General Levies	899,584	847,446	628,361	-25.9%	
Contracts	555,515	523,754	363,000	-30.7%	
User Fees	151,292	138,750	186,500	34.4%	
All other incl. Deferred Revenues	377,855	518,479	327,091	-36.9%	Includes some Targets Levy
Total Funding	1,984,247	2,028,429	1,504,952	-25.8%	
Expenditures					
Wages and Benefits	668,674	835,809	788,033	-5.7%	
Training, PPE, Travel Reimbursements	21,038	35,500	15,900	-55.2%	
Advertising and Promotion	869	17,681	17,200	-2.7%	
Consulting and Services	24,266	76,950	10,200	-86.7%	
Computers and Communications	4,037	16,500		0.0%	
Property, Utilities, Security	300	25,500	24,900	-2.4%	
Contracted Services	34,582	142,752	134,412	-5.8%	
Supplies	46,581	156,100	131,300	-15.9%	
Flow through Expenses	(50)	1,100	21,100	1818.2%	
Depreciation Expense	1,202	1,442	1,442	0.0%	
Allocated Costs	336,339	456,366	389,818	-14.6%	
Total Expenditures	1,137,838	1,765,700	1,534,305	-13.1%	
Surplus (Deficit) from these budgets	846,409	262,729	(29,353)		

FUNDING



EXPENDITURES



Providing Corporate and Communications Support to Programs, Staff and Directors

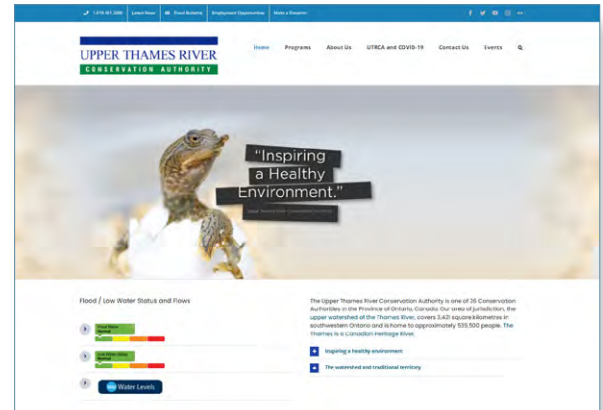
Service Cost Centre Budget Corporate and Support Services

What We Do

- Provide finance, human resources, administrative, and marketing, and communications support for the UTRCA's staff, Board of Directors, and programs. Corporate Services costs are allocated among the programs of the UTRCA.
- Ensure cost-effective programs and accountability to the community, partners, and municipal and senior governments.
- Inform staff, members, stakeholders, and the public of the UTRCA's programs and policies.
- Maintain competent, highly trained, safe, and motivated staff to implement the UTRCA's programs.
- Maintain efficient systems and equipment to support the organization.

Examples

- Corporate and strategic planning, governance policy development, and implementation
- Financial control support including development of procedures, systems integration, and efficiency projects such as internal audit practices
- Human resources administration, benefits administration
- Payroll and health and safety initiatives
- Implementing recommendations from the Workplace Violence Risk Assessment
- Administrative, clerical, systems, communications, and graphic design support
- Engage communities of interest through interactive social media channels
- Assess community needs and opportunities through communications and marketing
- Provide information products including websites, GIS mapping, Geoportal, and printed materials to watershed residents, the Board of Directors, and staff
- Professional development opportunities
- Coordinate community volunteers

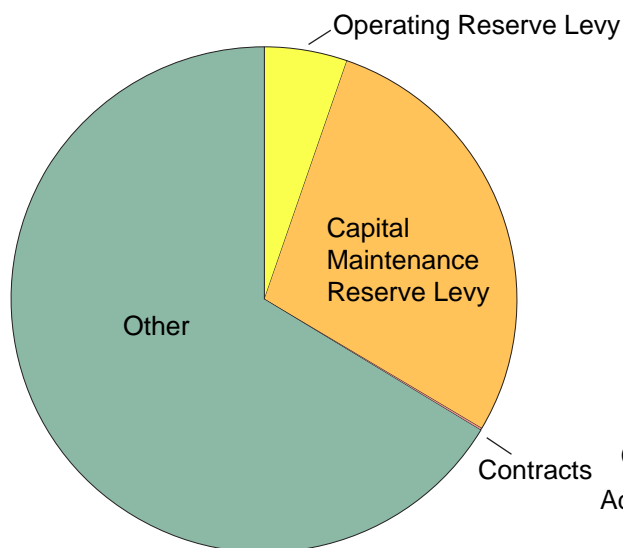


2022 Draft Budget

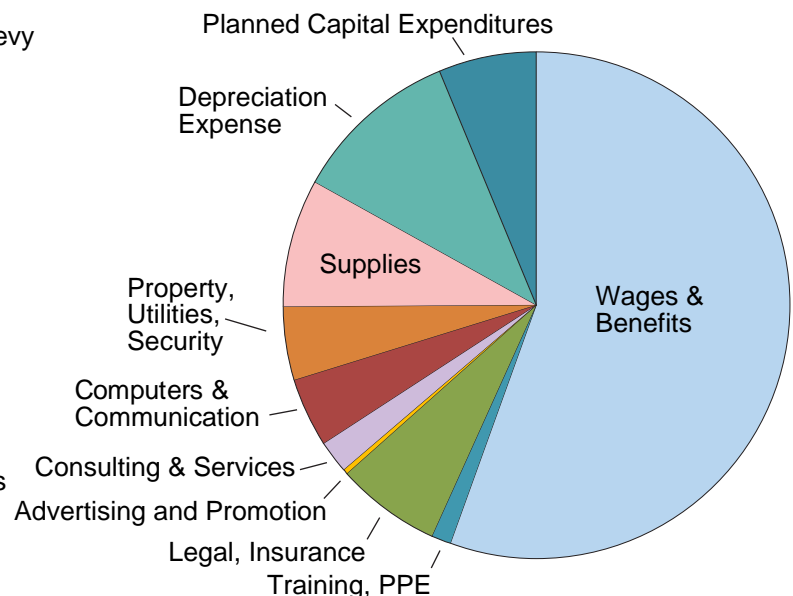
Draft Budget Corporate and Support Services

	YTD Actual 30-Nov-21	Approved 2021 Budget	Draft 2022 Budget	% Change from Final 2021 Budget	Notes
Funding					
General Levies	48,960	-	-	0.0%	
Operating Reserve Levy	34,014	34,014	34,692	2.0%	
Capital Maintenance Reserve Levy	-	178,626	183,627	2.8%	
Contracts	6,398	500	500	0.0%	
All other incl. Deferred Revenues	503,561	175,157	431,828	146.5%	Includes \$300K investment gains
Total Funding	592,933	388,297	650,647	67.6%	
Expenditures					
Wages, Benefits, Per Diems	1,960,025	2,160,126	2,354,135	9.0%	Some FTE transferred from Lands and Facilities
Training, PPE, Travel Reimbursements	17,830	43,610	52,410	20.2%	
Legal, Audit, Insurance, Banking	214,083	247,849	283,142	14.2%	Includes 22% insurance increase
Advertising and Promotion	3,360	10,315	15,000	45.4%	
Consulting and Services	55,694	108,000	87,000	-19.4%	
Computers and Communications	179,121	224,900	185,750	-17.4%	
Property, Utilities, Security	138,733	185,396	198,696	7.2%	
Supplies	227,099	327,532	347,932	6.2%	
Depreciation Expense	376,934	450,980	450,862	-0.0%	
Allocated Costs	(2,855,776)	(3,603,051)	(3,507,906)	0.0%	
Planned Capital Expenditures	3,643	201,000	265,000	31.8%	Vehicles, computers, electrofisher
Total Expenditures	320,746	356,657	732,021	105.2%	
Surplus (Deficit) from these budgets	272,187	31,640	(81,374)		

FUNDING



EXPENDITURES



Draft Budget: Municipal Levy

Municipality	2021 CVA	2022 CVA	Current Year Operations								Year over Year Increase			
			General Levy		Operating Reserve Levy		Dam and Flood Control Levy		Specific Project Funding		Total Municipal Operational Funding		\$	%
			2021	2022	2021	2022	2021	2022	2021	2022	2021	2022		
Oxford County	16.7232	16.8428	677,025	696,731	5,688	5,843	260,785	282,875			943,498	985,449	41,951	4.4%
London	64.2139	64.2416	2,599,644	2,657,463	21,842	22,288	1,060,981	1,131,355	106,050	109,232	3,788,517	3,920,337	131,820	3.5%
Lucan Biddulph	0.3434	0.3468	13,902	14,346	117	120	2,587	2,953			16,606	17,419	813	4.9%
Thames Centre	3.2227	3.1857	130,468	131,782	1,096	1,105	29,576	32,425			161,140	165,312	4,172	2.6%
Middlesex Centre	2.3789	2.3789	96,308	98,407	809	825	17,919	20,256			115,036	119,488	4,452	3.9%
Stratford	7.2867	7.2417	294,996	299,565	2,478	2,512	94,456	102,579			391,930	404,656	12,726	3.2%
Perth East	1.4489	1.4232	58,658	58,873	493	494	13,514	14,719			72,665	74,086	1,421	2.0%
West Perth	1.4898	1.4873	60,313	61,525	507	516	52,583	55,381			113,403	117,422	4,019	3.5%
St. Marys	1.458	1.4482	59,026	59,907	496	502	33,744	35,264			93,266	95,673	2,407	2.6%
Perth South	1.2295	1.2009	49,775	49,677	418	417	9,261	10,225			59,454	60,319	865	1.5%
South Huron	0.205	0.2028	8,299	8,389	70	70	1,544	1,726			9,913	10,185	272	2.7%
Zorra	0	0	-	-	-	-	8,500	8,500			8,500	8,500	-	0.0%
South-West Oxford	0	0	-	-	-	-	5,610	5,610			5,610	5,610	-	0.0%
TOTAL	100	100	4,048,414	4,136,665	34,014	34,692	1,591,060	1,703,868	106,050	109,232	5,779,538	5,984,457	204,919	3.5%
Contribution to increase				43%		-		55%		2%				

Capital Maintenance	Flood Control Capital Levy				Total Municipal Capital Funding		Year over Year Increase		
	2021	2022	Structure	2021	2022	2021	2022	\$	%
29,872	30,928	Pittock Dam, Ingersoll Channel	100,000	29,879	129,872	60,807	(69,065)	-53.2%	
114,704	117,966	Total Structures ¹	381,156	733,348	495,860	851,314	355,454	71.7%	
613	637				613	637	24	3.9%	
5,757	5,850				5,757	5,850	93	1.6%	
4,249	4,368				4,249	4,368	119	2.8%	
13,016	13,298	RT Orr Dam		-	13,016	13,298	282	2.2%	
2,588	2,613				2,588	2,613	25	1.0%	
2,661	2,731	Mitchell \$20K Fullarton \$5K	19,500	25,000	22,161	27,731	5,570	25.1%	
2,604	2,659	Wildwood Dam	30,723	45,000	33,327	47,659	14,332	43.0%	
2,196	2,205				2,196	2,205	9	0.4%	
366	372				366	372	6	1.6%	
		- Harrington \$5K Embro \$1.5K	6,500	6,500	6,500	6,500	-	0.0%	
					-	-	-	-	
178,626	183,627		537,879	839,727	716,505	1,023,354	306,849	42.8%	

Total Municipal Funding for Operations and Capital		Year over Year Increase	
2021	2022	\$	%
1,073,370	1,046,256	(27,114)	-2.5%
4,284,377	4,771,651	487,274	11.4%
17,219	18,056	837	4.9%
166,897	171,162	4,265	2.6%
119,285	123,856	4,571	3.8%
404,946	417,954	13,008	3.2%
75,253	76,699	1,446	1.9%
135,564	145,153	9,589	7.1%
126,593	143,332	16,739	13.2%
61,650	62,524	874	1.4%
10,279	10,557	278	2.7%
15,000	15,000	-	0.0%
5,610	5,610	-	0.0%
6,496,043	7,007,811	511,768	7.9%

¹Total Structures - City of London:

Structure	\$ 2021	\$ 2022
Fanshawe Dam	25,000	87,500
Wildwood & Pittock Dams	100,000	80,848
Erosion Control	-	300,000
London Dykes	256,156	265,000
Total London Structures	381,156	733,348

Draft Budget: Dam & Flood Control Levy - Details

Municipality	CVA Rates						Special Benefitting Rates										Total Dam and Flood Control Levy	
			Forecasting, Planning & Technical Studies		Small Holdings		Wildwood Dam			Pittock Dam			100% Structures and Projects				2021	2022
	2021	2022	2021	2022	2021	2022	%	2021	2022	%	2021	2022	2021	2022	2021	2022		
Oxford County	16.7232	16.8428	121,574	138,866	1,146	1,194	1.01	1,416	1,439	62.11	113,649	117,641	Ingersoll Channel	23,000	23,735	260,785	282,875	
London	64.2139	64.2416	466,822	529,660	4,399	4,555	83.85	118,362	119,385	36.75	67,258	69,615	Total Structures ²	404,140	408,140	1,060,981	1,131,355	
Lucan Biddulph	0.3434	0.3468	2,496	2,859	24	25	0.02	29	30	0.02	38	39				2,587	2,953	
Thames Centre	3.2227	3.1857	23,428	26,265	221	226	0.19	273	272	0.19	354	362	Dorchester Mill Pond and CA Dams (\$2,650 ea)	5,300	5,300	29,576	32,425	
Middlesex Centre	2.3789	2.3789	17,294	19,614	163	169	0.14	201	203	0.14	261	270				17,919	20,256	
Stratford	7.2867	7.2417	52,973	59,706	499	514	0.43	617	619	0.43	800	823	RT Orr Dam (\$37,329) and Channel (\$2,588)	39,567	40,917	94,456	102,579	
Perth East	1.4489	1.4232	10,533	11,734	99	101	0.09	123	122	0.09	159	162	Shakespeare Dam	2,600	2,600	13,514	14,719	
West Perth	1.4898	1.4873	10,831	12,263	102	105	0.09	126	127	0.09	164	169	Mitchell Dam (\$40,117), Fullarton Dam (\$2600)	41,360	42,717	52,583	55,381	
St. Marys	1.458	1.4482	10,599	11,940	100	103	14.09	19,885	20,056	0.09	160	165	St. Marys Floodwall	3,000	3,000	33,744	35,264	
Perth South	1.2295	1.2009	8,938	9,901	84	85	0.07	104	103	0.07	135	136				9,261	10,225	
South Huron	0.205	0.2028	1,490	1,672	14	14	0.01	17	17	0.01	23	23				1,544	1,726	
Zorra					-	-							- Harrington & Embro Dams	8,500	8,500	8,500	8,500	
South-West Oxford					-	-							- Centreville Dam	5,610	5,610	5,610	5,610	
TOTAL	100	100	726,978	824,480	6,851	7,091	100	141,153	142,373	100	183,001	189,405		533,077	540,519	1,591,060	1,703,868	

²Total Structures - City of London:

Structure	\$ 2021	\$ 2022
Fanshawe Dam	356,140	356,140
Springbank Dam	10,000	10,000
London Dykes/ Erosion Control	38,000	42,000
Total London	404,140	408,140

To: UTRCA Board of Directors
From: Chris Tasker, Manager, Water and Information Management
Date: February 10th, 2022
Filename: FC #2161
Agenda #: 7.3
Subject: 2022 Water and Erosion Control Infrastructure (WECI) Projects

Recommendation

The UTRCA Board of Directors approve the 2022 WECI Projects, with 6 studies and 3 repair projects along with their respective project budgets, as part of the pending WECI funding application due for submission on February 11, 2022.

Background

The Water and Erosion Control Infrastructure (WECI) program provides provincial funding for capital repairs of CA infrastructure. This program provides 50% funding for eligible repairs and studies. Each year project submissions are made in February for review by the WECI committee made up of representatives from MNRF, Conservation Ontario and Conservation Authorities. Projects are ranked to determine which projects are approved for the 5 million dollars of provincial funding available each year. Provincial funding must be matched with local funding which generally come from flood control levy or program reserves.

The proposed projects for the 2022 WECI fiscal year ending March 31, 2023 with cost estimates are summarized in the attached table as part of the pending application due for submission by the end of February 11, 2022 deadline. The list of projects is based on the 20 Year Flood Control Capital Repair Plan with some projects that have become a higher priority or were immediate needs. The total estimated cost of the proposed 2022 WECI projects is \$480,000.

The total project costs to be submitted for WECI funding include UTRCA project management and labour costs where applicable as these costs are eligible for WECI funding. Please contact John Dony (donyj@thamesriver.on.ca), David Charles (charlesd@thamesriver.on.ca), or Chris Tasker (taskerc@thamesriver.on.ca) if you have any questions or require any additional information.

Recommended by: Chris Tasker, Manager, Water and Information Management

Prepared by: John Dony, Water Control Structures Technologist
David Charles, Supervisor, Water Control Structures

Project Description UTRCA – 2022 WECl Project Proposal (Funding Application Feb 11, 2022) 3 Repair Projects and 6 Studies Project ID, Name, and Description	Total Project Cost Estimate
S.22.002 Wildwood Dam Safety Review (DSR) The maximum recommended period between Dam Safety reviews (DSR) for Very High and High Hazard potential Dams is 10 years. This has been exceeded, previous review was completed in 2007. A Dam Safety review is required to make a statement on the safety of the dam and complete other core components of DSR.	\$130,000
S.22.003 Wildwood Dam - Concrete Assessment (Phase 1) To inform upcoming major concrete repairs and design planned in the UTRCA's 20-year plan. Last concrete assessment was conducted in 2011. The work will detail the recommendations from site investigations and identify deficiencies for all structural components of the dam. Phase 1 will include an underwater inspection with a remote operated vehicle in order to address the subsurface components on the upstream and downstream sections of the dam.	\$50,000
S.22.004 Fanshawe Dam - Downstream Concrete Assessment & Rehabilitation Design To inform upcoming major downstream concrete repairs and design planned in the UTRCA's 20-year plan along with a review of the results from the underwater inspection conducted in January 2022. Last concrete assessment for the downstream side was conducted in 2011. The scope will consist of detailing the deficiencies and recommendations through site investigations in order to identify and design any necessary rehabilitation for the various downstream structural components including the wingwalls, spillway and stilling basin.	\$80,000
S.22.005 Pittcock Dam - Concrete Assessment (Phase 1) To inform upcoming major concrete repairs and design planned in the UTRCA's 20-year plan. Last concrete assessment was conducted in 2011. The full scope of the multi-phase project will include detailing the deficiencies and recommendations through site investigations in order to identify and design any necessary rehabilitation. Phase 1 will include an underwater inspection with a remote operated vehicle in order to address the subsurface components on the upstream and downstream sections of the dam.	\$40,000
S.22.007 Fullarton Dam – EA (Phase 1) Stability issues identified in previous study and there is some public acceptance for a removal option. EA is required to determine preferred alternative and meet legislative requirements. Background information will be updated and baseline reports will be generated, along with public consultation initiated.	\$50,000
S.22.016 Embro Dam - EA Continuation Class EA was initiated in May 2015 with the issuance of the notice of intent, and will continue following the completion of the Cultural Heritage Evaluation Report in 2022. EA Continuation will update reports with current available information, invite participation on a Community Liaison Committee and another public consultation meeting, prior to posting final notice.	\$40,000

Project Description UTRCA – 2022 WECI Project Proposal (Funding Application Feb 11, 2022) 3 Repair Projects and 6 Studies Project ID, Name, and Description	Total Project Cost Estimate
R.22.006 Orr Dam - PLC Replacement & Testing City of Stratford requires the current, older PLC at the Thomas Orr Dam to be upgraded for compatibility with their new SCADA system. The UTRCA will need to conduct simulated and field testing for the new PLC to ensure it performs as desired. Documentation of the new logic and operations will also be completed.	\$25,000
R.22.007 St. Marys Floodwall - Minor Repairs Floodwall has been damaged at a few locations as noted by the Town of St. Marys and at the inspection conducted by UTRCA staff in October. The necessary repairs will be conducted with matching funds from the operations budget.	\$15,000
R.22.008 Pittock Dam - Drainage Gallery & Pressure Relief Well Repairs Identified in the 2022 Pittock Dam Safety Review as a priority item to be addressed. Work includes cleaning the trough and pressure relief wells in the drainage gallery and installing pressure gauges/piezometers in the underlying bedrock to provide readings of uplift pressure.	\$50,000
Grand Total	\$480,000

To: UTRCA Board of Directors
From: Tracy Annett, General Manager
Date: February 8, 2022
Filename: Admin # 4422
Agenda #: 7.4
Subject: Inventory of Programs and Services

Recommendation

THAT the Upper Thames River Conservation Authority Inventory of Programs and Services be approved;
AND THAT the Inventory of Program and Services be submitted to the Province and circulated to all participating and specified municipalities.

Purpose

The purpose of the report is to seek UTRCA Board of Directors approval of the UTRCA Inventory of Programs and Services as required under Ontario Regulations 687/21, Section 6 "Inventory of Programs and Services" prior to the MECP February 28, 2022 deadline.

Background

As a requirement under [Ontario Regulation 687/21](#), the Upper Thames River Conservation Authority (UTRCA) has completed a Transition Plan that outlines the process the conservation authority will go through to transition to the new funding/levy framework for January 1, 2024. A second requirement under this regulation is to develop an Inventory of Programs and Services based on the three categories identified in the Regulation. These categories include:

- Category 1 Mandatory,
- Category 2 Municipally requested, and
- Category 3 Other, where the Authority determines programs are advisable.

The regulation requires that the Inventory be submitted to the Ministry of the Environment, Conservation and Parks by February 28, 2022. The UTRCA is also required to circulate to member municipalities and make the Inventory available to the public by posting it on the [Authority's website](#).

Attached are tables that provide information related to the UTRCA's Inventory of Programs and Services as required under [Ontario Regulation 687/21](#) Section 6 "Inventory of Programs and Services". This information includes estimates and assumptions related to costs, cost allocations and revenue distribution and is subject to change as cost figures are refined as we incorporate the provisions of the recently released Phase 2 regulations.

Analysis suggests that the programs and services can be delivered without a significant change in total municipal levy support required compared with the current levy funding model. In addition, we intend to contribute any surplus revenues that can be used to fund new costs associated with shifting to the new levy funding model during this transition period.

Report

The attached inventory lists all the programs and services that the UTRCA is providing as of February 28, 2022 and those that it intends to provide after that date. The inventory includes information about the sources of funding and categorize all programs and services based on the following:

- Category 1: Mandatory programs and services as identified in [Ontario Regulation 686/21](#). These programs will be funded through municipal levy.
- Category 2: Municipal programs and services that are provided at the request of the municipality. These programs can be funded through government and other agency grants and/or municipal funding under a memorandum of understanding (MOU) or agreement with the municipality.
- Category 3: Other programs and services that an Authority (Board) determines are advisable. These programs can be funded through self-generated revenue, user fees, government and other agency grants, donations, etc. Any use of municipal funding will require an agreement and would be subject to cost apportioning.

The Inventory of Programs and Services (February 28, 2022) will be an evolving document as the UTRCA moves through the transition period. It is anticipated that refinements will be incorporated as negotiations with municipalities proceed and further discussions evolve within program areas.

It is important to note the synergies achieved by having a staffing model that allows staff to perform tasks and duties that provide service across different program areas and different categories. For example, conservation area staff provide support to:

- the Flood and Erosion Control Infrastructure Operation and Management (a Category 1 program),
- Conservation Lands Management- Operations and Maintenance (a Category 1 program) and
- Conservation Area Campgrounds (a Category 3 program)

Inventory Principles

A brief explanation on the principles applied when developing the Inventory of Programs and services is provided:

- 1) Each program and service has been categorized based on the criteria identified under the *Conservation Authorities Act* and supporting regulations. As required by regulation 687/21, the inventory explains why a program falls into category 1 by referencing applicable sections of regulation 686/21 “Mandatory Programs and Services”. Category 2 and 3 programs provided through other legislative are also noted.
- 2) The list has been developed to align our programs and services with our past budget reporting framework. In some cases the delineation between categories of programs has not been refined; instead a grouping of programs is identified at this time.
- 3) The UTRCA’s inventory includes only operating costs. Capital costs are extremely variable from year to year and would skew estimates.
- 4) The Regulation requires that the annual cost of each program and service be provided based on the average of the last five years; however, any other value that better reflects the cost of a program are permitted, provided it is justified. The UTRCA has indicated both a 5 year average and the 2022 estimate costs for programs and services. Utilizing a five year average fails to recognize significant changes in the past 5-year period including impacts to operations due to COVID, and inflation, particularly through 2021. In addition, with the high level of growth in the watershed, and corresponding demand

for UTRCA programs and Services the 2022 budget provides a more accurate estimate of cost than a five year average.

- 5) Although previous agreements and MOUs have been negotiated for some of programs and services, we expect that all will need to be renegotiated to incorporate the requirements identified in regulation. Quarterly reports will identify the progress made on all negotiations.

Comments:

- Revenue percentage distributions will change as costs fluctuate.
- Estimated percentages for Municipal MOUs/agreements may change as negotiations with municipalities are completed. We anticipate this will be an iterative process.
- Costs and potentially categories of costs identified will be refined over time and subject to change by 2024.
- Surplus revenues from certain Category 3 programs and services help to fund other Category 3 programs and services that would otherwise have a deficit.
- At times, specified Reserves are used to balance operating programs as part of an overall deliberate strategy of drawing on reserves that accumulated from prior years. We have attempted to minimize the effect of reserve transfers.
- The Source Water Protection Program is currently funded by the province.

As identified in the UTRCA Transition Plan and required under the regulations, regular progress reports on the Inventory of Programs and Services must be submitted to the MECF and posted to the UTRCA’s website. These reports will identify any challenges and changes that have resulted during negotiations with participating municipalities. It is anticipated as the UTRCA moves through the transition period that programs and services costs will be refined resulting in changes to percentages of revenue allocation.

A summary table of funding is provided below:

	Total Category 1	Total Category 2	Total Category 3	Total All programs
Direct Program Expenses	5,871,435	661,784	207,718	12,740,938
Allocated Costs	1,439,469	174,402	1,824,037	3,437,908
Total Program Costs	7,310,904	836,186	8,031,756	16,178,846
Municipal Levy Funding	5,309,268	-	1,278,654	6,587,922
Provincial Transfer Payment	181,213	-	-	181,213
Self-Generated Funding	3,278,641	865,030	5,910,916	10,054,587
Total Funding	8,769,122	865,030	7,189,570	16,823,722
Municipal Levy	61%	0%	18%	39%
Provincial Transfer Payment	2%	0%	0%	1%
Self-Generated	37%	100%	82%	60%

*While funding appears to exceed expenses, some funding, such as gains and certain levy, is diverted directly to reserves.

Category 3 Programs and services leverage municipal contributions to generate revenues at a ratio of greater than 1:4.

Relevance to Authority Policy/Mandate

The Plan will allow UTRCA Staff to complete the associated body of work that will allow the organization to become fully compliant under the CA Act by January 1, 2024.

Impact on Authority Finances

During the transition process the 2022 Budget will be in a status quo format following the design of former UTRCA budgets. As the transition continues the budget for 2023 will see the budget process begin to conform to the recent changes to the regulations culminating in 2024 with a budget that is fully compliant to the recent regulatory changes.

Recommended and prepared by:

Tracy Annett, General Manager

Teresa Hollingsworth, Manager, Community and Corporate Services

Christine Saracino, Supervisor, Finance and Accounting

Attachment:

Upper Thames River Conservation Authority Inventory of Programs and Services

Upper Thames River Conservation Authority

Inventory of Programs and Services

UTRCA Code	Program Area	Programs / Service Provision	Program / Services Description	Category	Legislative Reference and Notes	Average Annual Costs based on 5 Year Average (Operating including depreciation)	2022 Projected Operating Costs and Funding Sources
Natural Hazard Management							
1049	Environmental Planning & Regulations	Regulations Section 28.1 Permit Administration and compliance activities	<p>Reviewing and processing permit applications, associated technical reports, site inspections, communication with applicants, agents, and consultants. Property inquiries Legal expenses for regulations and compliance.</p> <p>Input to the review and approval processes under other applicable law, (e.g., Environmental Assessment Act, Drainage Act, Aggregate Resources Act, with comments principally related to natural hazards, wetlands, watercourses and Sec 28 permit requirements.</p>	1	Ontario Regulation 686/21s.8	\$710,879	\$1,041,429 Municipal Levy 67% Self Generated 33%
		Review under Other Legislation	Input to the review and approval processes under other applicable law, (e.g. Environmental Assessment Act, Drainage Act, Aggregate Resources Act, with comments principally related to natural hazards, wetlands, watercourses and Sec 28 permit requirements.		Ontario Regulation 686/21s.6		
1038 and 1041-40		Planning Municipal Plan Input and Review	Technical information and advice to municipalities on circulated municipal land use planning applications (Official Plan and Zoning By-law Amendments, Subdivisions, Consents, Minor Variances). Input to municipal land-use planning documents (OP, Comprehensive ZB, Secondary plans) related to natural hazards, on behalf of MNRF (delegated to CAs in 1983).	1	Ontario Regulation 686/21s.7	\$508,955	\$738,611 Municipal Levy 69%, Self Generated 31%
1038	Municipal Plan Input and Review NOT related to Natural Hazards	<p>Technical information and advice to municipalities on circulated municipal land use planning applications related to Natural Heritage features and functions and Stormwater Management (Official Plan and Zoning By-law Amendments, Subdivisions, Consents, Minor Variances).</p> <p>Input to municipal land-use planning documents (OP, Comprehensive ZB, Secondary plans) related to natural heritage features and functions and Stormwater Management. Comments incorporate natural heritage information particularly around wetlands and aquatic species at risk to develop planning</p>	2	CA Act s.21(1)(n) Updating MOUs required	\$103,130	\$105,147 Municipal Levy 79%, Self Generated 21%	

UTRCA Code	Program Area	Programs / Service Provision	Program / Services Description	Category	Legislative Reference and Notes	Average Annual Costs based on 5 Year Average (Operating including depreciation)	2022 Projected Operating Costs and Funding Sources
			and regulatory strategies to mitigate downstream natural hazards.				
		Natural Heritage	Natural heritage monitoring, plans/strategies and system design not on Conservation Authority owned land, to inform Official Plan and/or County level studies	2	CA Act s.21(1)(n)	Example: Natural Heritage System Studies	Project Specific
1085, 1086, 1087-3050, 1920-3030	Water Management	Flood Forecasting and Warning	Daily data collection and monitoring of local weather forecasts, provincial models, streamflow and reservoir conditions, etc. Routine collection of near real-time data from stream gauge network (water level, flow and precipitation). Seasonal collection and reporting on snow surveys. Maintenance of hydrometric gauges (both UTRCA gauges and assisting with maintenance of Water Survey of Canada gauges). Continuous monitoring of stream flow, reservoirs, and watershed conditions. Maintaining historical records. Development, maintenance and implementation of Flood Contingency Plan. Regular liaison with municipal flood coordinators. Issuing flood bulletins and media releases.	1	Ontario Regulation 686/21s.2	\$652,398	\$614,300 Provincial 15%, Municipal Levy 84%, Self Generated 1%
1034 (5%), 1077, 1080, 1081, 1082, 1083, 1084		Flood and Erosion Control Infrastructure Operation and Management	The UTRCA operates, and maintains flood control dams, dyke and flood wall systems, flood control channels, and erosion control structures. Includes 3 large dams and 9 smaller dams. The UTRCA also maintains 3 flood control channels, 8 dykes/floodwalls and 11 erosion control structures. Undertake dam safety studies and improve public safety around dams. In addition to the regular operation and maintenance of these structures the UTRCA undertakes major maintenance projects on water and erosion control structures In addition to the above structures which were constructed by the UTRCA, the UTRCA also operates and maintains structures that are municipally owned/built but operated and maintained by the UTRCA through agreement with the municipality.	1	Ontario Regulation 686/21s.5	\$1,682,388 (not including major capital repairs)	\$1,767,561 Provincial 5%, Municipal Levy 64%, Self Generated 21%

UTRCA Code	Program Area	Programs / Service Provision	Program / Services Description	Category	Legislative Reference and Notes	Average Annual Costs based on 5 Year Average (Operating including depreciation)	2022 Projected Operating Costs and Funding Sources
1042		Operation Plans and Asset Management related to this Infrastructure	New Project: Development of Operational Plans and Asset Management Plans related to this infrastructure		Ontario Regulation 686/21s.5 NOTE: Operational and Asset management plans to be completed on or before December 31, 2024 per requirements in Section 5 of the Mandatory Programs and Services Regulation	New Program	NOTE: Strategy to be completed on or before December 31, 2024
		Flood Plain Mapping & Natural Hazards Technical Studies and Information Management	<p>Analysis and identification of areas susceptible to riverine flooding to create mapping products to delineate flood-prone and erosion-prone areas.</p> <p>Data collection, analysis, reporting and mapping of data sets related to the understanding and mitigation of natural hazards. Development and use of systems to collect, store and provide spatial geographical representations of data and other mapping products.</p> <p>Studies and projects to inform natural hazards management programs including: floodplain management, watershed hydrology, regulated areas mapping update, flood forecasting system assessment, floodplain policy</p>	1	Ontario Regulation 686/21 s. 5(1)1 686/21 s.9(1)2	\$746,500	\$776,981 Provincial Transfer Payment 2%, Municipal Levy 69%, Self Generated 29%
		Climate Change	<p>Understanding the risks related to natural hazards, including how these risks may be affected by climate change through collection and management of climate science data in order to identify potential effects of climate change.</p> <p>Identification of vulnerability or risk, and the development of mitigation and adaptation policies and plans</p>	1	Ontario Regulation 686/21 s. 1(3)1. iv.	\$216,609	\$306,552 Provincial Transfer Payment 20%, Municipal Levy 65%, Self Generated 14%

1009,
1041-30,
1088

UTRCA Code	Program Area	Programs / Service Provision	Program / Services Description	Category	Legislative Reference and Notes	Average Annual Costs based on 5 Year Average (Operating including depreciation)	2022 Projected Operating Costs and Funding Sources
1079			Managing, preventing and mitigating risks related to natural hazards. Promoting public awareness through communications, outreach and education to build climate resiliency. Pilot Projects Low Impact Development, green infrastructure, agricultural stewardship, including tree planting for flood/erosion mitigation. <i>(restoration on CA lands not included)</i>				
		Low water response	Surface and groundwater conditions monitoring and analysis: including water level, flow and precipitation, within the watershed using the Ontario Low Water Response protocol and hydrometric stream gauge network. Coordination of monitoring with Water Response Committee	1	Ontario Regulation 686/21s.3	\$6,010	\$8,803 Municipal Levy 100%
		Communications, Outreach and Education related to Natural Hazards and Low water response	Promoting public awareness of natural hazards including flooding, drought, and erosion. Public events, materials. Social media services. Media relations. Educate elementary school students and the public about the danger of floodwaters. Technical & administrative support to the Water Response Team (WRT) representing major water users and decision makers, who recommend drought response actions.	1	Ontario Regulation 686/21s.1(2)	\$582,958	\$370,819 Municipal Levy 69%, Self Generated 31%
Conservation Authority Lands and Conservation Areas The UTRCA owns 5,967 hectares of land which includes conservation areas, management areas, conservation forests, farmland and flood control structures and surrounding land. UTRCA property is essential to watershed management, flood control, environmental protection, and provides areas for passive recreation							
1051, 1052	Lands, Facilities and Conservation Areas	Section 29 Minister's regulation for Conservation Areas	Conservation areas encroachment monitoring and risk management. Legal expenses for regulation and compliance part of Conservation Lands management below.	1	Ontario Regulation 686/21 s.9(1)4 Rules for Conduct in Conservation Areas (O. Reg. 688/21)	\$84,523 plus some part of Lands Management	\$72,305 Self Generated 100%
		Strategy for CA owned or controlled lands and management plans.	New Project: A strategy to guide the management and use of CA-owned or controlled properties including: guiding principles, objectives, land use, natural heritage, classifications of lands, mapping, identification of programs and services on the lands, public consultation, publish on website and includes periodic review and update.	1	Ontario Regulation 686/21 s.9(1)1 per requirements in Section 10 of the Mandatory Programs and Services Regulation	New Program	NOTE: Strategy to be completed on or before December 31, 2024

UTRCA Code	Program Area	Programs / Service Provision	Program / Services Description	Category	Legislative Reference and Notes	Average Annual Costs based on 5 Year Average (Operating including depreciation)	2022 Projected Operating Costs and Funding Sources
1029, 1035, 1036, 1037, 1044, 1048, 1050, 1054, 1056, 1063, 1065, 1080, 1095-5070, 1096		Land Inventory	New Project: Development of an inventory containing information for every parcel of land owned or controlled by the Authority. The land inventory will include the following information: location as well as date, method and purpose of acquisition, land use. One time project with updates as properties are acquired or disposed of.	1	Ontario Regulation 686/21 s.9(1)3 per requirements in Section 10 of the Mandatory Programs and Services Regulation	New Program	NOTE: Strategy to be completed on or before December 31, 2024
		Land Acquisition and Disposition Strategy	New Project: A policy to guide the acquisition and disposition of land in order to fulfil the objects of the authority.	1	Ontario Regulation 686/21 s.9(1)1 per requirements in Section 10 of the Mandatory Programs and Services Regulation	New Program	NOTE: Strategy to be completed on or before December 31, 2024
		Conservation Lands: Management, operation and maintenance	Public Access for Passive Recreation: Management and maintenance of conservation lands for public access and recreational trails. Includes risk management program, hazard tree management, gates, fencing, signage, brochures, communications, pedestrian bridges, trails, parking lots, pavilions, roadways, drainage, stormwater management, stewardship, restoration, ecological monitoring, recreational dams (with no flood control or low flow augmentation function). Carrying costs such as taxes and insurance	1	Ontario Regulation 686/21 s.9(1)1	\$1,052,513	\$1,224,886 Municipal Levy 63%, Self Generated 37%
			Conserve Natural Heritage: Management and maintenance to conserve natural heritage on CA owned lands. Includes forest management, signage, gates, stewardship, restoration, ecological monitoring, Species at Risk inventories, carrying costs such as taxes and insurance.		Ontario Regulation Reg. 686/21 s.9(1)2	\$255,447	\$323,069
1027		Species at Risk	Periodic inventories of terrestrial Species at Risk on UTRCA lands,	1	Ontario Regulation	\$19,139	\$19,754

UTRCA Code	Program Area	Programs / Service Provision	Program / Services Description	Category	Legislative Reference and Notes	Average Annual Costs based on 5 Year Average (Operating including depreciation)	2022 Projected Operating Costs and Funding Sources
1045, 1046		activities on UTRCA owned lands	GIS mapping and submission of data to NHIC. Information guides land use activities and restoration projects.		686/21 s.9(1)2		Municipal Levy 17%, Self Generated 83%
		City of London ESAs Management	Management of the City's 14 Environmentally Significant Areas (ESAs), initiated in 2009 and updated annually to reflect operational and capital needs	2	Annual Agreements since 2009	\$614,127	\$631,602 Self Generated 100%
1034		Conservation Area Campgrounds	Management, operation and maintenance of Fanshawe, Wildwood and Pittock campgrounds.	3	Campgrounds are operated independent of Municipal Levy	\$4,428,410	\$4,988,296 Self Generated 100%
1047, 1053,		Land Lease and Agreement Management, Hydro generation	Management of current and future land leases and property agreements. Maintenance of rental properties to supplement land management activities	3	CA Act s.21(1)(c)&(d)	\$175,083	\$315,573 Self Generated 100%

Drinking Water Source Protection
Program Description: The protection of municipal drinking water supplies in the Thames Sydenham and Region through the development and implementation of the Source Protection Plans.

1039	Source Protection Planning	Source protection authority role as set out in the Clean Water Act.	<p>Source Protection Authority Lead for the Thames-Sydenham and Region.</p> <p>Technical support, SPC support, SPA reports and meetings, activities required by the Clean Water Act and regulations that applies to the authority's source protection area.</p> <p>Assisting in the co-ordination and implementation of the source protection plan that applies to the authority's source protection area.</p> <p>Where the authority considers it advisable, reviewing and commenting on any proposal made under another Act that is circulated to the authority for the purpose of determining,</p> <ul style="list-style-type: none"> i. whether the proposal relates to a significant drinking water threat that is governed by the plan, or ii. the proposal's potential impact on any drinking water sources protected by the plan. 	1	Ontario Regulation 686/21 s.13 Agreements with LTVCA and SCRCA to undertake implementation efforts.	\$521,920	\$517,645 100% Provincial as a Lead Source Protection Authority. Transfer funding to LTVCA and SCRCA to support this program
1040		DWSP Risk Management	Support municipalities to implement Part IV duties of the Clean Water through service agreements.	2	Clean Water Act s.47(1) & s.48(1)	\$181,860	\$164,986 Municipal Agreements – 100%

UTRCA Code	Program Area	Programs / Service Provision	Program / Services Description	Category	Legislative Reference and Notes	Average Annual Costs based on 5 Year Average (Operating including depreciation)	2022 Projected Operating Costs and Funding Sources
		Inspection / Official			CA Act s.21(1)(a) &(n)		
Water Quality & Quantity Monitoring The UTRCA, in partnership with the Ministry of Environment, Climate Change and Parks (MECP), has established long term sites to monitor surface and ground water conditions.							
1026-0000	Provincial Water Quality and Quantity Monitoring	Provincial Water Quality Monitoring Network (PWQMN) Provincial Groundwater Monitoring Network (PGMN)	A long-standing (50+ year) CA/MECP partnership for stream water quality monitoring at 24 sites. CA takes water samples; MECP does lab analysis and data management. CA uses information for watershed report cards, and stewardship project prioritization. A long-standing (20+ year) CA/MECP partnership for groundwater level and quality monitoring at 24 sites throughout the watershed. CA maintains equipment, data transfer to MECP, water sampling; MECP provides equipment, standards, data management.	1	Ontario Regulations 686/21 s.12(1)2 686/21 s.12(3) Ontario Regulations 686/21 s.12(1)1 686/21 s.12(2)	\$167,541	\$204,587 Municipal Levy 96%, Self Generated 4%
Core Watershed-based Resource Management Strategy - Advancing and contributing to the maintenance of a healthy and resilient natural environment. Program Description: The purpose of a watershed plan is to understand the current conditions of the watershed, and identify measures to protect, enhance, and restore the health of the watershed. Watershed strategies provide a management framework to provide recommendations which consist of goals, objectives, indicators, and management recommendations. This addresses existing issues in the watershed and mitigates impacts from potential future land.							
	Core Watershed-based Resource Management Strategy	Strategy Development	Develop guiding principles and objectives that inform the design and delivery of programs and services the CA is required to provide. Collate/compile existing resource management plans, watershed plans, strategic plans, studies and data. Strategy development, implementation & annual reporting. Develop a process for periodic review including procedures to engage/ consult with stakeholders and the public. Strategy development must include a stakeholder and public consultation component.	1	Ontario Regulations 686/21 s.8 686/21 s.12(1)3 686/21 s.12(4) per requirements in 12(4)-(9) of the Mandatory Programs and Services Regulation	New Program (Include 5-year review)	NOTE: Strategy to be completed on or before December 31, 2024

UTRCA Code	Program Area	Programs / Service Provision	Program / Services Description	Category	Legislative Reference and Notes	Average Annual Costs based on 5 Year Average (Operating including depreciation)	2022 Projected Operating Costs and Funding Sources
1025, 1030, 1031	Integrated Watershed Planning	Watershed Management Strategy / Shared Waters Approach	Watershed strategies provide a management framework to provide recommendations which consist of goals, objectives, indicators, and recommendations. This addresses existing issues in the watershed and mitigates impacts from potential future land uses, while recommending appropriate actions to protect, enhance, and restore the watershed. The Thames River (Deshkan Ziibi) Shared Waters Approach to Water Quality & Quantity, will be a key component of a broader watershed strategy, known as the Thames River Clearwater Revival (TRCWR), which considers all the interactions of land, water, plants, animals and people, with the overall objective of improving the ecological condition of the Thames River, Lake St. Clair and Lake Erie.	3	CA Act s.21(1)(a)	\$291,517	\$344,151 Municipal Levy 76%, Self Generated 24%
1089		First Nations Engagement	To further the development of a more holistic approach in watershed planning, incorporating aspects of Indigenous Traditional Knowledge (ITK) and an awareness of the River's spirit, in addition to western science and management objectives.	2 & 3	Expanded Program	\$134,099	\$90,480 Municipal Levy 39%, Self Generated 61%
1032		Natural Heritage and Ecological Monitoring: Watershed Report Cards	UTRCA in partnership with Conservation Ontario, reports on local watershed conditions every five years. The report cards provide information on surface water, groundwater, forest and wetland conditions in the watershed, to understand current local (subwatershed) health and emerging trends as a basis for setting environmental management priorities and inspiring local environmental action within the 28 subwatershed in the UTRCA.	3	CA Act s.21(1)(a)	\$50,104 (for Report Cards only)	\$0 No direct funding
1026, 1028	Research & Monitoring	Aquatic Monitoring / Water Quality Program	Undertake aquatic monitoring including collecting, analyzing, and reporting on data for surface water and groundwater quality, stream health, reservoir algae, benthic, fisheries, habitat, and species at risk. Surface water quality sampling at additional sites at key locations to better understand the watershed conditions and to support Watershed Report Card program. Benthic Monitoring and Assessment Program – samples collected annually and processed/identified by UTRCA staff. This process evaluates surface water quality using macro-invertebrates (insect larvae, etc.) living in streams and supports Watershed Report	3	CA Act s.21(1)(n)	\$227,174	\$259,533 Municipal Levy 74 %, Self Generated 26%

UTRCA Code	Program Area	Programs / Service Provision	Program / Services Description	Category	Legislative Reference and Notes	Average Annual Costs based on 5 Year Average (Operating including depreciation)	2022 Projected Operating Costs and Funding Sources
1027 (85%) 1087-3010, 1087-3090, 1087-3070 1026-2070		Stream Classification	Cards program. Collection of fish community data as supported by DFO to determine watershed species ranges and identify invasive species and aquatic species at risk. This includes the municipal drain classification program, which classifies “not rated” drains to help streamline Fisheries Act approvals to the benefit of both Drain Superintendents and landowners. This is a component of CA Act approvals for municipal drainage works, that while specific to drain review and associated hazards, also protects headwater function, habitat and ecosystem health.				
		Species At Risk	Inventories of Aquatic Species at Risk GIS mapping and submission of data to NHIC. Information guides land use activities and restoration projects.	3	CA Act s.21(1)(n)	\$153,544	\$159,600 Municipal Levy 17% Self Generated 83%
		Water Quality Data	Compile and maintain a comprehensive monitoring database (WISKI) that is integrated and available to watershed partners, and is commonly accessed by development proponents in watershed municipalities when undertaking technical studies or assessments associated with land development activities.	3	LSWIM for Risk Management Services is recoverable through partner agreements	\$216,446 for LSWIMS and WISKI partners	\$94,707 Self Generated 100%
		City of London Dingman Creek Monitoring Program	Agreement with City of London for enhanced benthic monitoring within the Dingman Creek Subwatershed.	2	CA Act s.21(1)(a)	\$40,200	\$25,000 Self Generated 100%
	Watershed Stewardship and Restoration (Urban, rural & agricultural)	Private Land Stewardship and Restoration	Work with property owners to implement Best Management Practices to mitigate flood and erosion hazards, improve and protect water quality, restore floodplains and river valleys, reduce nutrient contamination, restore and enhance wetlands to reduce flooding peaks and augment low flow, management of terrestrial non-native invasive species, protect groundwater, and improve aquatic species at risk habitat. Apply for and manage external funding, promote private land stewardship, outreach, provide advice and design assistance to property owners. Implementation of watershed plan stewardship recommendations.	3	CA Act s.21(1)(g)&(o)	\$695,600	\$717,735 Municipal Levy 56%, Self Generated 44%

UTRCA Code	Program Area	Programs / Service Provision	Program / Services Description	Category	Legislative Reference and Notes	Average Annual Costs based on 5 Year Average (Operating including depreciation)	2022 Projected Operating Costs and Funding Sources
1033, 1055, 1057, 1060, 1064, 1066, 1105		Tree Planting and Forest Management not related to natural hazards	Forestry services including planting plan development, site preparation, tree and shrub planting, and survival assessments. Private woodlot stewardship, technical assistance, link to funding programs to maintain form and function of watershed forest cover.				
1059, 1062, 1068		Clean Water Program	Deliver the Clean Water Program (CWP), which provides a one-window service for rural landowners to access technical assistance and financial incentives for implementing best management practices (BMPs) that improve surface water and groundwater quality and soil health, and contribute to sustainable agricultural operations. NOTE: funded by the Counties of Oxford and Middlesex, City of Stratford for 2022, with additional funding leveraged from industry, government, foundations, and donations when available.	2	CA Act s.21(1)(g)&(o)	\$132,033	\$189,773 Self Generated 100%
1067, 1070, 1073, 1075, 1099, 1100, 1101, 1102, 1104, 1106, 1108, 1109, 1113, 1114		Great Lakes Connections: Phosphorus / Nutrient Reduction Programs (Medway / ECCC / OMAFRA)	Deliver watershed phosphorus reduction research and demonstration projects partnering with Environment and Climate Change Canada (ECCC) and the Ontario Ministry of Agriculture, Food & Rural Affairs (OMAFRA) Research and demonstration projects focused on agricultural stewardship efforts to reduce nutrients in the Thames River and improve the health of Lakes St. Clair and Erie. Lead information sharing and coordinate innovation through research, demonstration projects, workshops, and field tours, in partnership with landowners, agencies, academia, and private sector.	3	CA Act s.21(1)(g) &(o)	\$802,575	\$747,790 Self Generated 100%

Conservation/ Outdoor Education and Community Outreach

Program Description: Education and outreach programs increase knowledge and awareness in children and adults about local environmental issues, watersheds and ecosystems and conservation actions they can implement.

UTRCA Code	Program Area	Programs / Service Provision	Program / Services Description	Category	Legislative Reference and Notes	Average Annual Costs based on 5 Year Average (Operating including depreciation)	2022 Projected Operating Costs and Funding Sources
	Community Partnerships and Education	Community Involvement and Events Environmental Education	Education and outreach programs and community events to assist in achieving the objectives of the conservation authority. These programs are open to people of all ages. Examples include Community Science, Watershed and “Friends of” projects. Curriculum-based education programs for elementary and secondary students. These programs focus on local watersheds, ecosystems, and environmental issues. Programs take place at schools (indoors and outdoors), field trips to conservation areas and community parks and through online learning.	3	CA Act Reg. 686/21 s.1(2) & s.1(3)3,4 CA Act s.21(1)(n)	\$719,489	\$679,722 Municipal Levy 44%, Self Generated 56%

Provincial transfer refers to only the transfer payment UTRCA receives from the provincial government for the delivery of mandatory programs and services.

For the purposes of this document “self-generated” revenues includes permit fees, fees for service, user fees, grants including provincial and federal funding that UTRCA has to apply and compete for and municipal fee for services agreements beyond municipal levy.

Corporate Administrative Costs

Program Description: Key assistance provided to all departments of the conservation authority, board of directors, member municipalities and the general public to enable the UTRCA to operate in an accountable, efficient and effective manner. Costs are currently distributed to programs listed above.

Note: The methodology for inclusion of these types of services will be finalized once the Phase 2 regulations are in place.

Corporate Services	Administrative, operating and capital costs which are not directly related to the delivery of any specific program or service, but are the overhead and support costs of a conservation authority, Oversight of programs and policies. Includes costs related to agreements/contracts and supporting CA Board, governance, administrative by-laws, General Manager and Management Team	\$694,153
Financial and Human Resources Services	Employee management systems, training, health and safety programs, budgeting, accounts payable and receivable, payroll, financial analysis, financial audit, administration of reserves and investments, financial reports for funding agencies, preparing and submitting reports to CRA, benefits program administration.	\$841,828
Communications and Marketing	Supporting delivery of products and programs through communication platforms (media, open houses, public meetings), website administration and maintenance responding to inquiries from the public.	\$488,469
Information Technology Management/ GIS	Data management, records retention. Development and use of systems to collect and store data and to provide spatial geographical representations of data. Systems to support the collection, maintenance, analysis, reporting and communications on various corporate data sets including but not limited to: surface and groundwater quality and quantity, aquatic and terrestrial biology, geospatial data and imaging, financial and other corporate services, internal and external communications and collaboration,	\$756,288
Administration Buildings	Administration buildings and workshops used to support UTRCA staff, programs and services. Includes utilities, routine and major maintenance, property taxes. Note: The Average Annual Cost does not include accessibility upgrades needed by January 1, 2025.	\$538,450
Vehicles and Equipment	A fleet of vehicles and equipment to support the work of the UTRCA, including capital purchases, fuel, licenses, repairs and maintenance. Programs and projects are charged for the use of vehicles and equipment.	\$655,739

To: UTRCA Board of Directors
From: Jenna Allain, Manager, Environmental Planning and Regulations
Date: February 9, 2022
Filename: ENVP #11420-1
Agenda #: 8.1
Subject: Annual Report of Administration and Enforcement – Section 28, Development, Interference with Wetlands and Alterations to Shorelines and Watercourses Regulation (O.Reg157/06)

Section 28 Annual Report

UTRCA has tracked permit review timelines for many years based on standards that were set by the province in 2010 (MNRF, *Policies and Procedures for Conservation Authority Plan Review and Permitting Activities, May 2010*). This policy directs that conservation authorities are to render an application decision regarding a permit within 90 days for a major application and 30 days for a minor application.

Additionally, as part of a renewed commitment to efficient regulatory services, Conservation Ontario (CO) created a second document titled *Client Service Standards for Conservation Authority Plan and Permit Review (2019)*. This guidance established a second set of service standards that conservation authorities would strive to meet as a best practice. The new CO best-practice service standards provide for shorter review and approval time frames in comparison to the previous standards, representing a 52% reduction in the overall timeline for major permit applications and 42% for minor permit applications. Under this framework, conservation authorities would make a decision within 28 days for major applications and 21 days for minor applications.

Conservation Ontario has requested that CAs track permit review times under both the 2010 and 2019 standards. This Annual Report of Administration and Enforcement – Section 28 reports on UTRCA’s permit review times under both standards for January 1, 2021 to December 31, 2021. This report will also be provided to Conservation Ontario for consideration by CO Council at their AGM.

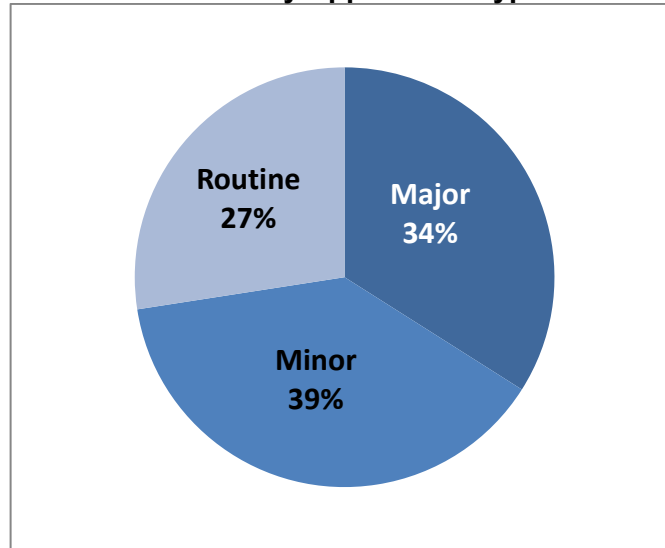
2021 Data and Results

The below table and pie graph provide a summary of the types of permits issued by UTRCA in 2021 and the permit timelines under both the 2010 and 2019 standards.

UTRCA Annual Section 28 Report Summary				
Permits Issued Within 2010 Timeline		Permits Issued Outside 2010 Timeline		TOTAL 153
MAJOR	MINOR	MAJOR	MINOR	Percentage
51	88	1	13	Within 2010 Timeline
Total 139		Total 14		91%

Permits Issued Within 2019 Timeline			Permits Issued Outside 2019 Timeline			TOTAL 153
MAJOR	MINOR	ROUTINE	MAJOR	MINOR	ROUTINE	Percentage
43	45	29	9	14	13	Within 2019 Timeline
Total 117			Total 36			76%

Permits by Application Type



Routine - are activities that are documented through another approval process or are determined to have limited impacts on the control of flooding, erosion, pollution, or the conservation of land.

Minor - development projects could be considered minor in nature due to the project size, level of risk, location, and/or other factors. These projects have minor impacts on the control of flooding, erosion, pollution, or the conservation of land. Based on the proximity of the project to the hazard, these applications are reviewed by UTRCA staff and generally require standard conditions.

Major - require significant UTRCA staff involvement. The proposals may involve developments with significant natural hazards, environmental impacts, or multiple approval processes requirements. Generally, these would include Plans of Subdivision / Condominium, large Site Plan Control applications, and major infrastructure development.

Analysis and Conclusions

UTRCA issued 153 permits in 2021 with 91% meeting the 2010 standards and 76% meeting the 2019 standards. Variances in meeting review time standards for the 2021 period can generally be attributed to the following:

- Complex applications that required more extensive consultation and review;
- Incomplete information and/or poor quality of technical reports received;
- Extended staff review/processing times due to COVID-related working conditions;
- A high volume of compliance and enforcement issues that pull staff resources away from reviewing and issuing permits; and, most significantly,
- Challenges with staff's ability to keep up with workload demand due to high development pressure, compounded by staff departures, staff changes and extended staff absences for personal reasons.

2021 has seen development pressure increase significantly, leaving our UTRCA permitting and planning staff extremely challenged to keep up with the pace. Census data recently released by Statistics Canada shows that the population in the London region grew by 10% between 2016 and 2021, making it the fastest in all of Ontario for population growth, and the fourth fastest growing census metropolitan area in all of Canada. Similar increasing trends in growth and development are being observed throughout the watershed and appear to show no signs of slowing down. Our ability to continue to meet the 2019 Conservation Ontario time lines for permits, while also dealing with increases in development will require additional capacity as presented in the 2022 draft budget. We will continue to assess our staffing needs, and are working on a comprehensive review of our fee schedules as a way to offset the cost where further capacity increases are identified.

UTRCA is tracking and reporting on its permit review timelines in support of Conservation Ontario's Client Service Streamlining Initiative. On-going tracking and reporting of permit review times will continue to allow UTRCA staff to identify trends in service delivery and adapt as necessary to ensure efficient client service and will be reported on annually to the Board of Directors and CO.

Recommended by:

Jenna Allain, Manager, Environmental Planning and Regulations

Prepared by:

Jessica Schnaithmann, Land Use Regulations Officer

Karen Winfield, Land Use Regulations Officer

Ben Dafoe, Land Use Regulations Officer

Cari Ramsey, Land Use Regulations Officer

Sarbjit Singh, Environmental Regulations Assistant

To: UTRCA Board of Directors
From: Tracy Annett, General Manager
Date: February 9, 2022
Filename: Admin # 4425
Agenda #: 8.2
**Subject: Conservation Authorities Act Update – Phase 2 Regulations
Consultation Guide**

Recommendation

That the staff report be received or information.

Purpose

To provide for information the “Regulatory and Policy Proposal Consultation Guide: Regulations regarding Municipal Levies, Conservation Authority Budget Process, Transparency and Provincial Policy for the Charging of Fees by Conservation Authorities”, ERO Posting #019-4610, that was posted to the Environmental Registry of Ontario (ERO) for a 30 day consultation period.

Report Summary

On January 26, 2022 the Province posted a ‘consultation guide’ entitled “Regulatory and Policy Proposal Consultation Guide: Regulations regarding Municipal Levies, Conservation Authority Budget Process, Transparency and Provincial Policy for the Charging of Fees by Conservation Authorities to the Environmental Registry of Ontario (ERO) for a 30 day consultation period. Comments received regarding the guide will be used to develop regulations under the Conservation Authorities Act. Comments on the posting must be submitted by February 25, 2022. The posting can be found on the [Environmental Registry of Ontario](#) website.

Background

Conservation Authorities are currently transitioning to a new funding framework that will begin on January 1, 2024. On January 26, 2022, the Province released a consultation guide, voluntarily seeking feedback on the next phase of regulations and policy that will help CAs and municipalities transition to the new framework.

The “Regulatory and Policy Proposal Consultation Guide: Regulations regarding Municipal Levies, Conservation Authority Budget Process, Transparency and Provincial Policy for the Charging of Fees by Conservation Authorities” to the Environmental Registry of Ontario (ERO) for a 30 day consultation period. Comments received regarding the guide will be

used to develop regulations under the Conservation Authorities Act. Comments on the posting must be submitted by February 25, 2022.

The province is proposing four components of the next phase of regulations related to municipal levy, budget, fees and transparency. Overall the proposed regulations seem flexible and in most instances reflect what is already practiced by UTRCA and its member municipalities.

1) Municipal Levies Regulation

- Proposing a Lieutenant Governor in Council Regulation
- Outlines the apportionment by CAs of their capital and operating costs to be paid by municipal levy using the two existing voting methods (One member, one vote and weighted vote) and the three current methods of cost apportionment (i.e. modified current property value assessment, agreement of the CA and participating municipalities and as decided by the CA)
- CA budgetary requirements (CAs must distribute their draft and final budgets to member municipalities and the public)
- Incorporate the two existing levy regulations (O.Reg. 670/00 "Conservation Authority Levies"; O. Reg. 139/96 "Municipal Levies")
- Establishes standards for the budget process including such as providing 30 days' notice of the meeting to approve the municipal levy and budget
- Corporate Administrative Costs are eligible for municipal levy but should be detailed in a stand-alone manner in CA budgets; CAs can continue to apportion a minimum operating levy
- New: Summarize how the authority considered opportunities for self-generated revenue as part of the levy and budget discussions with member municipalities
- New: Provide copy of the final approved budget to the Minister and post publicly

2) Determining Amounts Owed by Specified Municipalities Regulation

- Minister's regulation
- Outlines methods available to CAs to determine municipal levy costs for mandated programs and services under the Clean Water Act, 2006
- All three apportionment methods noted above are available Fee Classes Policy
- Minister to publish a list outlining classes of programs and services for which a CA may charge a user fee
- CA can only charge fees for programs on the Minister's List
- CAs must have a current fee policy that lists the programs and services for which fees are charges, post it publicly, set out a process for review/update of the policy and determine circumstances in which a person may request the CA reconsider the fee
- CAs may charge a fee for all three classes of CA programs (Category 1 mandatory programs and services where the user pay principle is met; Category 2 and Category 3)

3) Fee Classes Policy

- Minister to publish a list outlining classes of programs and services for which a CA may charge a user fee
- CA can only charge fees for programs on the Minister's List
- CAs must have a current fee policy that lists the programs and services for which fees are charges, post it publicly, set out a process for review/update of the

policy and determine circumstances in which a person may request the CA reconsider the fee

- CAs may charge a fee for all three classes of CA programs (Category 1 mandatory programs and services where the user pay principle is met; Category 2 and Category 3)

4) Complementary Regulation to increase CA transparency

- Proposed to increase CA transparency
- Would allow CAs and member municipalities to outline what user fees will be charged for Category 3 Programs and Services that require a cost apportioning agreement
- CAs will be required to maintain a governance section on their website to include CA membership information, draft and final budgets, agreements between CAs and member municipalities for programs and services, meeting schedules, governance documents and strategic plans.

It is proposed that the regulations and legislative provisions will be proclaimed into force for January 1, 2023 in keeping with the existing transition period. CA 2024 budgets and levy processes would follow the updated regulations.

Attachment

MINISTRY OF THE ENVIRONMENT, CONSERVATION AND PARKS REGULATORY AND POLICY PROPOSAL CONSULTATION GUIDE: Regulations regarding Municipal Levies, Conservation Authority Budget Process, Transparency, and Provincial Policy for the Charging of Fees by Conservation Authorities

Prepared by:
Tracy Annett, General Manager

MINISTRY OF THE ENVIRONMENT, CONSERVATION AND PARKS

**REGULATORY AND POLICY PROPOSAL CONSULTATION GUIDE:
Regulations regarding Municipal Levies, Conservation Authority
Budget Process, Transparency, and Provincial Policy for the Charging
of Fees by Conservation Authorities**

Date: January 26, 2022

Contents

Purpose	1
Introduction	1
REGULATORY AND POLICY PROPOSALS FOR CONSULTATION	2
Part 1: Proposed Municipal Levies Regulation	3
BACKGROUND	3
<i>Municipal Levy Framework</i>	3
<i>New Legislative And Regulatory Framework</i>	4
PROPOSAL	5
<i>Municipal Levy</i>	5
<i>Conservation Authority Budgeting</i>	7
<i>Apportionment Methods For Conservation Authority Programs And Services Costs</i>	9
Part 2: Proposed Minister’s Regulation For Determining Amounts Owed By Specified Municipalities	11
BACKGROUND	11
PROPOSAL	12
Part 3: Proposal For Minister’s Published List Of Classes Of Programs And Services For Which A Conservation Authority May Charge A Fee	13
BACKGROUND	13
PROPOSAL	14
Part 4: Complementary Proposals To Increase Transparency Of Authority Operations	17
PROPOSAL	17
Appendix	18
CURRENT MUNICIPAL LEVY FRAMEWORK.....	18
<i>Current Authority Budget And Municipal Levy Approval Process</i>	18
<i>Current Annual Authority Budget And Municipal Levy Voting Methods</i>	18
<i>Current Approach To Apportionment Of Conservation Authority Costs</i>	19

PURPOSE

The Ministry of the Environment, Conservation and Parks (the “ministry”) is consulting on a second phase of provincial regulatory and policy proposals that would be made under the *Conservation Authorities Act* to ensure that conservation authorities focus and deliver on their core mandate including helping protect people and property from the risk of natural hazards, the conservation and management of conservation authority-owned lands, and their roles in drinking water source protection and to improve governance and oversight in conservation authority operations.

The purpose of this Consultation Guide (guide) is to provide a description of the proposed Phase 2 levy and budget regulations (Lieutenant-Governor-in-Council (LGIC) and Minister’s regulation), provincial policy to be made under the *Conservation Authorities Act*, and complementary regulatory proposals, in order for the ministry to obtain feedback on the proposals. The guide describes the proposals that would inform the drafting of the regulations and associated policy document and is not intended to convey the precise language that would be used in regulation or policy.

Comments on the proposals may be submitted before the date indicated through either the Environmental Registry of Ontario or can be emailed directly to the ministry at ca.office@ontario.ca. Comments received will be considered by the ministry when developing the final regulations and policy.

INTRODUCTION

In 2018, the government made a commitment in its environment plan to collaborate with municipalities and other stakeholders to ensure that conservation authorities focus and deliver on their core mandate.

As part of that commitment, the government made amendments to the *Conservation Authorities Act* through the *More Homes, More Choice Act, 2019* which received Royal Assent on June 6, 2019. Beginning in late 2019, the ministry undertook extensive consultations with municipalities, the public, landowners, development, agricultural, environmental and conservation organizations as well as conservation authorities, about the core role of conservation authorities.

Based on the extensive and valuable feedback received, legislative amendments to the *Conservation Authorities Act* were made through [Bill 229, Protect, Support and Recover from COVID-19 Act \(Budget Measures\), 2020](#) which received Royal Assent on December 8, 2020.

The government is proclaiming unproclaimed provisions in the *Conservation Authorities Act* (stemming from amendments made in 2017, 2019, and 2020) through a staged process enabling a staggered rollout of regulations and policies in two phases.

The first stage of proclamations occurred on February 2, 2021 and included housekeeping amendments as well as provisions related to conservation authority governance, government requirements and the Minister of the Environment, Conservation and Parks powers. These were followed by the first phase of regulatory proposals posted to the Environmental Registry of Ontario and Ontario's Regulatory Registry for comment for 45-days from May 13 to June 27, 2021.

Following extensive consultation, the final regulations were filed on October 1, 2021 when the enabling provisions in the *Conservation Authorities Act* were proclaimed.

More information on the recently proclaimed provisions and approved regulations can be found via <https://ero.ontario.ca/notice/019-2986>.

REGULATORY AND POLICY PROPOSALS FOR CONSULTATION

The proposals in this guide for consultation are to support development of the following:

1. LGIC regulation governing the apportionment by conservation authorities of their capital costs and operating expenses to be paid by their participating municipalities through municipal levies, as well as related conservation authority budgetary matters, including requirements that conservation authorities distribute their draft and final budgets to relevant municipalities and make them publicly available – i.e. “Municipal Levies Regulation”.
2. Minister's regulation governing the determination by a conservation authority of costs owed by specified municipalities for the authority's mandatory programs and services under the *Clean Water Act, 2006*, and the *Lake Simcoe Protection Act, 2008* – i.e. “Minister's regulation for determining amounts owed by specified municipalities”.
3. Minister's published list of classes of programs and services in respect of which a conservation authority may charge a user fee.
4. Complementary regulations to increase transparency of authority operations.

Until the levy regulations and policy proposals noted above are finalized and in effect and the associated legislative provisions proclaimed into force, conservation authorities and municipalities would continue to follow current levy and budgeting processes, as well as the current list of eligible user fees set out in provincial policy. The schedule of timing for the effective date of these proposed regulations and provincial policy is proposed to align with municipal and conservation authority calendar year budget cycles, beginning January 1, 2023. This would ensure that conservation authority 2024 budgets and levy processes would follow the updated regulations, and conservation authorities would have the necessary time to satisfy the legislative requirements following the Minister's publication of the list of classes of programs and services for which an authority may charge a user fee.

PART 1: PROPOSED MUNICIPAL LEVIES REGULATION

BACKGROUND

MUNICIPAL LEVY FRAMEWORK

The province established conservation authorities through the *Conservation Authorities Act* based on resolutions by municipalities within a common watershed to address provincial and cross-municipal boundary interests in resource management, principally for water and natural hazard management.

The participating municipalities who petitioned for or later joined a conservation authority were agreeing to appoint their share of representative members to the authority, with the collective membership being the authority.

Municipalities also were agreeing to finance the conservation authority which, under the *Conservation Authorities Act*, must be done through the levy provisions. This Act enabled municipalities to take advantage of cost sharing through joint municipal funding of the conservation authority and its programs, services and projects (e.g., flood control infrastructure) that provide economic benefits, including through the protection of people and property.

A 'levy' is a compulsory financial charge on participating municipalities. Under the *Conservation Authorities Act*, an authority has the power to charge the participating municipalities for its operating expenses and capital costs if not funded by other revenue sources. The municipal levy provisions under the Act provide that the authority can determine the amount of levy required for expenses/costs and can apportion an amount of the total to each participating municipality as prescribed in the regulation. The levy under the Act is a debt due by the participating or specified municipalities to the authority and may be enforced by the authority as such.

Un-proclaimed provisions under the Act will, once proclaimed, continue to provide participating municipalities with the ability to appeal to the Ontario Land Tribunal regarding levy apportionments. Participating municipalities also have an opportunity to provide direct input into the authority annual municipal levy and authority budget.

Current legislation, regulations and provincial policy provide direction to the authorities and municipalities on the annual conservation authority budget process. The budget process also determines the total municipal levy required to be paid and how each type of authority cost can be apportioned among the participating municipalities based on the benefit each such municipality receives (or derives) from the costs. The *Conservation Authorities Act* provides that a conservation authority can determine the total benefit afforded to all the participating municipalities and the proportion of the benefit afforded to each of the participating municipalities (clause 21(1)(h)).

In 2019, participating municipalities provided over \$231 million to their conservation authorities through municipal levies (general and special project levies) under the *Conservation Authorities Act*. Municipal levies, the principal source of conservation authority funding, accounted for 56.6% of total authority revenue in 2019 with authority self-generated revenue accounting for 33.6%. Self-generated revenue could include cash raised through fees, such as user fees for park admissions, permitting fees, nature centre programs or stewardship services. Other revenue sources included provincial grants (6%) and federal grants (3.8%) (Conservation Ontario 2019 statistics).

Given the varying scope of programs and services each of the 36 conservation authorities provide and the size of their annual budgets to support those programs and services, each has a different makeup of revenue sources to finance their operations. For example, one authority may finance up to 81% of its annual operations through the municipal levy while another may only rely on the municipal levy for 28% of their budget, with the rest covered through other sources including self-generated revenue or provincial and federal grants (2019 conservation authority statistics).

Please see the Appendix for more information on the current municipal levy framework.

NEW LEGISLATIVE AND REGULATORY FRAMEWORK

With the proclamation of recent amendments made to the *Conservation Authorities Act* and newly approved regulations (Environmental Registry of Ontario notice number [019-2986](#)) made under this Act, the ministry is reviewing the current municipal levy context. Unproclaimed amendments to the *Conservation Authorities Act* would replace the existing municipal levy provisions with new levy provisions, once proclaimed, and would be supported by proposed regulations intended to bring the municipal levy framework into alignment with the new legislative and regulatory framework.

The new legislative amendments and corresponding regulations now require the categorization of conservation authority programs and services into three categories: category 1 (those programs and services every conservation authority is required to provide), category 2 (programs and services a municipality requests the conservation authority to undertake pursuant to a memorandum of understanding or agreement) and category 3 (programs and services the authority decides to adopt to further the purposes of the Act).

Category 1 mandatory programs and services that conservation authorities must now deliver pursuant to [O. Reg. 686/21: "Mandatory Programs and Services."](#) may be funded by provincial grants and, in some cases, conservation authority self-generated revenue (e.g., user fees, resource development). Where such revenue sources cannot finance the entire cost of these programs and services, under the unproclaimed levy provisions, a conservation authority will have the authority to levy their participating municipalities to finance these mandatory programs and services without any separate agreement. Most of the mandatory programs and services reflect long-standing programs and services that all 36 CAs have provided within their areas of jurisdiction.

Category 2 programs and services are those that a conservation authority delivers at the request of and on behalf of one or more municipalities (i.e., are municipally requested). Under the *Conservation Authorities Act*, a memorandum of understanding or service level agreement (or other similar agreement) between the parties is required and would describe the program(s) or service(s) to be delivered and will include provisions for how it is funded, where appropriate. Funding for such programs and services could be through special project levy and/or combined with user fees, or by other means as may be specified in the agreement if the municipality is not a participating or specified municipality. The ability for municipalities to request programs and services to be delivered by authorities on behalf of the municipalities is fundamental in the *Conservation Authorities Act* and long standing in authority budgets.

Category 3 programs and services are those a conservation authority determines are advisable to deliver in their area of jurisdiction (authority determined). For a conservation authority to levy for these programs and services, the authority must have cost apportioning agreements in place with the participating municipalities who have individually agreed to fund the programs and services. This requirement for participating municipalities to decide on funding category 3 programs and services and then enter into a cost apportioning agreement where the municipal levy is proposed to be used, is new to the funding and programming relationship between conservation authorities and participating municipalities. Cost apportioning agreements need to be in place as of January 1, 2024, for authorities to be able to levy for these category 3 programs and services as per the recently approved [O. Reg. 687/21 “Transition Plans and Agreements Regulation”](#).

PROPOSAL

MUNICIPAL LEVY

Unproclaimed provisions of the *Conservation Authorities Act* provide for legislative changes to the current levy provisions to reflect the changes stemming from the new categorization of programs and services and provide for an enhanced LGIC “Municipal Levies” Regulation to replace existing LGIC levy regulations (O. Reg. 670/00 “Conservation Authority Levies”; Ontario Regulation 139/96 “Municipal Levies”).

We are proposing to proclaim unproclaimed provisions of the *Conservation Authorities Act* that provide expanded regulatory authority for the LGIC to develop regulations which will govern the apportionment of the authority ‘operating expenses’ and ‘capital costs’ and conservation authority budgetary matters in general. ‘Operating expenses’ are defined in the *Conservation Authorities Act* and includes salaries of authority staff, per diems of authority members, rent and other office costs, program expenses, and costs related to the operation or maintenance of a project, and authority budgets break down these types of costs.

In order to safeguard the effective and timely transition of conservation authority operations to the new funding framework, we are proposing as part of this new Municipal Levies Regulation to apply the long practised municipal levy processes to the changed municipal levy context by:

- Maintaining consistency with current budget and municipal levy processes (i.e., budget, voting and apportionment methods as described in this guide).
- Using and adapting existing voting and apportionment methods and practices set out in current regulations or provincial policy.

Please see the Appendix for more details on the current municipal levy voting and apportionment methods.

The overall proposed approach in general is to provide direction as well as clarification where required while ensuring conservation authorities and municipalities have the necessary flexibility to respond to local circumstances. For example, for category 3 programs and services where an authority and participating municipalities are entering into cost apportioning agreements, these agreements could be with one, some or all municipalities and could use different apportioning methods on a case by case basis.

As a result, we propose that the Municipal Levies Regulation would:

- Incorporate the two current levies regulations (O. Reg. 670/00 “Conservation Authority Levies”; O. Reg. 139/96 “Municipal Levies”) and update as appropriate, including terminology such as ‘general levy’, ‘special project levy’, and removing ‘matching’, and ‘non-matching’ levy (see appendix for definitions).
- Incorporate the standards and policy for the authority budget process as currently set out in regulation and provincial policy. This is summarized in Table 1 below.

The intent is to ensure clear, consistent and transparent practice by the authorities and municipalities in the annual budget and municipal levy process and approval, and in the authority apportionment of project capital costs and operating expenses, including corporate administrative costs, to participating municipalities.

Additionally, we propose that the Municipal Levies Regulation would include:

- The two existing voting methods (i.e., the ‘one member, one vote’ and ‘weighted vote’, as set out in current legislation and regulation).
- The three current methods of apportioning expenses/costs (i.e., modified current property value assessment, agreement of the authority and participating municipalities, and as decided by the authority), while adapting the appropriate use of the apportionment and voting methods to the categories of programs and services where costs may be apportioned among all participating municipalities or to one or some.

See the Appendix for a summary of the current voting methods and methods for apportioning expenses/costs.

CONSERVATION AUTHORITY BUDGETING

The total annual municipal levy amount is confirmed with the approval of the annual authority budget by the authority (the members) at the annual budget meeting.

Unproclaimed provisions provide the LGIC with regulatory authority to develop regulations that govern conservation authority budget matters including the process authorities must follow when preparing a budget, the consultations required, and the rules and procedures governing budget meetings including quorum for these meetings and voting on the budget.

Current budget processes that the authorities and participating municipalities have developed at the local level are based on a mix of legislation, regulation, policy and guidance, and appears generally to function well and often leads to unanimous approval of the authority budget.

We propose to update and consolidate current regulation, policy and guidance for the budget, where relevant, into the proposed Municipal Levies Regulation. We propose to leave the working relationship for authorities and municipalities to develop, and they can coordinate and communicate their fiscal and budgetary timelines and expectations. The proposed regulation would include what is in the current O. Reg. 139/96 “Municipal Levies”, such as the items provided in Table 1 (i.e., methods of voting and notice).

In addition, it is proposed that as part of the consultation process on the budget with the participating municipalities, conservation authorities would be required to provide a summary of how the authority considered opportunities for self-generated revenue. We know that many conservation authorities provide valuable programs and services that are important to their local communities. These may be funded in whole or in part by self-generated revenue including from contracts with other organizations and user-generated fees or through other means. A greater reliance on self-generated revenue can reduce demands on the overall municipal levy and respect taxpayer dollars. Self-generated revenue can also come from resource development (e.g. logging, hydroelectric generation), fundraising and donations, services such as weddings and other events, as well as other rental / leasing opportunities such as for movie productions.

To enable full transparency in the conservation authority budget process, we are also proposing that the LGIC regulation would require each conservation authority to:

- 1) Publicly post its full draft budget, including the details related to operating and capital costs, on its website, irrespective of sources of revenue. This shall be done upon circulation to the municipality a minimum of 30 days prior to the meeting to decide any municipal levy component of the budget.
- 2) Distribute a copy of the final approved conservation authority budget to the Minister and its participating municipalities; and, make the final budget available

to the public by posting on its website and any other means the authority deems appropriate.

Table 1. Elements of the proposed conservation authority budget process to be included in the proposed Municipal Levies Regulation.

Conservation Authority Budget	Description
<p>1. Draft Annual Budget</p>	<p>Process:</p> <ul style="list-style-type: none"> • Conservation authority staff prepare draft budgets each year including proposed municipal levy amounts (general and special project levies) and apportionments. The overall budget addresses all anticipated revenues and expenditures for the core mandatory programs and services and local priorities (category 2 and 3) as well as corporate costs. • Budgets are set based on the experience from the previous year, staff recommendations to address current priorities, and authority member input and direction. • An authority and participating municipalities coordinate and communicate with each other their fiscal and budgetary timelines and expectations for the municipal levy and for the budget. • The draft preliminary authority budget is circulated to participating municipalities and upon circulation, the authority would be required to publicly post the draft budget to its website a minimum of 30 days before a vote on the final budget by the municipally appointed members. • NOTE: this proposal aligns with current provincial policy. <p>Vote:</p> <ul style="list-style-type: none"> • The authority (i.e. the members) vote to approve the draft preliminary budget for circulation to the participating municipalities by one member/one vote (i.e., each member is entitled to one vote per subsection 16(1) of the <i>Conservation Authorities Act</i>).
<p>2. Notification of Meeting</p>	<ul style="list-style-type: none"> • Minimum 30 days' notice given to participating municipalities of the conservation authority meeting to decide on the municipal levy component of the annual budget (generally held at the meeting to approve the annual budget). • Notice must contain the amount of the municipal levy to be voted on and be accompanied by the financial information used to determine the levy, including the full draft authority budget which includes all operating and capital costs. • NOTE: this proposal aligns with requirements set out in the current Municipal Levies Regulation and provincial policy. • In addition, it is proposed that the conservation authority must provide a summary of how the authority considered opportunities

	for self-generated revenue as part of the consultation process with participating municipalities on the budget and the levy.
3. Municipal Levy Vote	<ul style="list-style-type: none"> • The municipal levy part of the authority budget includes both the general and special project levies, and would continue to be approved by a ‘weighted’ majority vote of 51% of all the members present at the meeting for the levy vote (generally also the meeting for the budget vote), as set out in current regulations. • Member votes are ‘weighted’ by the percentage of municipal levy their appointing municipality pays to the authority (‘pay for say’ principle). • A municipality cannot have a weighted vote of its members exceeding 50% of all the weighted votes unless that municipality has more than 50% of the members in the authority. • When a member represents more than one municipality, each of their weighted votes would be based on the respective municipal weighting. • Municipal levy vote is a recorded vote. No proxy vote. • NOTE: this proposal aligns with requirements set out in the current Municipal Levies Regulation and provincial policy.
4. Budget Vote	<ul style="list-style-type: none"> • Proposal is to provide the two voting options: <ul style="list-style-type: none"> ○ Each member is entitled to one vote. ○ The member vote is ‘weighted’ (as noted above). • The budget vote is a recorded vote. No proxy vote. • NOTE: this proposal aligns with current practices, where some authorities use the one member/one vote while others use the ‘weighted vote’.
5. Final Budget	<ul style="list-style-type: none"> • The conservation authority would distribute a copy of the final approved conservation authority budget to the Minister and its participating municipalities and would be required to make the final budget publicly available by posting it on their website in a timely manner and by any other means the authority considers advisable. • NOTE: this proposal aligns with current practices of many conservation authorities.

APPORTIONMENT METHODS FOR CONSERVATION AUTHORITY PROGRAMS AND SERVICES COSTS

Conservation authorities will be able to levy for all category 1 mandatory programs and services, and only levy for category 2 and 3 programs and services with memorandums of understanding or service level agreements (or other similar agreement) or cost apportioning agreements in place. It would be required that the conservation authority budget clearly show these programs and services categories and detailed associated cost apportionment method for the municipal levy among the participating municipalities for each going forward.

As noted above, we are proposing to provide direction on the methods available to conservation authorities to apportion 'capital costs' and 'operating expenses' while enabling flexibility in determining which method meets local needs.

Category 1 Mandatory Programs and Services

Apportionment of 'operating expenses' and 'capital costs' of mandatory programs and services and the voting on the municipal levies for these programs and services is not proposed to change significantly from the current levy requirements. For the most part, the prescribed mandatory programs and services have been delivered by conservation authorities for many years, paid for (in whole or part) through the municipal levy.

'Operating expenses' for mandatory programs and services are proposed to be apportioned against all the participating municipalities using the modified current property value assessment method as set out in the current O. Reg. 670/00 "Conservation Authority Levies." However, where there may be operating expenses that do not apply to all participating municipalities (e.g., ice management, certain types of infrastructure operation and maintenance costs) it is proposed that those operating expenses may be apportioned by agreement of the authority and participating municipalities, or as decided by the authority, rather than the modified current property value assessment method.

Currently maintenance costs may be apportioned using two of the methods (i.e., modified current property value assessment or agreement of the authority and participating municipalities). It is proposed that capital costs would still be apportioned by any of the three of the current apportionment methods.

Category 2 and 3 Programs and Services

We propose that the apportionment method(s) used for costs/expenses related to category 2 and 3 programs and services would provide flexibility, allowing the conservation authority and its participating municipalities to decide the method to use, which must be set out in an agreement (e.g., memorandum of understanding or service level agreement (or other such agreement) for category 2, or cost apportioning agreement for category 3). This would likely be dependent on the benefit afforded or derived by a municipality from the program or service relative to other participating municipalities funding the program or service and how many participating municipalities may be involved.

Conservation Authority Corporate Administrative Costs (costs not directly related to the delivery of programs and services)

In order to successfully deliver all categories of programs and services, conservation authorities have ongoing 'operating expenses' and 'capital costs' to function effectively as an organization and ensure they can best deliver their programs and services. These

on-going 'corporate administrative' costs are not directly related to the delivery of any specific program or service and are costs to maintain the organization itself.

These costs could include for example: staffing and expenses for the authority members (governance costs), general management, clerical, financial (e.g., accounting, payroll), general asset management planning, IT staff, senior management costs, legal costs (e.g. 'back office functions'), office equipment and supplies including IT, vehicles and machinery, workshop space, main office occupancy costs (e.g., heating, utilities, potentially rent), depreciation on owned buildings and equipment, main office maintenance, repair as well as insurance and property taxes.

These corporate administrative costs do not require a memorandum of understanding or service level agreement (or other similar agreement) or cost apportioning agreement with a participating municipality for an authority to levy for these costs. We are proposing that these costs be included in the Municipal Levies Regulation and accounted for in a transparent, detailed and stand-alone manner in the authority's draft and approved budgets.

Unproclaimed provisions in the *Conservation Authorities Act* would also continue, once proclaimed, to enable a conservation authority to apportion a minimum levy for operating expenses to a participating municipality. The unproclaimed term 'operating expenses' under the Act includes corporate administrative costs as well operating costs of programs and services.

PART 2: PROPOSED MINISTER'S REGULATION FOR DETERMINING AMOUNTS OWED BY SPECIFIED MUNICIPALITIES

BACKGROUND

Recent changes to the *Conservation Authorities Act* include unproclaimed provisions that, once proclaimed, would allow conservation authorities to levy participating municipalities and 'specified municipalities' for the mandatory programs and services related to authority responsibilities under the *Clean Water Act, 2006* and for the Lake Simcoe Region Conservation Authority mandatory policy implementation under the *Lake Simcoe Protection Act, 2008*.

A 'specified municipality' is a municipality designated by regulation for a source protection authority/area under the *Clean Water Act, 2006* or designated under a regulation of the *Lake Simcoe Protection Act, 2008* as a municipality in the Lake Simcoe Region Conservation Authority; however, a specified municipality is not a participating municipality of a conservation authority under the *Conservation Authorities Act*. In other words, a specified municipality is a municipality or part of a municipality that did not join a conservation authority under the *Conservation Authorities Act* and is geographically

outside of any conservation authority area of jurisdiction under the *Conservation Authorities Act*.

The *Conservation Authorities Act* provides the Minister of the Environment, Conservation and Parks with regulatory authority to govern the determination of amounts owed by any of the specified municipalities for the programs and services an authority provides in respect of the *Clean Water Act, 2006* and the *Lake Simcoe Protection Act, 2008*.

We are proposing to proclaim the unproclaimed provisions in the *Conservation Authorities Act* related to the municipal levy and those related specifically to these other Acts.

No change is anticipated to the provincial funding for the drinking water source protection program under the *Clean Water Act, 2006* or *Lake Simcoe Protection Act, 2008*.

The unproclaimed provision (subsection 27.2(2)) of the *Conservation Authorities Act* would enable, once proclaimed, conservation authorities to determine amounts owed by any of its specified municipalities in connection with the mandatory programs and services the authority provides in respect of the *Clean Water Act, 2006* and *Lake Simcoe Protection Act, 2008* as set out in O. Reg. 686/21 "Mandatory Programs and Services Regulation."

PROPOSAL

For the proposed Minister's regulation with respect to determining amounts owed by specified municipalities related to the programs and services under the *Clean Water Act 2006* and the *Lake Simcoe Protection Act, 2008*, as set out in the Mandatory Programs and Services Regulation, we propose to:

- clearly identify the specified municipalities for each of these Acts; and
- identify the methods available for conservation authorities to determine the costs that the specified municipalities may need to pay, including a process of engagement with and integration of the specified municipalities with the participating municipalities into the levy and budget process for the costs associated with these two mandatory programs and services, as set out in the LGIC regulation.

For the levy of participating and 'specified' municipalities under the *Lake Simcoe Protection Act, 2008*, the ministry is proposing that the modified current property value assessment method be the method for apportionment. It is anticipated that this would primarily cover operating expenses for the implementation of the mandatory Lake Simcoe Protection Plan policies by the Lake Simcoe Region Conservation Authority.

For the levy of participating and 'specified' municipalities for programs and services provided by a conservation authority in respect of the *Clean Water Act, 2006*, all three

apportionment methods are being proposed (i.e., modified current property value assessment, agreement of the authority and municipalities, and as decided by the authority). This is intended to enable flexibility for the local circumstances in each source protection area, with apportionment, if needed, taking into consideration the extent of risk to sources of drinking water in each municipality. The consideration of risk may involve assessing different agreed upon criteria (e.g., number of municipal drinking water systems, extent of wellhead protection areas and intake protection zones with significant drinking water threats).

The process for engaging specified municipalities on levies under the *Lake Simcoe Protection Act, 2008* and *Clean Water Act, 2006* is proposed to be similar to the levy process and budget process for participating municipalities under the *Conservation Authorities Act* (see Table 1, including the requirement for a minimum of 30 days' notice of the levy vote, distribution of the draft budget to the specified municipalities and public posting of the draft budget to the authority's website upon circulation of it to the specified municipalities). Voting on these levies is proposed to occur with both appointed members from the participating and specified municipalities together and the member vote on the municipal levy for these programs and services is "weighted" by the amount of levy for these mandatory programs and services the municipality pays to the authority. In addition, it is proposed that a copy of the final conservation authority budget be distributed to the specified municipalities, in addition to the Minister and the participating municipalities.

PART 3: PROPOSAL FOR MINISTER'S PUBLISHED LIST OF CLASSES OF PROGRAMS AND SERVICES FOR WHICH A CONSERVATION AUTHORITY MAY CHARGE A FEE

BACKGROUND

The current clause 21(1)(m.1) of the *Conservation Authorities Act* provides conservation authorities with the ability to charge fees for services that are approved by the Minister. The Minister approved list of services that conservation authorities may charge a fee for that is currently in effect is set out in the provincial *Policies and Procedures for the Charging of Conservation Authority Fees* (June 13, 1997) and includes section 28 permit fees, plan review, response to legal, real estate and public inquiries, extension services (e.g., technical advice / implementation of erosion control measures, forest management / tree planting), information and education services, and sale of products.

Also, in addition to the services the Minister approved for the charging of fees, under *Conservation Authorities Act* clause 21(1)(m), conservation authorities may charge admission for the use of lands that they own or control and to their building and facilities on that land for recreational purposes.

PROPOSAL

We are proposing to proclaim s. 21.2 of the *Conservation Authorities Act*, which provides that the Minister may determine a list of 'classes of programs and services' that a conservation authority may charge a fee for, publish this list and distribute it to each conservation authority. An authority would be permitted to charge a fee for a program or service only if it is set out in the Minister's list of classes of programs and services. Once a conservation authority is granted the power to charge a fee for a program and service, the authority may determine the fee amount to charge.

The proclamation of s. 21.2 would ensure that a conservation authority administers fees in a transparent and accountable manner. For example, it would require a conservation authority to adopt and publish a written fee policy and fee schedule that lists the programs and services for which it charges a fee and the amount to be charged. If an authority makes changes to its fee schedule, it would be required to notify the public. The section also requires a conservation authority to set out the frequency with which the authority will conduct a review of its fee policy, including its fee schedule, the process for carrying out a review of the policy, including giving notice of the review and how the policy will be changed as a result of a review, and the circumstances and procedures under which any person may request the authority to reconsider a fee that was charged to the person.

In addition, a conservation authority would be required to reconsider a fee at the request of any person who finds that a fee the authority has charged is contrary to their fee schedule or excessive in relation to the program or service for which it was charged. After being requested to reconsider a fee, the authority may either vary the amount of the fee to be charged to an amount the authority considers appropriate, order that no fee be charged or confirm the original amount of the fee.

The Minister's classes of programs and services for which conservation authorities may charge fees captures 'user' fees - i.e., fees paid by a person or organization who requests a service they specifically benefit from. This includes use of a public resource (e.g., park access or facility rental) or the privilege to do something (e.g., receive an approval through a permit or an approval to undertake a regulated activity). The 'user' pay principle is considered appropriate when a program or service is delivered by a conservation authority to a requestor that is the primary beneficiary of the program or service. Conversely, the principle holds that those who do not benefit from the delivery of a program or service should not be obliged to pay. For these types of programs and services, such as the delivery of programs and services by the conservation authority that generate a public good or service, the municipal levy is the primary mechanism to fund conservation authorities.

The Minister's list of classes of programs and services is not however meant to capture fees for programs and services that are already enabled under other legislation. For example, North Bay-Mattawa Conservation Authority may charge a fee to administer on-site sewage systems approvals as prescribed in the *Building Code Act, 1992*. Since the

ability to charge this fee is already enabled through another statute, it is not proposed to be listed in the published list of classes of programs and services for which a conservation authority may charge a fee under the unproclaimed s. 21.2 of the *Conservation Authorities Act*. Similarly, where conservation authorities have been delegated by municipalities the role of a risk management official under the *Clean Water Act, 2006*, they may charge a fee for this role as set out by that Act; this fee will not be listed in the proposed Minister’s list of classes for which a conservation authority may charge a fee.

Once subsection 29(1) of the *Conservation Authorities Act* is proclaimed and [O. Reg. 688/21 “Rules of Conduct in Conservation Authorities”](#) is in effect, the current authority for conservation authorities to charge fees under subsection 29(1) would be repealed and a conservation authority’s ability to make such regulations would be transferred to the Minister. However, since the new Minister’s section 29 regulation does not prescribe any fees, the power to impose fees will depend on the Minister’s list of classes of programs and services that conservation authorities can charge a fee for, in amounts that the conservation authority may determine, under section 21.2 of the Act. This would affect the charging of fees by authorities for permits required to engage in activities on conservation authority owned or controlled lands, such as camping permits, and for the use (i.e. rental) of conservation authority property including vehicles, boats, recreational facilities and services.

It is recognized that continuing to enable user fees can increase opportunities for a conservation authority to generate their own revenue as well as reduce the overall municipal levy, respecting taxpayer dollars. We are proposing to continue to enable conservation authorities to charge fees where the user-pay principle applies and that the following be the published list of classes of programs and services that conservation authorities may charge fees for:

Table 2. Proposed classes of programs and services for which a conservation authority may charge a fee.

List of Classes	Qualifications
Category 1 Mandatory programs and services	<p>All mandatory programs and services where the following requirement is met:</p> <ul style="list-style-type: none"> • Where the ‘user’ pay principle is appropriate such as: <ul style="list-style-type: none"> – Administration of s. 28 permits (current s. 28 and proposed s. 28.1, including technical advice and studies) – Responses to legal, real estate and public inquiries regarding a s. 28 permit – s. 29 regulation activities – Review of applications under other legislation – Access to authority owned or controlled land for passive recreation

<p>Category 2 programs and services – i.e. those requested by municipalities and requiring a memorandum of understanding or service level agreement (or other similar agreement).</p>	<p>All Category 2 programs and services where the following requirements are met:</p> <ul style="list-style-type: none"> • Where the ‘user’ pay principle is appropriate and • Provisions for the charging of fees are set out in the memorandum of understanding or service level agreement (or other similar agreement) between the authority and municipality(ies) for these programs and services. <p>Examples may include commenting on <i>Planning Act</i> applications for matters other than natural hazards, such as for consistency with natural heritage policies.</p>
<p>Category 3 authority determined programs and services <u>with</u> cost apportioning agreement with participating municipalities</p>	<p>All Category 3 programs and services requiring a cost apportioning agreement where the following requirements are met:</p> <ul style="list-style-type: none"> • Where the ‘user’ pay principle is appropriate and • Provisions for the charging of fees are set out in the cost apportioning agreement¹ between the authority and the participating municipality(ies) for the program and service. <p>Examples may include stewardship extension services that are partially funded by municipal levy.</p> <p>Exception to the requirement for provisions to charge fees in the agreement is where the cost apportioning agreement is to fund: i) category 3 park or non-passive recreational programs and services offered by conservation authorities on authority owned or controlled land that are funded in part by the municipal levy (for example, for public access and use (rental) of authority land, facilities and services such as active recreation and equipment rentals) or, ii) community relations, information and education as well as product sales. An authority would be able to charge a fee as appropriate in this case.</p>
<p>Category 3 authority determined programs and services <u>without</u> cost apportioning agreement</p>	<p>All Category 3 programs and services with no cost apportioning municipal agreement (i.e., no levy required), where the ‘user’ pay principle is appropriate, such as:</p> <ul style="list-style-type: none"> • Programs and services offered by conservation authorities on authority owned or controlled land (for

¹ To support this proposed fee class, amendments to [O. Reg. 687/21 “Transition Plans and Agreements for Programs and Services Under Section 21.1.2 of the Act”](#) are proposed to allow a participating municipality and conservation authority to determine where user fees can be established for those programs and services.

	<p>example, public access and use (rental) of authority land, facilities and services such as active recreation).</p> <ul style="list-style-type: none"> • Sale of products from on or off authority owned land. • Provision of community relations / information / education services when on or not on conservation authority owned land.
--	---

PART 4: COMPLEMENTARY PROPOSALS TO INCREASE TRANSPARENCY OF AUTHORITY OPERATIONS

PROPOSAL

Complementary regulations are proposed to increase transparency of conservation authority operations. Specifically, the proposed Minister’s list of fee classes would enable fees for category 3 programs and services where a cost apportioning agreement is in place for a program or service if the ‘user’ pay principle is appropriate and provisions for the charging of fees are set out in the cost apportioning agreement between the authority and the participating municipality as noted in the Table above, including the proposed exception. To support this proposed Minister’s fee class, amendments to [O. Reg. 687/21 “Transition Plans and Agreements for Programs and Services Under Section 21.1.2 of the Act”](#) are proposed to allow a participating municipality and conservation authority to determine, through agreement, if user fees can be established for those programs and services. Requiring conservation authorities and participating municipalities to include provisions in the cost apportioning agreements increases transparency of user fees.

We are proposing through a Minister’s regulation that conservation authorities be required to maintain a *Governance* section on their website in a conspicuous and easily accessible location for the public to access key information. This section must include the conservation authority membership with email and phone contact information; authority bylaws; draft and final budgets; category 2 and 3 agreements between conservation authorities and municipalities; meeting schedule and could include other relevant governance documents (e.g. strategic plans). Noting that the *Conservation Authorities Act* already requires the following to be posted on the authority website: financial statements, meeting agendas and meeting minutes.

We are also proposing the authority would be required to include a notice on the website when it amends or enters into a new memorandum of understanding or other agreement with municipalities and ensure the most up to date version of the agreements are available on the authority’s website. The regulation would provide an exception for agreements that relate to the authority participating in a procurement process or portions of agreements that contain commercially sensitive information.

APPENDIX

CURRENT MUNICIPAL LEVY FRAMEWORK

There are two current LGIC regulations governing the nature and amount of the municipal levies:

- Municipal Levies regulation (O. Reg. 139/96) – provides the procedure for the ‘weighted’ votes for ‘non-matching’ levies and the requirement for notice to participating municipalities when the levy would be approved by a weighted vote. Also, it provides that levies cannot exceed the total cost of the project.
- Conservation Authority Levies regulation (O. Reg. 670/00) – provides the process to ‘apportion’ costs among all the participating municipalities using the modified current property value assessments. Also, it provides that an authority may establish a minimum sum to levied against a participating municipality.

Guidance materials are in place which support authorities and municipalities on the development of the annual authority budget and municipal levy, the voting method on the levies and the accountability of authority members to their appointing municipalities for the authority budget and municipal levy.

CURRENT AUTHORITY BUDGET AND MUNICIPAL LEVY APPROVAL PROCESS

The total municipal levy amount is confirmed by the approval of the authority’s annual budget by the authority. Once the budget is approved, the levy for each participating municipality is automatically apportioned.

The amount of levy required from each municipality is sent in a notice of apportionment. Single-tier and regional municipalities are the ‘participating municipality’ in an authority and the levy would be apportioned to them. The levy is a debt due by the participating municipality to the authority and may be enforced by the authority as such.

The levy amount sent out in the notice to a municipality includes the municipality’s portion of the shared costs that are apportioned among all the participating municipalities, referred to as ‘general’ levy, and the costs specific to that municipality (or shared among a few) for specific authority programs or services, generally referred to as ‘special project levy’.

CURRENT ANNUAL AUTHORITY BUDGET AND MUNICIPAL LEVY VOTING METHODS

For the authority’s current voting process on the municipal levy and the annual authority budget, there are two different voting methods: the ‘weighted vote’ in the Municipal Levies regulation, and ‘one member/one vote’ set out in the Act.

A ‘weighted’ vote occurs in a manner prescribed by the current Conservation Authority Levies regulation which is based on the ‘pay for say’ principle, where the ‘weighting’

reflects the percentage of municipal levy the appointing municipality pays to the authority. This levy vote is carried by a 'weighted majority'; each authority member's vote is 'weighted' by the percent of levy the member's appointing municipality pays to the authority. For example, if a municipality has 10 members in an authority that has a total of 15 members and that municipality has 89% of the levy to pay, the vote for each member of that municipality would 'weigh' 8.9% of the total 'weighted' vote.

The Conservation Authority Levies regulation stipulates however that a municipality cannot have a 'weighted' vote that exceeds 50% of the overall vote unless that municipality has more than 50% of the actual authority members. This ensures that unless that municipality has more than half the members in the authority, the municipality would need to have at least one other municipality's member(s) vote to pass the 'non-matching' levy. For example, if a municipality has 4 appointed members of a total of 10 authority members and that municipality provides 75% of the levy to the authority, the total weighted vote of its four members would not exceed 50% of the total weighted vote. Each member's weighted vote would then be 12.5%; the total of all four members' weighted vote equals 50% of the total weighted vote. Without the 'weighing', each member's vote would have been 18.75% for a total of 75% of the vote. Neither the Act nor current regulations specify when a 'weighted' vote should be used or for what sections of the Act.

Methods for authority voting on the annual budget is also variable among conservation authorities: some vote on the whole budget using the weighted vote, others may use the one member, one vote, with the levy portion of the budget voted by 'weighted vote'.

For approval of the levy associated with certain eligible provincial grant 'projects' (i.e., flood forecasting and warning) that require the authority to match or cost share with matching municipal levy, authority members use the one-member/one vote method.

CURRENT APPROACH TO APPORTIONMENT OF CONSERVATION AUTHORITY COSTS

How the authority's current costs (administration, maintenance, and capital) under the Act are apportioned among the participating municipalities, is determined in different ways for the different types of costs.

1. Modified Current Property Value Assessment

This long-standing apportionment method set out in O. Reg. 670/00 Conservation Authority Levies is based on two principles:

- a. 'Municipal Ability to Pay': determined through the relative value of a municipality's total property tax base to the other property tax bases of the other municipalities in an authority; and

- b. 'Benefit derived' by a municipality from being in the authority: determined through the percentage of a municipality physically in an authority's jurisdiction (which can be in whole or in part) relative to the percentages of all the other municipalities' jurisdictions in an authority's jurisdiction.

The combination of relative modified current property value assessment dollars and the relative percentage of municipal jurisdiction in the authority's jurisdiction creates a percentage of what each municipality is to pay of the total levy amount the authority determines for its annual budget. While the method is complex, basically municipalities with relatively high property tax value pay a larger proportion of authority costs than municipalities with relatively low property tax value, tempered by how much of the geographic area of the participating municipality (the municipal jurisdiction in whole or in part) is located within the authority's area of jurisdiction.

This apportionment approach currently must be used when apportioning administration costs (as currently defined under the Act) as all the participating municipalities would be paying for these costs. This method may also be used for apportioning maintenance and capital costs of a project, again when all participating municipalities are to share these costs. The Conservation Authority Levies regulation describes this apportionment method.

This current levy apportionment method uses municipal property tax assessments at the single and lower tier municipal levels; however, the notice of apportionment (payment) from the authority goes to the 'participating' municipality which would include regional municipalities.

2. Agreement among the Authority and Participating Municipalities

A second method for authorities to apportion costs among all the participating municipalities is also enabled by the Conservation Authority Levies regulation. As an alternative to apportioning based on the modified current property assessment-based method, maintenance costs can be apportioned by agreement among the authority and participating municipalities on what the 'benefit derived' is for each participating municipality related to these maintenance costs where the modified current property assessment value based method is not considered appropriate. Capital costs may also be apportioned by this method.

3. As Determined by the Authority

A third method for an authority to apportion costs is for the authority (the members) to decide among themselves. This is the method often used for capital projects. The authority decides which participating municipalities should pay and how much each should pay ('benefit derived'). Dividing capital costs on the basis of 'benefit' is intended to ensure that costs paid by individual participating municipalities in support of project capital costs are proportionate to the benefits they receive (i.e., those who receive the greatest benefit pay the greatest share of costs).

Table 3. Summary of current apportionment methods and authority costs.

Current Conservation Authority Project Costs	Apportion by Modified Current Property Value Assessment	Apportion by Authority / Municipal Agreement	Apportion by the Authority
Capital	Yes	Yes	Yes
Maintenance	Yes	Yes	No
Administration	Yes	No	No

Table 4. Summary of the current municipal levy framework.

<i>Conservation Authorities Act</i>	Capital Costs for a Project	Maintenance and Administration Costs
Rules for administering	s. 25, s. 26, Municipal Levies regulation and provincial policy	s. 27, Municipal Levies and Conservation Authority Levies regulations and provincial policy
Voting	'Weighted Vote' method under the current Municipal Levies Regulation and provincial policy is required for capital costs unless there are specific provincial natural hazard grants for the authorities, in which case the one vote per member method applies. However, for capital costs, there are no provincial grants to be matched under the <i>Conservation Authorities Act</i> therefore the vote for capital costs has been by weighted vote.	One vote per member method for maintenance and administration costs funded by a specific provincial grant, and 'Weighted Vote' method under Municipal Levies regulation and provincial policy for costs <u>not</u> associated with activities or projects funded by the province.
Apportionment	Authority determines apportionment by benefit derived.	Authority determines apportionment of benefit derived using the modified current property value assessment method for administration costs. Maintenance costs portion may use alternative system to the modified current property value assessment method if agreed upon by the participating municipalities and the authority.
Minimum levy	Not available.	Authority may set a minimum for administration costs.

To: UTRCA Board of Directors
From: Tracy Annett, General Manager
Date: February 8th, 2022
Filename: Admin #4418
Agenda #: 8.3
Subject: Service Award Recognition

Recommendation

That the staff report be received or information.

Background

The UTRCA typically presents staff and Board member service awards as part of its Annual General Meeting (AGM). This award is an opportunity for the Board to publicly recognize the commitment, dedication and acknowledge the contributions that each provide to the UTRCA. This would normally include a public presentation of the award during the AGM however, due to our current practice of hosting meetings virtually, that will not be possible this year. Instead, staff will be recognized during a virtual full staff meeting in the spring of 2022 where we plan to include a message of congratulations from the Chair.

Recipients of the 2021 Service Awards

Please find below a listing of this year's recipients of the 2021 Service Awards.

Ten Year

Sandy Levin
Katie Ebel
Mahmoud Pejam
Justin Skrypnyk
Michelle Viglianti

Fifteen Year

Tony Jackson
Hugh McDermid
Jason Belfry
Ryan Mullin
Denise Quick
Mark Shifflett

Twenty Year

Kim Gilbert
Matt McCutcheon
Cari Ramsey
Tara Tchir
Brandon Williamson

Thirty-Five Year

John Enright

Prepared by:
Tracy Annett, General Manager
Jennifer Howley, Health and Safety Specialist

fyi

February 2022



www.thamesriver.on.ca

Twitter [@UTRCMarketing](https://twitter.com/UTRCMarketing)

Facebook [@UpperThamesRiverConservationAuthority](https://www.facebook.com/UpperThamesRiverConservationAuthority)

New Campsite Reservation System Launched!

Conservation Areas (CA) staff launched a new reservation website on February 1. The site features a new and improved system for reserving campsites at Fanshawe, Pittock, and Wildwood CAs.

The new Camis 5 reservation system will be the reservation platform for the parks for the next decade plus. Customers will enjoy a more user friendly reservation and gift card system, that they can use to register egift cards to their account and view previous visits for site information.

New, interactive reporting capabilities replace the old, static system. Advanced reporting features will aid the accounting team tremendously. The system will also provide more detailed information regarding visitation numbers, which will help with our target of reaching one million customers a season.

Where the old system was only capable of one update per year, the new program can be updated several times in a season, as required. More features and capabilities can also be added to the program each year.

Contact: [Karen Sockett](mailto:karen.sockett@thamesriver.on.ca), Conservation Area Clerk, Wildwood CA



A back country campsite at Pittock CA.

Congratulations to Michael Funk!

Agricultural Soil and Water Quality Technician Mike Funk successfully defended his Masters thesis in front of a panel of academics at the University of Waterloo in January. Mike's thesis is entitled "Evaluation of Controlled Tile Drainage on Limiting Edge of Field Phosphorus Losses in a Clay Soil in a Cold Agricultural Region." Mike carried out the field work for the MSc degree at a site in the upper Medway Creek watershed.

The thesis results will help move the academic yardstick forward in finding ways to assist

farmers in reducing phosphorus to watercourses and utilize the nutrient for better crop yields. Mike is now set to present his work to interested groups and organizations. Well done, Mike!
Contact: [Mike Funk](#), Agricultural Soil and Water Quality Technician

Demonstration Farm Presentation

On January 26, Conservation Services Specialist Craig Merkley gave a [presentation on the UTRCA's Thorndale Demonstration Farm](#) at the [3rd Biannual St Clair Conservation Soil Health Conference](#). Organized by the St. Clair Region Conservation Authority, the conference offers talks by local farmers, researchers, and agronomists on tips, tools, and knowledge for building soil health that can be incorporated into farming systems.



Craig spoke about the new demonstration farm, and the implementation and evolution of agricultural best management practices in the Thames River watershed.
Contact: [Craig Merkley](#), Conservation Services Specialist

On the Board Agenda

The UTRCA Annual General Meeting will be held virtually on February 17, 2022. The following items are on the draft agenda:

- Review and Approval of the Factual Certificate
- 2022 Draft Budget
- 2022 Capital Water and Erosion Control Infrastructure Projects
- Inventory of Programs and Services
- Section 28 Annual Service Delivery Report
- Conservation Authorities Act Update
- Service Awards
- Presentation of the 2022 Inspiration Award

Please visit the "Board Agendas & Minutes" page at www.thamesriver.on.ca for agendas, reports, audio/video links and recordings, and minutes.

Contact: [Michelle Viglianti](#), Administrative Assistant