Draft

# 2027 Budget

August 18, 2026

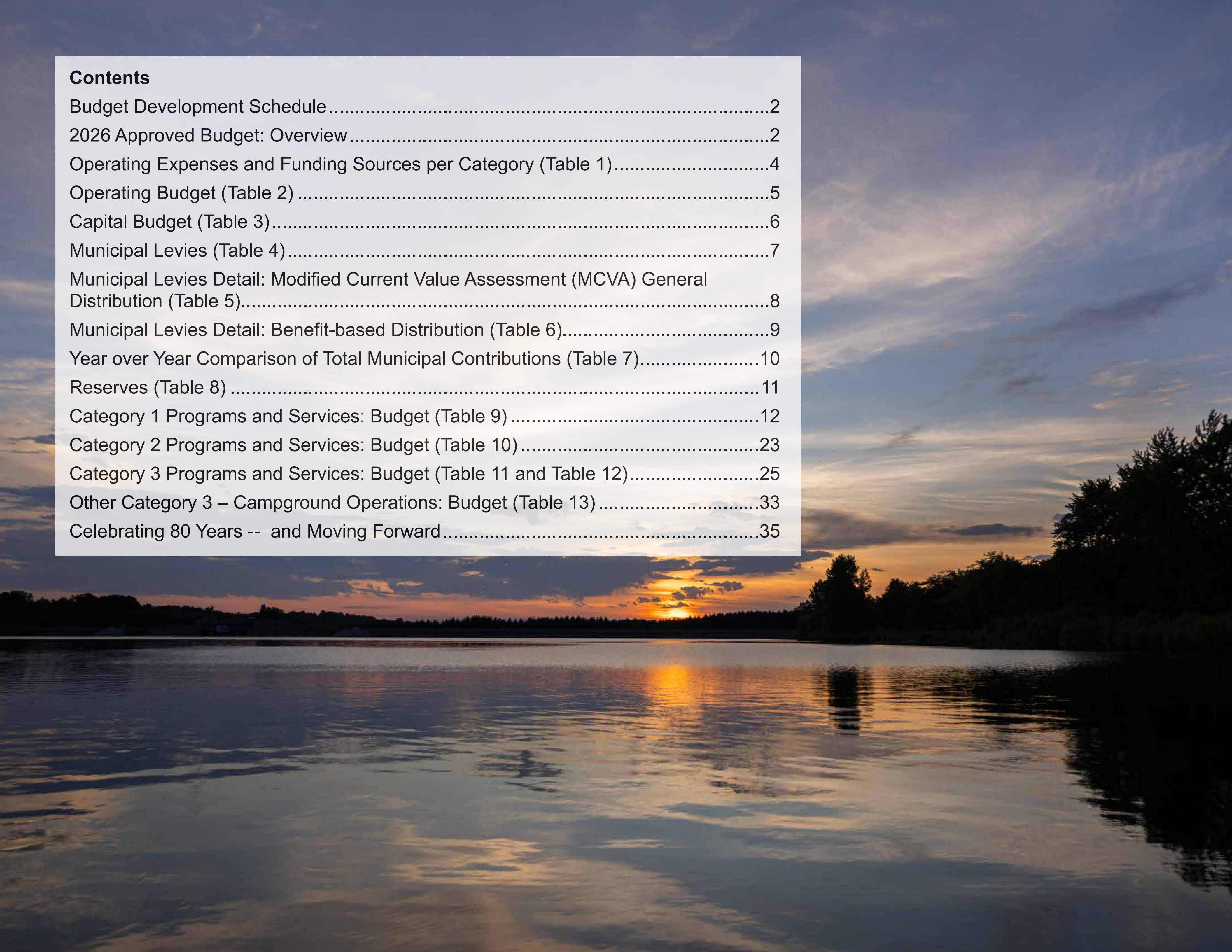
80 years of working with watershed communities for a healthy, resilient environment.

UPPER THAMES RIVER

CONSERVATION AUTHORITY

**Contents**





## Budget Development Schedule

The Upper Thames River Conservation Authority (UTRCA) has compressed its 2027 budget development schedule to align with the provincial direction that an approved budget must be submitted to the Ontario Provincial Conservation Agency (OPCA) no later than 30 calendar days before February 1, 2027 (i.e., by December 31, 2026).

In previous years, UTRCA circulated a draft budget in October and presented a revised draft budget to the Board in February for approval at the Annual General Meeting. This year, the 2027 draft budget is being circulated in August, and the revised draft budget will be presented to the Board in October for approval.

- **August 2026** - Draft Budget presented to Board.
- **August to September 2026** - Draft Budget circulated to member municipalities.
- **October 2026** - Board review of Revised Draft Budget and approval of Budget and Apportionment.
- **December 2026** - Approved Budget submitted to the Ontario Provincial Conservation Agency before December 31, 2026.

Under Minister's Direction, any anticipated impacts from regional consolidation should not be considered or incorporated into the preparation of the budget for the 2027 calendar year. In 2028, levy responsibility will move from lower tier municipalities to upper tier and single tier municipalities.

## 2027 Draft Budget: Overview

The UTRCA's 2027 Draft Budget reflects the costs to support local environmental needs, legislative requirements, and municipal and public demands for service. The budget provided for discussion meets the requirements of the Budget and Apportionment Regulation (Ontario Regulation 402/22). It continues to use the Modified Current Value Assessment (MCVA), provided by the province, to apportion costs for the general levy, and a benefit-based apportionment for water and erosion control structures.

The 2027 Draft Budget provides an overview of the UTRCA's programs and services and separates them into three categories, consistent with Section 21 of the Conservation Authorities Act (CA Act) and as required by Ontario Regulation 686/21: Mandatory Programs and Services.

## What are the Mandatory Programs and Services?

- Planning and regulations:
  - Regulations under the Conservation Authorities Act (Prohibited Activities, Exemptions and Permits), and
  - Planning advisory services to identify natural hazard, development servicing, and natural resource planning concerns,
- Water management:
  - Flood forecasting and warning,
  - Infrastructure operations and maintenance,
  - Mapping, studies, and information management,
  - Climate change risk and mitigation,
  - Low water response, and
  - Natural hazards outreach programs,
- Land management:
  - Lands management, risk, and enforcement,
  - Lands strategy implementation,
  - Public access on UTRCA lands for passive recreation, and
  - Natural heritage conservation on UTRCA lands,
- Provincial water monitoring,
- Drinking water source protection,
- Watershed strategy implementation, and
- Essential corporate costs.

## Budget Development

In developing the 2027 Draft Budget, staff considered the following:

- Requirements under the Conservation Authorities Act and its regulations,
- Board-approved Budgetary and Reserves Policies,
- Inflationary trends are apparent in the current Consumer Price Index (2.8% year over year), and the Building Construction Price Index for industrial construction in London (9% over the previous year). Estimates are also informed by actual experience in the purchase of goods and services, particularly trade contracting and engineering works,
- Cost of living adjustments and pay grid step increases,
- Multi-year contractual obligations and the impact on timing of spending, for example the Canada Water Agency contract, and
- Unsecured contract, donation, and grant funding may not have been included in the budget as it is too early to confidently estimate this revenue.

The UTRCA has used a conservative approach to spending, as well as proactive investigations into alternative sources of funding, to minimize the financial impacts on member municipalities while maintaining service delivery levels.

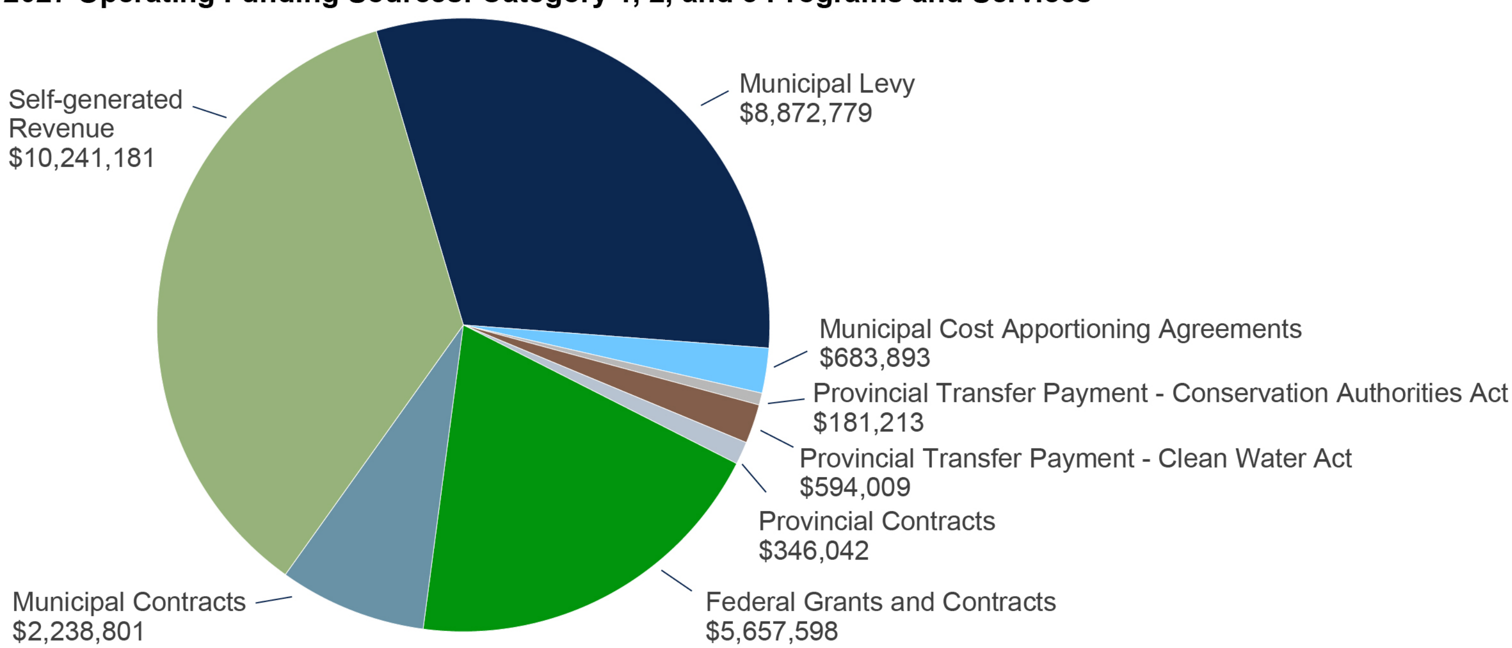
The 2027 draft operating budget expenses are consistent with those budgeted in 2026. Changes for 2027 are primarily related to increased costs in specific areas and decreases in several sources of revenue.

# Operating Expenses and Funding Sources per Category

### Table 1. Summary of Operating Expenses and Funding Sources per Category

| | Category 1 | Category 2 | Category 3 | Other Category 3 (Campgrounds) | Total |
|---|---|---|---|---|---|
| **Total Operating Expenses** | **$13,169,965** | **$1,481,086** | **$8,794,067** | **$5,420,034** | **$28,865,153** |
| **Funding Sources** | | | | | |
| Municipal Levy (Category 1) | 8,872,779 | - | - | - | 8,872,779 |
| Municipal Cost Apportionments (Category 3) | | | 683,893 | | 683,893 |
| Provincial Transfer Payment - Conservation Authorities Act | 181,213 | - | - | - | 181,213 |
| Provincial Transfer Payment - Clean Water Act | 594,009 | | | | 594,009 |
| Provincial Contracts | 271,042 | - | 75,000 | - | 346,042 |
| Federal Grants and Contracts | 250,398 | - | 5,407,200 | - | 5,657,598 |
| Municipal Contracts | 364,841 | 1,447,509 | 364,800 | 61,652 | 2,238,801 |
| Self-generated Revenue | 2,575,392 | | 1,741,033 | 5,924,756 | 10,241,181 |
| **Total Operating Revenues** | **13,109,674** | **1,447,509** | **8,271,926** | **5,986,408** | **28,815,516** |
| **Surplus (Deficit)** | **($60,291)** | **($33,578)** | **($522,142)** | **$566,374** | **($49,637)** |

**2027 Operating Funding Sources: Category 1, 2, and 3 Programs and Services**



# Operating Budget

## Table 2. Operating Budget

| | 2026 Approved Budget | 2027 Category 1 | 2027 Category 2 | 2027 Category 3 | 2027 Other Category 3 Campgrounds | 2027 Total Operating Budget |
|---|---|---|---|---|---|---|
| **Revenues** | | | | | | |
| Municipal Levy + Cost Apportionments (Category 3) | $9,447,231 | $8,872,779 | - | $683,893 | - | $9,556,672 |
| Provincial Transfer Payment - Conservation Authorities Act | 181,213 | 181,213 | - | - | - | 181,213 |
| Provincial Transfer Payment - Clean Water Act | 580,201 | 594,009 | | | | 594,009 |
| Provincial Contracts | 552,699 | 271,042 | - | 75,000 | - | 346,042 |
| Federal Grants and Contracts | 5,992,328 | 250,398 | - | 5,407,200 | - | 5,657,598 |
| Municipal Contracts | 2,121,856 | 364,841 | $1,447,509 | 364,800 | $61,652 | 2,238,801 |
| User Fees | 7,375,617 | 917,150 | - | 795,850 | 5,679,643 | 7,392,643 |
| Municipal Levy amortized from deferrals | 891,461 | 346,222 | - | 1,584 | 12,820 | 360,626 |
| Land Management Agreements | 1,352,560 | 534,761 | - | 702,629 | 232,293 | 1,469,683 |
| Donations and Other Revenues | 351,999 | 27,750 | - | 240,970 | - | 268,720 |
| Investment Revenue | 670,975 | 749,509 | - | - | - | 749,509 |
| **Total Operating Revenues** | **29,518,140** | **13,109,674** | **1,447,509** | **8,271,925** | **5,986,408** | **28,815,516** |
| **Expenses** | | | | | | |
| Technical and Consulting Services | 1,217,481 | 601,610 | 32,570 | 219,240 | 221,173 | 1,074,593 |
| Computers and Communications | 709,862 | 639,667 | 21,945 | 30,159 | 24,461 | 716,231 |
| Fleet-Related Expenses | 171,525 | 168,400 | - | 4,140 | 2,250 | 174,790 |
| Insurance and Risk Management | 462,488 | 369,200 | 1,515 | 16,080 | 90,360 | 477,155 |
| Property-Related Expenses | 2,243,888 | 698,325 | 58,574 | 526,273 | 977,356 | 2,260,528 |
| Staff Travel, PD, PPE, Uniforms | 292,319 | 175,238 | 17,692 | 41,685 | 40,176 | 274,791 |
| Materials and Supplies | 1,268,892 | 322,563 | 148,100 | 497,380 | 315,945 | 1,283,988 |
| Other Expenses | 3,896,080 | 26,100 | - | 3,710,856 | - | 3,736,956 |
| Depreciation Expenses | 1,615,236 | 1,436,866 | - | 29,247 | 362,282 | 1,828,395 |
| Corporate Allocations | 426,493 | (2,247,759) | 290,628 | 1,223,436 | 729,911 | (3,784) |
| Wages and Benefits | 16,588,434 | 10,979,755 | 910,062 | 2,495,571 | 2,656,120 | 17,041,509 |
| **Total Operating Expenses** | **28,892,699** | **13,169,965** | **1,481,086** | **8,794,067** | **5,420,034** | **28,865,153** |
| **Surplus (Deficit)** | **$625,441** | **($60,291)** | **($33,578)** | **($522,142)** | **$566,374** | **($49,637)** |

# Capital Budget

## Table 3. Capital Budget

| Category | 2027 Project Revenues - Levy | 2027 Project Revenues - Potential Other Funding | 2027 Expenses | 2027 Net Budget | 2028 Project Revenues - Levy | 2028 Project Revenues - Potential Other Funding | 2028 Expenses | 2028 Net Budget |
|---|---|---|---|---|---|---|---|---|
| **Structures** | | | | | | | | |
| Fanshawe Dam | $270,000 | - | $270,000 | - | $90,000 | - | $90,000 | - |
| Wildwood Dam | 887,500 | - | 865,000 | $22,500 | 850,000 | - | 850,000 | - |
| Pittock Dam | 73,000 | - | 70,000 | 3,000 | 135,000 | - | 135,000 | - |
| London Dykes | 425,000 | $500,000 | 925,000 | - | - | - | - | - |
| St Marys Floodwall | 25,000 | - | 25,000 | - | 50,000 | $50,000 | 100,000 | - |
| Ingersoll Channel | - | - | - | - | 40,000 | - | 40,000 | - |
| Stratford Channel | 67,000 | 8,000 | 75,000 | - | 112,500 | 37,500 | 150,000 | - |
| RT Orr Dam | 479,500 | 178,000 | 606,000 | 51,500 | 77,500 | 37,500 | 115,000 | - |
| Mitchell Dam | 104,400 | - | 104,400 | - | 1,227,000 | 125,000 | 1,352,000 | - |
| Harrington Dam | - | - | - | - | 137,500 | 12,500 | 150,000 | - |
| Embro Dam | 134,400 | - | 134,400 | - | 120,000 | - | 120,000 | - |
| Fullarton Dam | 105,332 | 159,068 | 264,400 | - | 260,000 | - | 260,000 | - |
| Shakespeare Dam | 100,000 | - | 100,000 | - | 100,000 | - | 100,000 | - |
| Dorchester CA Dam | 140,000 | - | 140,000 | - | 105,000 | - | 105,000 | - |
| Dorchester Mill Pond Dam | 150,000 | - | 150,000 | - | 125,000 | - | 125,000 | - |
| Centreville Dam | 124,900 | - | 124,900 | - | - | - | - | - |
| **UTRCA-wide Capital Asset Renewal** | | | | | | | | |
| Capital Asset Renewal | 447,000 | 57,000 | 564,000 | (60,000) | 846,000 | 77,000 | 923,000 | - |
| **Land Transactions - Provincial Interest Only** | | | | | | | | |
| Land Transactions - Provincial Interest Only | - | - | 9,000 | (9,000) | - | - | - | - |
| **Operating Reserves** | | | | | | | | |
| Category 3 Campgrounds | 160,000 | 450,000 | 2,676,500 | (2,066,500) | 300,000 | 450,000 | 2,177,500 | ($1,427,500) |
| **Total Capital Expenditures** | **$3,693,032** | **$1,352,068** | **$7,103,600** | **($2,058,500)** | **$4,575,500** | **$789,500** | **$6,792,500** | **($1,427,500)** |

**Notes:**

1. “Potential Other Funding” for Water and Erosion Control Structures in 2027 includes a significant contribution from the federal government. Most other “potential funding” is previously levied amounts not spent in previous years. Potential funding from the provincial Water and Erosion Control Infrastructure program is no longer included in budgets due to the high level of uncertainty in the amount of funding available, number and type of applications, relative ranking of projects, and funding distribution. In 2026, the province applied a $500,000 cap on the funding available to any one project. As such, the UTRCA will continue to apply to this funding program but will not include it in budgets as a potential funding source.
2. Project and cost estimates are on a best estimate basis. As new information is received, costs are updated and funding of projects may be updated as well.
3. Positive figures in the “Net Budget” columns imply that we now levy more than originally envisioned in previous years or in advance for future projects.

# Municipal Levies

## Table 4. Municipal Levies

| | General Distribution Rates - Operating and Capital (See Table 5. Municipal Levies Detail: MCVA* General Distribution) | | | | | | | Benefit-based Distribution Rates*** - Operating and Capital (See Table 6. Municipal Levies Detail: Benefit-based Distribution) | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Clean Water Act | Conservation Authorities Act | Clean Water Act | | Conservation Authorities Act | | Category 1 Levy - General Distribution | Structure 100% (Single Benefitting Municipality) | | Wildwood Dam (London 80%, St Marys 14%, all municipalities 6% MCVA) | | Pittock Dam (Oxford County 61.1%, London 32.9%, all municipalities 6% MCVA) | | Category 1 Levy - Benefit-based Distribution | Category 1 Mandatory Program Levy |
| Municipality | 2026 MCVA % | 2026 MCVA* % | 2027 MCVA % | 2027 Levy | 2027 MCVA* % | 2027 Levy | Total | Structure | 2027 Levy | % | 2027 Levy | % | 2027 Levy | Total | Total |
| **Oxford County** | 17.0209 | 17.0724 | 17.0769 | - | 17.1291 | $1,388,600 | $1,388,600 | Ingersoll Channel | $32,500 | 1.0278 | $12,410 | 62.1278 | $198,188 | $243,098 | $1,631,698 |
| **London** | 63.8410 | 64.0342 | 63.8461 | - | 64.0411 | 5,191,604 | 5,191,604 | Fanshawe Dam | 769,500 | 83.8425 | 1,012,398 | 36.7425 | 117,208 | 2,368,106 | 7,559,711 |
| | | | | | | | | London Dykes | 469,000 | | | | | | |
| | | | | | | | | Springbank Dam | - | | | | | | |
| **Lucan Biddulph** | 0.3589 | 0.3600 | 0.3716 | - | 0.3727 | 30,213 | 30,213 | - | - | 0.0224 | 270 | 0.0224 | 71 | 341 | 30,554 |
| **Thames Centre** | 3.1887 | 3.1983 | 3.1812 | - | 3.1909 | 258,677 | 258,677 | Dorchester CA Dam | 145,000 | 0.1915 | 2,312 | 0.1915 | 611 | 304,423 | 563,100 |
| | | | | | | | | Dorchester Mill Pond Dam | 156,500 | | | | | | |
| **Strathroy-Caradoc**** | 0.3016 | - | 0.3044 | - | - | - | - | - | - | - | - | - | - | - | - |
| **Middlesex Centre** | 2.4761 | 2.4836 | 2.4734 | - | 2.4810 | 201,124 | 201,124 | - | - | 0.1489 | 1,797 | 0.1489 | 475 | 2,272 | 203,396 |
| **Stratford** | 7.1437 | 7.1653 | 7.0929 | - | 7.1146 | 576,756 | 576,756 | RT Orr Dam | 524,100 | 0.4269 | 5,154 | 0.4269 | 1,362 | 615,116 | 1,191,873 |
| | | | | | | | | Stratford Channel | 84,500 | | | | | | |
| **Perth East** | 1.4135 | 1.4178 | 1.4092 | - | 1.4135 | 114,590 | 114,590 | Shakespeare Dam | 103,500 | 0.0848 | 1,024 | 0.0848 | 271 | 104,795 | 219,385 |
| **West Perth** | 1.4531 | 1.4575 | 1.4438 | - | 1.4482 | 117,403 | 117,403 | Fullarton Dam | 117,332 | 0.0869 | 1,049 | 0.0869 | 277 | 291,558 | 408,961 |
| | | | | | | | | Mitchell Dam | 172,900 | | | | | | |
| **St Marys** | 1.4651 | 1.4696 | 1.4510 | - | 1.4555 | 117,991 | 117,991 | St Marys Floodwall | 80,000 | 14.0873 | 170,105 | 0.0873 | 279 | 250,383 | 368,374 |
| **Perth South** | 1.1363 | 1.1397 | 1.1469 | - | 1.1504 | 93,256 | 93,256 | - | - | 0.0690 | 833 | 0.0690 | 220 | 1,054 | 94,309 |
| **South Huron** | 0.2010 | 0.2016 | 0.2025 | - | 0.2031 | 16,465 | 16,465 | - | - | 0.0122 | 147 | 0.0122 | 39 | 186 | 16,651 |
| **Zorra** | - | - | - | - | - | - | - | Embro Dam | 144,400 | - | - | - | - | 150,400 | 150,400 |
| | | | | | | | | Harrington Dam | 6,000 | | | | | | |
| **South-West Oxford** | - | - | - | - | - | - | - | Centreville Dam | 127,400 | - | - | - | - | 127,400 | 127,400 |
| **Total** | **100** | **100** | **100** | **-** | **100** | **$8,106,679** | **$8,106,679** | | **$2,932,632** | **100** | **$1,207,500** | **100** | **$319,000** | **$4,459,132** | **$12,565,811** |

*The Modified Current Value Assessment (MCVA), provided by the Province, is used to apportion costs for general levy.

**Strathroy-Caradoc is currently excluded from the UTRCA's jurisdiction by Order-in-Council.

***The UTRCA uses a benefit-based method to apportion the operating expenses and capital costs for the water control structures it operates and maintains. The local share of the costs (after reduction by available funding from senior government or other sources) is apportioned based on the benefit to the municipalities. For Fanshawe, Wildwood, and Pittock Dams, the shared benefit was determined when the funding for construction of the structures was discussed. For all other structures, the municipality where each structure is located is the sole beneficiary and, therefore, covers all the local share of operating and maintenance costs.

This approach is consistent with how these costs have been apportioned in the past and is described in the Conservation Authorities Act Regulations (Ontario Regulation 402/22 Section 7(6)).

# Municipal Levies Detail: Modified Current Value Assessment (MCVA) General Distribution

### Table 5. Municipal Levies Detail: MCVA General Distribution

| Category 1 Mandatory Programs | Expenses | Municipal Support |
|---|---|---|
| **Environmental Planning and Regulations** | | |
| - Regulations under S28.1 Natural Hazards | $1,512,095 | $919,700 |
| - Planning Activities | 1,218,265 | 827,900 |
| **Water Management** | | |
| - Flood Forecasting and Warning | 645,856 | 493,700 |
| - Infrastructure Operations and Maintenance (see Table 6. Municipal Levy Detail: Benefit-based Distribution) | 1,532,233 | 1,331 |
| - Mapping, Studies and Information Management | 1,600,606 | 1,376,125 |
| - Climate Change Risk and Mitigation | 521,102 | 151,442 |
| - Low Water Response | 11,459 | 11,600 |
| - Natural Hazards Outreach and Education | 574,513 | 386,006 |
| **Land Management** | | |
| - Lands Management (Risk, Encroachment, and Enforcement) | 962,347 | 780,000 |
| - Lands Strategies (including Acquisition and Disposition) | 666 | - |
| - Public Access for Passive Recreation (see Table 6. Municipal Levy Detail: Benefit-based Distribution) | 1,388,588 | 820,000 |
| - Natural Heritage Conservation on UTRCA lands | 296,412 | 76,000 |
| **Provincial Water Monitoring** | 215,849 | 182,600 |
| **Drinking Water Source Protection** | 623,525 | - |
| **Watershed Management Strategy Implementation** | 245,024 | 40,000 |
| **Essential Corporate Costs** | 1,821,424 | 1,433,275 |
| **Total Operating Levy** | **13,169,965** | **7,499,679** |
| Capital Maintenance Levy (not flood control related) | 2,496,500 | 607,000 |
| **Total Costs to Levy (MCVA general distribution)** | **$15,666,465** | **$8,106,679** |

# Municipal Levies Detail: Benefit-based Distribution

### Table 6. Municipal Levies Detail: Benefit-based Distribution

| Structure | Passive Recreation: Dam Operation and Maintenance | Infrastructure Operation and Maintenance: Flood Control Structures - Operating, Routine and Preventative Maintenance | Infrastructure Operation and Maintenance: Capital Repairs and Environmental Assessments | Benefit-based Total for Structures |
|---|---|---|---|---|
| Fanshawe Dam | - | $499,500 | $270,000 | $769,500 |
| Wildwood Dam | - | 320,000 | 887,500 | 1,207,500 |
| Pittock Dam | - | 246,000 | 73,000 | 319,000 |
| London Dykes | - | 44,000 | 425,000 | 469,000 |
| St. Marys Floodwall | - | 55,000 | 25,000 | 80,000 |
| Ingersoll Channel | - | 32,500 | - | 32,500 |
| Stratford Channel | - | 17,500 | 67,000 | 84,500 |
| Springbank Dam | - | - | - | - |
| RT Orr Dam | $44,600 | - | 479,500 | 524,100 |
| Mitchell Dam | 68,500 | - | 104,400 | 172,900 |
| Harrington Dam | 6,000 | - | - | 6,000 |
| Embro Dam | 10,000 | - | 134,400 | 144,400 |
| Fullarton Dam | 12,000 | - | 105,332 | 117,332 |
| Shakespeare Dam | 3,500 | - | 100,000 | 103,500 |
| Dorchester CA Dam | 5,000 | - | 140,000 | 145,000 |
| Dorchester Mill Pond Dam | 6,500 | - | 150,000 | 156,500 |
| Centreville Dam | 2,500 | - | 124,900 | 127,400 |
| **Total Levies for Structures under Benefit-based Distribution** | **$158,600** | **$1,214,500** | **$3,086,032** | **$4,459,132** |

# Year over Year Comparison of Total Municipal Contributions

## Table 7. Year over Year Comparison of Total Municipal Contributions

| Municipality | 2026 | | | | | | 2027 | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | MCVA 2026 % | General MCVA Distribution (Operating and Capital) | Benefit-based Distribution (Operating and Capital) | Total Levy Category 1 | General MCVA Distribution (Operating Programs) Category 3 Cost Apportionment | Total Muncipal Support | MCVA 2027 % | General MCVA Distribution (Operating and Capital) | Benefit-based Distribution (Operating and Capital) | Total Levy Category 1 | General MCVA Distribution (Operating Programs) Category 3 Cost Apportionment | Total Muncipal Support |
| Oxford County | 17.0724 | $1,315,137 | $394,551 | $1,709,688 | $111,506 | $1,821,194 | 17.1291 | $1,388,600 | $243,098 | $1,631,698 | $117,145 | $1,748,842 |
| London | 64.0342 | 4,932,738 | 6,091,720 | 11,024,458 | 418,231 | 11,442,689 | 64.0411 | 5,191,604 | 2,368,106 | 7,559,710 | 437,972 | 7,997,683 |
| Lucan Biddulph | 0.3600 | 27,728 | 272 | 28,000 | 2,351 | 30,351 | 0.3727 | 30,213 | 341 | 30,554 | 2,549 | 33,103 |
| Thames Centre | 3.1983 | 246,377 | 30,630 | 277,007 | 20,889 | 297,896 | 3.1909 | 258,677 | 304,423 | 563,100 | 21,822 | 584,922 |
| Strathroy Caradoc | | | | 0 | | 0 | | | | 0 | | 0 |
| Middlesex Centre | 2.4836 | 191,321 | 1,878 | 193,199 | 16,221 | 209,420 | 2.4810 | 201,124 | 2,272 | 203,396 | 16,967 | 220,363 |
| Stratford | 7.1653 | 551,963 | 362,636 | 914,599 | 46,799 | 961,398 | 7.1146 | 576,756 | 615,116 | 1,191,873 | 48,656 | 1,240,529 |
| Perth East | 1.4178 | 109,215 | 4,072 | 113,287 | 9,260 | 122,547 | 1.4135 | 114,590 | 104,795 | 219,385 | 9,667 | 229,052 |
| West Perth | 1.4575 | 112,278 | 155,102 | 267,380 | 9,520 | 276,900 | 1.4482 | 117,403 | 291,558 | 408,961 | 9,904 | 418,865 |
| St Marys | 1.4696 | 113,204 | 169,465 | 282,669 | 9,598 | 292,267 | 1.4555 | 117,991 | 250,383 | 368,374 | 9,954 | 378,328 |
| Perth South | 1.1397 | 87,795 | 862 | 88,657 | 7,444 | 96,101 | 1.1504 | 93,256 | 1,054 | 94,309 | 7,867 | 102,177 |
| South Huron | 0.2016 | 15,533 | 152 | 15,685 | 1,317 | 17,002 | 0.2031 | 16,465 | 186 | 16,651 | 1,389 | 18,040 |
| Zorra | | | 87,700 | 87,700 | | 87,700 | | | 150,400 | 150,400 | | 150,400 |
| South-West Oxford | | | 63,350 | 63,350 | | 63,350 | | | 127,400 | 127,400 | | 127,400 |
| Total | 100 | $7,703,290 | $7,362,390 | $15,065,680 | $653,136 | $15,718,816 | 100 | $8,106,679 | $4,459,132 | $12,565,811 | $683,893 | $13,249,704 |
| Change from previous year | | | | | | | | 5.2% | -39.4% | | 4.7% | |

**Notes:**

1. General Modified Current Value Assessment (MCVA) distribution rates are applied to watershed-wide programs and services.
2. Benefit-based distribution rates are structure-specific to the benefitting municipality/municipalities.

# Reserves

## Table 8. Reserves Forecast

| As Planned | Total Reserves | Category 1 Operating | Category 1 Land Transactions | Category 1 Directed Donations | Category 1 Capital Asset Renewal | Category 1 Water and Erosion Control Structures | Category 1 Long-term Investment | Category 2 Operating | Category 3 Operating | Category 3 Campgrounds Operating |
|---|---|---|---|---|---|---|---|---|---|---|
| Actual Opening 2026 | $9,326,606 | $651,316 | $30,469 | $82,361 | ($812,683) | $2,308,554 | $1,367,924 | $74,024 | ($26,107) | $5,650,746 |
| Approved Budget 2026: Operating | 520,876 | (81,976) | (3,072) | 1,342 | | (150,691) | 36,000 | 38,045 | (184,062) | 865,290 |
| Approved Budget 2026: Capital | (2,338,219) | (270,100) | | | (208,000) | 462,381 | | | | (2,322,500) |
| **Approved for End of 2026** | **$6,474,176** | **$59,079** | **$27,787** | **$83,761** | **$401,779** | **$2,537,418** | **$632,866** | **$94,647** | **($430,181)** | **$3,067,020** |

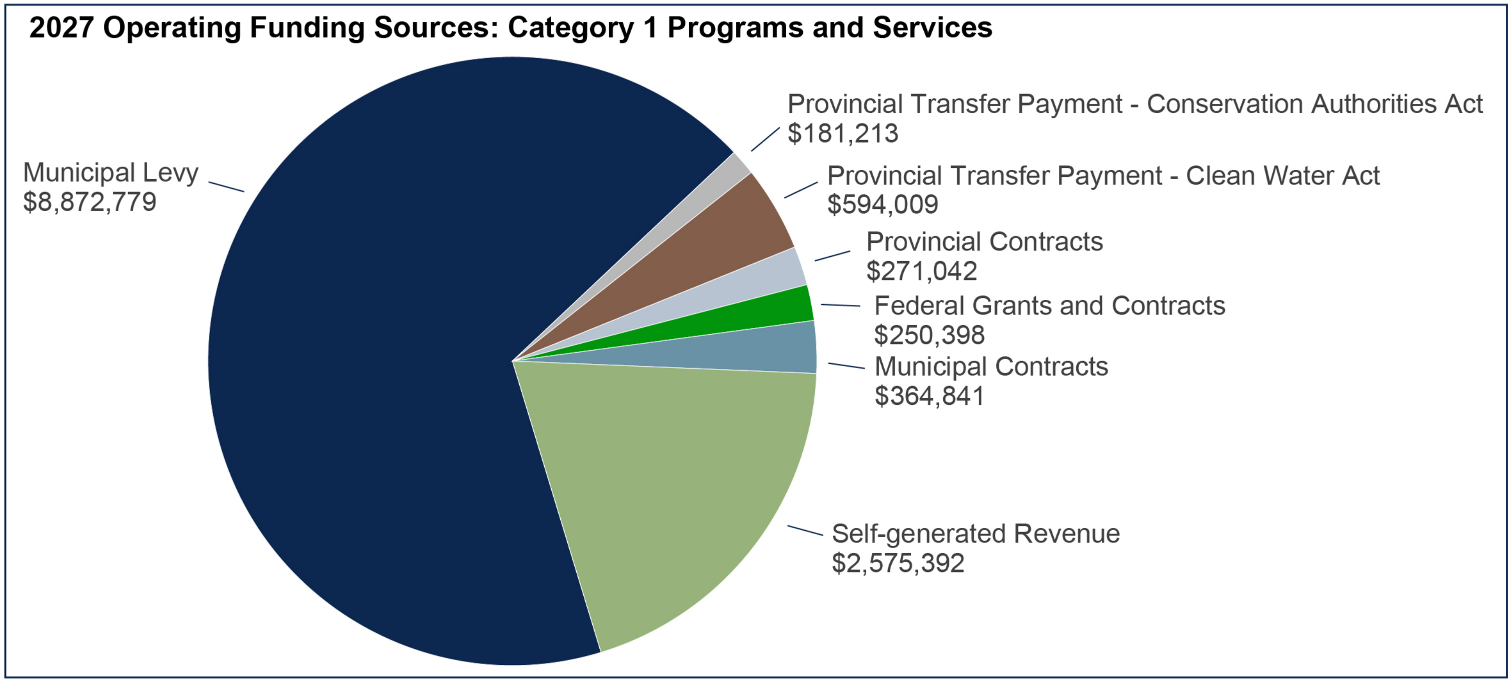
| As Expected | Total Reserves | Category 1 Operating | Category 1 Land Transactions | Category 1 Directed Donations | Category 1 Capital Asset Renewal | Category 1 Water and Erosion Control Structures | Category 1 Long-term Investment | Category 2 Operating | Category 3 Operating | Category 3 Campgrounds Operating |
|---|---|---|---|---|---|---|---|---|---|---|
| Actual Opening 2026 | $9,326,606 | $651,316 | $30,469 | $82,361 | ($812,683) | $2,308,554 | $1,367,924 | $74,024 | ($26,107) | $5,650,746 |
| Forecast Actuals 2026: Operating | 723,761 | 11,733 | (18,379 ) | | 418 | (153,845) | 96,000 | 32,202 | (131,903) | 887,535 |
| Forecast Actuals 2026: Capital | (923,651) | | (56,000) | | (20,026) | 587,375 | | | | (1,435,000) |
| Budget 2027 Draft: Operating | (49,637) | (29,061) | (666) | 2,149 | | 15,835 | 94,000 | (35,431) | (662,837) | 566,374 |
| Budget 2027 Draft: Capital | (2,058,500) | | (9,000) | | (60,000) | 77,000 | | | | (2,066,500) |
| **Expected End of 2027** | **$7,018,577** | **$633,988** | **($53,576)** | **$84,510** | **($892,291)** | **$2,834,917** | **$1,557,924** | **$70,795** | **($820,847)** | **$3,603,155** |

# Category 1 Programs and Services: Budget

Category 1 includes the programs and services that the Province of Ontario has deemed mandatory for a Conservation Authority to deliver.

## Funding

- The CA is permitted to levy its member municipalities for the full cost of delivering these mandated programs and services. The UTRCA uses revenues from agricultural leases, interest earned on investments, and internal program chargeback recoveries by allocating costs, to reduce the levy impact on member municipalities.
- All corporate costs may be included as Category 1 (i.e., eligible for full levy funding) but UTRCA is allocating program-specific costs to programs and services in all three categories. Essential corporate costs that are not program-specific are included as a grouping within Category 1 below (see page 21 for details).



## Table 9. Category 1 Operating Budget

| Expenses by Type | Environmental Planning and Regulations | Water Management | Land Management | Provincial Water Monitoring | Drinking Water Source Protection | Watershed Management Strategy Implementation | Essential Corporate Costs | Total Category 1 |
|---|---|---|---|---|---|---|---|---|
| Technical and Consulting Services | $130,500 | $87,660 | $9,960 | $9,500 | $164,360 | $30,000 | $169,630 | $601,610 |
| Computers and Communications | 31,500 | 100,520 | 20,069 | 1,550 | 37,988 | 1,120 | 446,920 | 639,667 |
| Fleet-Related Expenses | - | - | - | - | - | - | 168,400 | 168,400 |
| Insurance and Risk Management | 3,960 | 48,145 | 29,990 | 1,980 | - | 990 | 284,135 | 369,200 |
| Property-Related Expenses | 1,000 | 128,153 | 215,361 | - | - | 4,500 | 349,311 | 698,325 |
| Staff Travel, PD, PPE, Uniforms | 17,800 | 25,986 | 30,871 | - | 6,631 | 1,650 | 92,300 | 175,238 |
| Materials and Supplies | - | 62,937 | 68,022 | 3,500 | 205 | 16,100 | 171,800 | 322,563 |
| Other Expenses | - | 350 | - | - | - | 750 | 25,000 | 26,100 |
| Depreciation Expenses | - | 653,272 | 85,496 | - | - | - | 698,098 | 1,436,866 |
| Corporate Allocations | 525,022 | 745,897 | 455,716 | 47,008 | 55,562 | 89,970 | (4,166,934) | (2,247,759) |
| Wages and Benefits | 2,020,578 | 2,873,220 | 1,732,529 | 152,310 | 358,780 | 259,575 | 3,582,764 | 10,979,755 |
| **Total Operating Expenses** | **$2,730,360** | **$4,726,140** | **$2,648,013** | **$215,849** | **$623,525** | **$404,654** | **$1,821,424** | **$13,169,965** |

# Category 1 Programs and Services: Overview

## Environmental Planning and Regulations

The UTRCA provides planning and regulations services to protect people and property from natural hazards (e.g., flood and erosion hazards, wetlands, and the area of interference surrounding wetlands) and support safe development.


Natural hazard planning activities include:

- Planning Act delegated responsibility for natural hazards to be consistent with Provincial Policies,
  - Technical information and advice to municipalities on circulated municipal land use planning applications (Official Plan and Zoning By-law Amendments, Subdivisions, Consents, Minor Variances) with respect to natural hazards.
  - Input to municipal land-use planning documents (Official Plans, Comprehensive Zoning By-laws, Secondary plans) related to natural hazards, on behalf of the Ontario Ministry of Natural Resources (delegated to conservation authorities in 1983).
  - Regulations activities under Section 28 of the Conservation Authorities Act include:
  - Reviewing and processing permit applications, associated technical reports, site inspections, communication with applicants, agents, and consultants.
  - Property inquiries and compliance/enforcement activities.
  - Input to the review and approval processes under the Planning Act and other applicable law (e.g., Environmental Assessment Act, Drainage Act, Aggregate Resources Act), with comments principally related to natural hazards, wetlands, watercourses, and Section 28 permit requirements.

### 2027 Highlights: Customer Service and Transparency Improvements

The UTRCA Planning and Regulations staff are actively working on several initiatives to enhance customer service and increase transparency. These efforts include:

- Consulting on and updating natural hazard mapping;
- Implementing recommendations provided by a third-party consultant for streamlining and improving the efficiency of planning and regulations programs and services.

## Water Management

The UTRCA's water management program protects people and property and supports safe development by reducing risk due to flooding and erosion. Key components include:

- Providing flood forecasting and warning services for municipalities,
- Continually monitoring stream flow, reservoirs, and watershed conditions to assess flood, low flow, and climate change impacts and mitigation,
- Operating and maintaining water control structures (3 large dams, 3 flood control channels, 8 dykes/floodwalls), constructed in partnership with municipalities, to control flood flows and augment stream flows during dry periods,
- Mapping and modelling flood plains and other natural hazards,
- Developing, maintaining, and implementing Flood Contingency Plan for municipal and First Nation flood coordinators and other partners,
- Providing outreach and education programs and information on natural hazards,
- Operating and maintaining 12 erosion control structures,
- Operating and maintaining recreational water control structures for passive recreation, on behalf of municipalities.
- Asset management planning for water and erosion control structures will continue building on the mandatory asset management plans for flood control, flow augmentation, and erosion control structures. Focus will be on incorporating other UTRCA assets including recreational water control structures and improving the level of detail in the completed Asset Management Plans. Operational plans will continue to be developed and maintained for all water and erosion control structures.

### 2027 Highlights: Hazard Map Updates Continue

The UTRCA is undertaking a comprehensive review and update of its regulated area maps. Improved base data (e.g., digital elevation data, aerial photography, and field survey data) is making the UTRCA's floodplain and erosion hazard modelling and mapping much more accurate.

Engagement with municipalities, interest-holders, and the public in 2027 will focus on areas along the North Thames River outside of the City of London, building on recent engagement on the Thames River within the City of London, as well as on the South Thames and Delaware reaches. Data collection and model development will continue in priority tributaries of the Thames in London, with engagement to follow. Efforts will be guided by an ongoing prioritization exercise initiated in 2026.

Updating these maps enables the UTRCA and its municipal partners to use the most current information to identify hazards, assess risk, and guide land use decisions. These updates will allow for the required annual review and maintenance of hazard maps.

### 2027 Highlights: Hydrometric Monitoring Equipment Upgrades

Upgrades to water and climate monitoring equipment continue at stations maintained by the UTRCA. These stations are critical to flood forecasting and warning services and dam operations and provide valuable historical information for hazard mapping and modelling. The upgrades are part of a multi-year plan to replace equipment that is reaching the end of serviceable life. Upgrades also include changes to the telemetry used to communicate with the stations, moving away from telephone lines (which have proven to be less reliable and more expensive) and adding redundant communication methods to the dams. Environment and Climate Change Canada has been making similar upgrades to stations they maintain.

## 2027 Highlights: Small Dam Decommissioning and Municipal Levy Management

Small recreational dams and weirs represent a growing asset management and levy risk for the municipalities that benefit from those structures. Many of these structures are aging, costly to maintain, and no longer serving a strong operational need. Continued ownership can require future capital repairs, inspections, studies, and ongoing maintenance. Because costs for these structures are apportioned on a benefit-based basis, major capital projects can create significant year-over-year levy changes for the affected municipalities. Planned Dam Safety Review updates will add further costs, increasing the importance of assessing each structure before major repair or renewal work is required.

In locations where ponds created by these small dams are naturally filling with sediment and transitioning toward wetland conditions, decommissioning may provide a fiscally responsible alternative to reinvestment by reducing long-term maintenance obligations while supporting the natural evolution of the site.

UTRCA has completed Environmental Assessments for the Embro and Fullarton Dams and is proceeding with design in 2027. Plans also include planning assessments for other small recreational dams in 2027 and beyond. This work will help municipalities understand future cost exposure, compare alternatives, and make informed decisions before significant capital commitments are made.

## Land Management

The UTRCA manages approximately 3,200 hectares of conservation lands at Fanshawe, Wildwood, and Pittock Conservation Areas, as well as 11 additional day-use areas and an arboretum, in partnership with local service clubs and municipalities. These lands support passive recreational use while requiring ongoing risk management, encroachment monitoring, and enforcement activities.

In addition, over 2,000 hectares of rural lands—including 1,500 hectares of wetlands—are maintained to ensure long-term natural heritage protection. Land management activities include forest management, restoration, stewardship, ecological monitoring, signage, and access control.

The UTRCA's Conservation Areas and Lands Strategy, Land Inventory, and Land Acquisition and Disposition Policy establish guiding principles and objectives for the management of all UTRCA-owned and managed lands. The accompanying Lands Strategy Implementation Plan outlines a 10-year framework for action, with tailored management recommendations for different land categories (e.g., rural conservation areas, wetlands, large conservation areas). It is a comprehensive approach that balances conservation, sustainable land use, and community engagement, offering a clear vision for future land stewardship and collaboration with watershed municipalities, residents, and partners.

### Highlights: Land Management Plans and Procedures Updates

UTRCA land management staff will continue to advance the implementation of management plans and strategies developed through the Conservation Areas and Lands Strategy and 10-year Implementation Plan. With foundational planning and information compilation underway, the focus in 2027 will increasingly be on implementing identified priorities and recommendations across UTRCA lands.

### 2027 Highlights: Enhanced Stewardship and Operational Response

Operational responsibilities will continue to evolve in response to emerging challenges, with increased attention to encampments, unauthorized land use, and other property management challenges requiring proactive monitoring, coordination, and response. At the same time, staff will strengthen ecological stewardship through enhanced trail and property maintenance, invasive species management, and natural heritage improvements. Together, these efforts will support safer, better maintained, and more resilient UTRCA lands while protecting and enhancing their ecological and recreational value.

## Provincial Water Monitoring

The UTRCA monitors surface water at 24 Provincial Water Quality Monitoring Network (PWQMN) sites monthly (March to October). Water quality has been monitored in the Upper Thames watershed since the 1960s through this program, which is a cooperative program of the Ministry of the Environment, Conservation and Parks (MECP) and Conservation Authorities. The UTRCA uses the data in the watershed report cards and to prioritize stewardship projects.

The UTRCA monitors groundwater quantity and quality in 27 wells at 22 Provincial Groundwater Monitor Network sites in cooperation with MECP. There are 22 wells sampled for water quality annually, and five wells that were changed to biennial water quality sampling in 2023 at the discretion of MECP. Groundwater quantity is monitored year-round at all wells.

No provincial funding is received for the surface water program, and limited funding is received for the groundwater program.

### 2027 Highlights: Watershed Report Cards

Development of the 2027 Upper Thames River Watershed Report Cards, scheduled for release in 2028, will include surface water quality grades based on long-term monitoring data collected from 2021-2025 through the PWQMN. Staff will use this data, along with water quality information provided by the City of London, to evaluate and assign grades for the 28 Upper Thames River subwatersheds.

A new addition to the 2027 grading framework is the inclusion of chloride as a water quality indicator. This change reflects chloride's growing importance as an emerging concern linked to urbanization and the increasing use of road salt.

The Watershed Report Cards provide residents, municipalities, and community partners with a clear and accessible assessment of local watershed health, helping to guide stewardship efforts and increase awareness of water quality conditions across the region. They are a key tool for achieving the UTRCA's strategic priorities of environmental health and watershed resilience, as well as engagement and collaboration.

## Drinking Water Source Protection

The UTRCA protects municipal drinking water sources through Source Protection Plans, as part of the Thames-Sydenham Source Protection Region (Upper Thames River, Lower Thames Valley, and St. Clair Region Conservation Authorities). The UTRCA is the lead Authority for the Region, providing technical and Source Protection Committee support, organizing Source Protection Authority reports and meetings, and carrying out other activities required by the Clean Water Act and regulations.

The UTRCA assists in coordinating and implementing the Source Protection Plans (SPP). Where advisable, the UTRCA reviews and comments on any proposal made under another Act that is circulated to it, to determine whether the proposal relates to a significant drinking water threat that is governed by the SPP or the proposal's potential impact on any drinking water sources protected by the SPP.

This program is currently funded by the province.

### 2027 Highlights: Source Protection Awareness

Drinking Water Source Protection staff are working to increase awareness of the importance of protecting our sources of drinking water by:

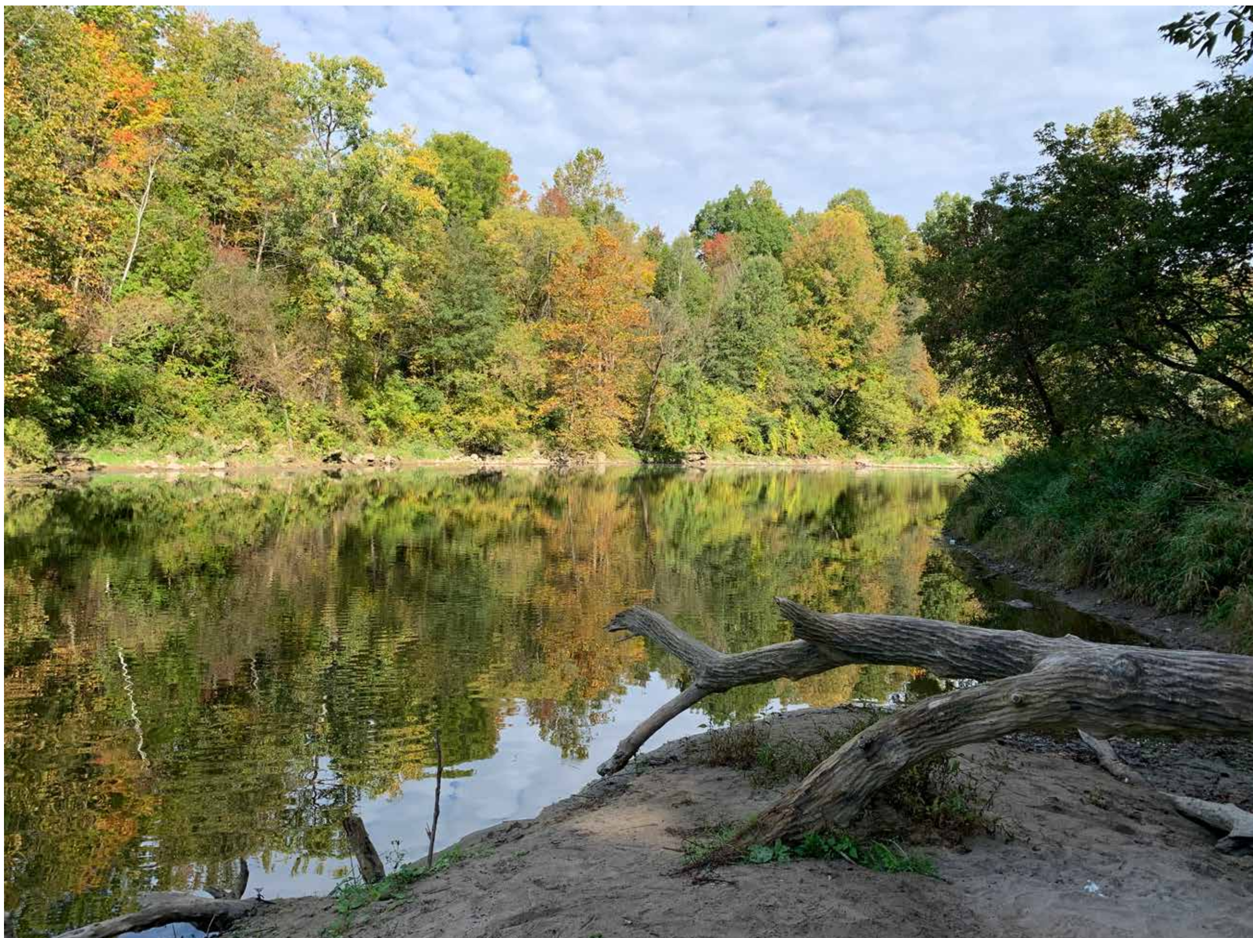
- Updating fact sheets and Source Protection Plan policies to reflect changes to Provincial guidance for assessing risks to sources of drinking water in Ontario.
- Working with all the region's municipalities to update them on new policies within the Source Protection Plan due to the 2021 Technical Rules updates.
- Providing training to new municipal staff to better understand their role in protecting sources of municipal drinking water.
- Providing drinking water source protection advice and technical expertise to partner municipalities.
- Developing a program to work alongside local fire departments to better identify vulnerable drinking water source areas when addressing fires.
- Participating in public events with a Drinking Water Source Protection booth.

## Watershed Management Strategy Implementation

The UTRCA has prepared a Watershed Strategy to meet the requirements for a Watershed–based Resource Management Strategy as set out under Section 21.1 of the Conservation Authorities Act (CA Act) and Ontario Regulation 686/21 (Mandatory Programs and Services). The goal of the Watershed Strategy is to ensure that the UTRCA's programs and services address watershed issues and priorities and reflect the organization's mandate under the CA Act.

The strategy sets out the UTRCA's guiding principles and objectives and updates the inventory of programs and services, assessing resource conditions, trends, risks, and issues that impact the effective delivery of its mandatory and municipal programs and services. It also identifies desirable future programs, services, and actions that will assist the UTRCA in delivering its mandatory and municipal programs and services and meet its objectives and long-term goals.

The strategy was developed with input from UTRCA staff, watershed municipalities, Indigenous communities, interest holders, and the public. Staff have identified priority projects to be undertaken to address issues and mitigate risks in mandatory programs and services.



### 2027 Highlights: Thames River Watershed Conservation Authorities Natural Heritage Strategy

Funding in 2027 from the Ministry of the Environment, Conservation and Parks will support the continued development of the Thames River Watershed Conservation Authorities Natural Heritage Strategy. This funding will enable additional work to incorporate a watercourse riparian buffer component into the strategy, helping to guide efforts to retain, enhance, and establish riparian buffers and other natural features. These actions directly address key watershed challenges, issues, and risks identified within the 2024 Watershed Strategy.

## Essential Corporate Costs

Corporate costs support all UTRCA program areas, the Board of Directors, member municipalities, and the public, to enable the UTRCA to operate in an accountable, efficient, and effective manner.

Under the legislation, all corporate costs are mandatory (Category 1) costs and, therefore, eligible for full levy funding. The UTRCA allocates program-specific corporate costs to programs and services in all three Categories. These allocated costs include property insurance, IT services, costs to operate administration buildings, finance and human resources costs, communications and marketing costs, and shared fleet and equipment costs.

Total corporate costs are $5,988,358, the majority of which are allocated as follows:

- $1,919,175 is directly allocated to Category 1 programs,
- $290,628 to Category 2 programs (not funded by levy),
- $1,223,436 to Category 3 programs (not funded by levy), and
- $729,911 to the campground operations (other Category 3, not funded by levy).

The remaining $1,825,208 are essential, non program-specific corporate costs that remain as Category 1 (mandatory) costs. They include board governance, administration, health and safety programs, asset management planning, shared fleet management, shared equipment, and directors' and officers' insurance and liability.

### 2027 Highlights: Ongoing and Planned

**Indigenous Engagement and Collaboration Strategy**

- Implementation of an Indigenous Engagement and Collaboration Strategy will begin in 2027, with the goal of developing a long-term cooperative and collaborative engagement framework through which Indigenous Nations, Communities, and Peoples within and connected to the watershed become active partners in planning and implementing watershed initiatives and resource activities.

**Human Resources and Health and Safety**

- As part of the effort to modernize and streamline Corporate Services online, staff will research and evaluate Human Resources systems that improve processes, track data, and ensure legal compliance. An evaluation of current staff training will be implemented to expand the program for all staff and develop training specifically for supervisors.
- A comprehensive review of health and safety programs, policies, procedures, and documentation will be undertaken to identify potential gaps and maintain legislative compliance.
- Continued participation in the Health and Safety Excellence program is planned with the implementation of new action plan topics.

**Finance and Asset Management**

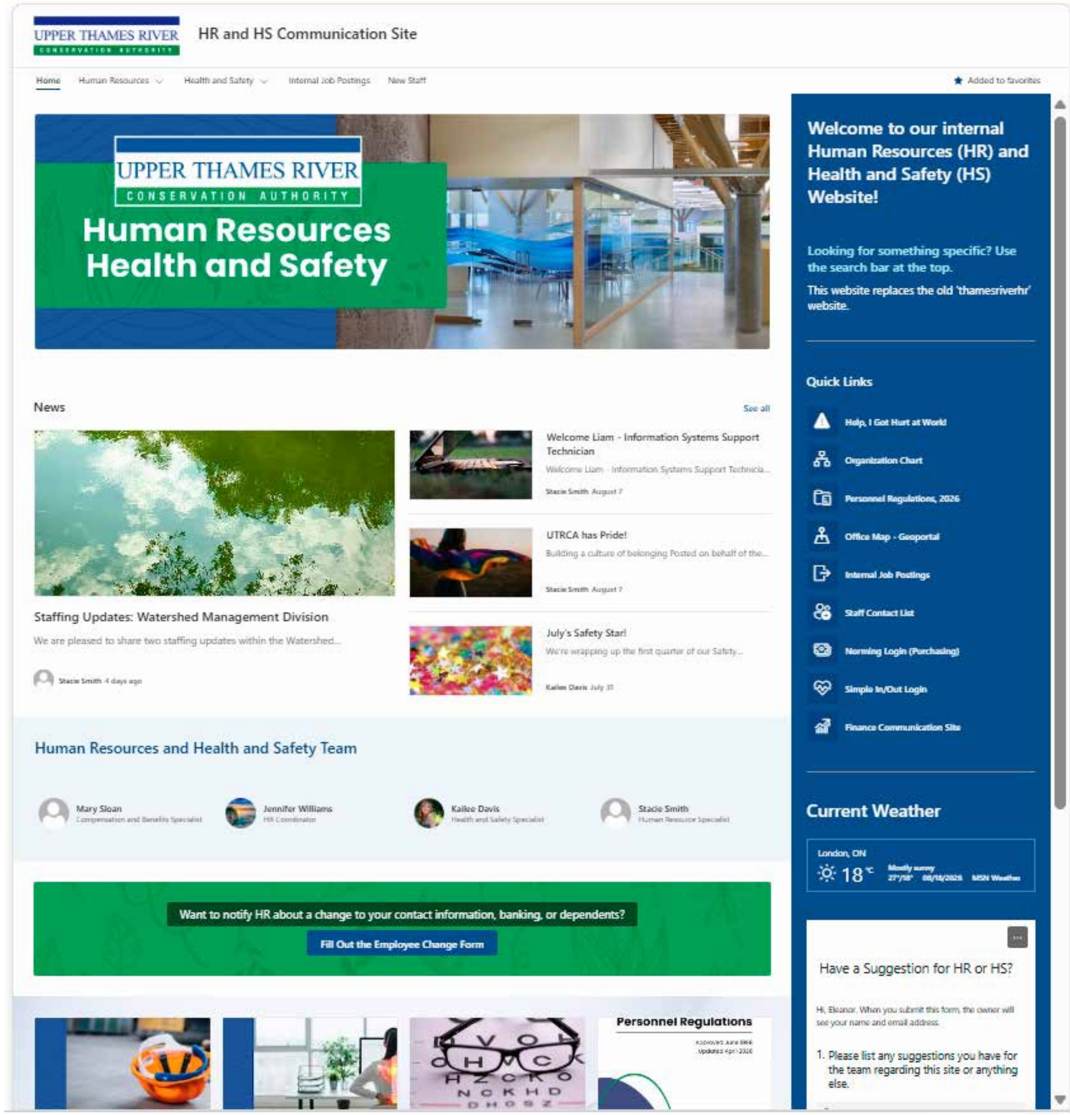
- Processes to efficiently track deferred revenues for capital maintenance and flood control structures will be significantly advanced in 2027 with the implementation of new software.
- An actionable Asset Management Strategy will be developed to align with the UTRCA Asset Management Policy. This strategy will establish the framework for long-term asset planning, sustainable operations, and evidence-based decision-making.

## Information Technology

- Host server modernization to ensure all host servers running business or process-critical virtual machines are current and covered under an active service plan and leverage not-for-profit Microsoft licenses to remove the burden of price increases.
- Expand the networking infrastructure, both fibre and wireless, to support current and future programs and activities. Replacing aging copper infrastructure, expanding the fibre footprint, and providing wireless coverage for units that rely on connectivity.

## Marketing and Communications

- Continued creation, enhancement, and development of communications programs and products that lead to awareness of, support for, involvement in, and use of Authority programs, facilities, and services.
- A review of current online engagement platforms and new technologies will be undertaken in 2027 to ensure efficient and effective communication with watershed residents.



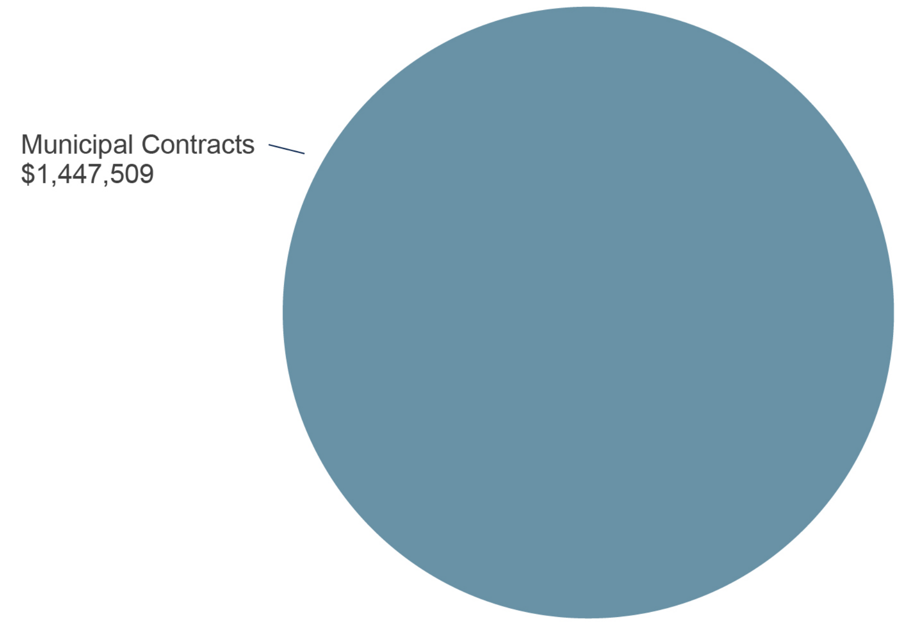
# Category 2 Programs and Services: Budget

Category 2 programs and services are delivered at cost to specific municipalities under contract.

## Funding

- Delivered at cost to specific municipalities under contract (cannot be funded through levy).

**2027 Operating Funding Sources: Category 2 Programs and Services**




### Table 10. Category 2 Operating Budget

| Expenses by Type | City of London Water Quality Monitoring | City of London Environmentally Significant Areas/ Lands Management | Drinking Water Source Protection Risk Management | Total Category 2 |
|---|---|---|---|---|
| Technical and Consulting Services | - | $1,000 | $31,570 | $32,570 |
| Computers and Communications | $600 | 5,021 | 16,324 | 21,945 |
| Fleet-Related Expenses | - | - | - | - |
| Insurance and Risk Management | - | - | 1,515 | 1,515 |
| Property-Related Expenses | - | 57,750 | 824 | 58,574 |
| Staff Travel, PD, PPE, Uniforms | - | 16,250 | 1,442 | 17,692 |
| Materials and Supplies | - | 148,100 | - | 148,100 |
| Other Expenses | - | - | - | - |
| Depreciation Expenses | - | - | - | - |
| Corporate Allocations | 13,613 | 241,938 | 35,077 | 290,628 |
| Wages and Benefits | 93,932 | 657,376 | 158,755 | 910,062 |
| **Total Operating Expenses** | **$108,145** | **$1,127,434** | **$245,507** | **$1,481,086** |

# Category 2 Programs and Services: Overview


## Drinking Water Source Protection Risk Management Services

The UTRCA provides Drinking Water Source Protection Risk Management Inspector/ Official services for 11 partner municipalities.

## City of London Contract Work

The UTRCA continues to be contracted by the City of London to manage 12 Environmentally Significant Areas across the city. Building on this management approach, and following support and direction from Municipality of Thames Centre Council, staff are working collaboratively with Thames Centre staff to explore a more effective and appropriate approach to the shared management of the Dorchester Mill Pond lands. This work is intended to establish a land management arrangement that clearly defines roles and responsibilities and supports the long-term stewardship, maintenance, and enhancement of this important community asset.

The UTRCA is also contracted by the City of London to install and maintain flow devices in City of London stormwater management infrastructure (in accordance with the City's beaver protocol), and monitor water quality and benthic invertebrates for environmental compliance.

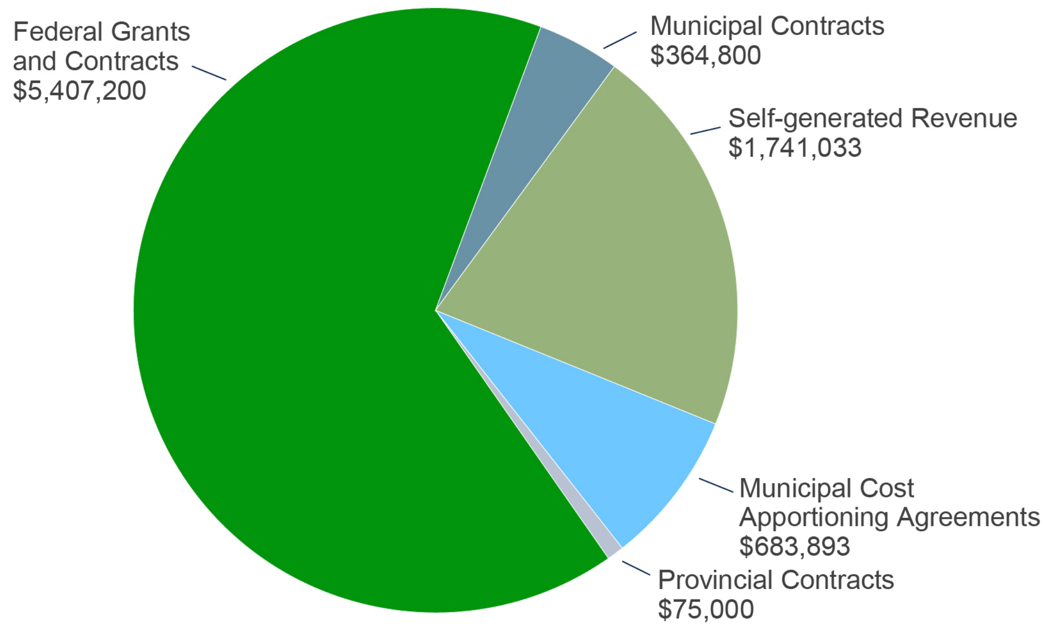
# Category 3 Programs and Services: Budget

Category 3 programs and services are those that a Conservation Authority determines are advisable to provide to further the purpose of the Conservation Authorities Act.

## Funding

- Multiple funding sources including municipal support through cost apportioning agreements (cannot be funded through levy).
- Category 3 programs and services are funded largely through contracts and grants, most of which require some financial support from municipalities. The budget reflects significant funding from the Canada Water Agency for phosphorus reduction programs.

**2027 Operating Funding Sources: Category 3 Programs and Services**




## Table 11. Category 3 Operating Budget

| Expenses by Type | Community Partnerships and Education | Water Quality Database Management | Ecological Monitoring | Land Stewardship Programs | Land Lease Management | Total Category 3 |
|---|---|---|---|---|---|---|
| Technical and Consulting Services | $4,340 | $126,100 | $3,250 | $38,050 | $47,500 | $219,240 |
| Computers and Communications | 4,500 | 2,281 | 12,078 | 8,950 | 2,350 | 30,159 |
| Fleet-Related Expenses | - | - | - | 3,600 | 540 | 4,140 |
| Insurance and Risk Management | 1,985 | - | 230 | 2,625 | 11,240 | 16,080 |
| Property-Related Expenses | 17,520 | - | 12,000 | 195,250 | 301,503 | 526,273 |
| Staff Travel, PD, PPE, Uniforms | 8,340 | 800 | 8,200 | 19,600 | 4,745 | 41,685 |
| Materials and Supplies | 163,595 | - | 9,975 | 291,900 | 31,910 | 497,380 |
| Other Expenses | 19,800 | - | - | 3,652,100 | 38,956 | 3,710,856 |
| Depreciation Expenses | - | 13,228 | 1,584 | - | 14,435 | 29,247 |
| Corporate Allocations | 174,611 | 12,347 | 141,874 | 856,356 | 38,248 | 1,223,436 |
| Wages and Benefits | 635,475 | 40,626 | 448,140 | 1,155,304 | 216,026 | 2,495,571 |
| **Total Operating Expenses** | **$1,030,166** | **$195,382** | **$637,330** | **$6,223,735** | **$707,453** | **$8,794,067** |

**Table 12. Category 3 Municipal Cost Apportioning Agreements**

| Municipality | 2026 MCVA % | 2027 MCVA % | Category 3 Cost Apportionment |
|---|---|---|---|
| Oxford County | 17.0724 | 17.1291 | $117,145 |
| London | 64.0342 | 64.0411 | 437,972 |
| Lucan Biddulph | 0.3600 | 0.3727 | 2,549 |
| Thames Centre | 3.1983 | 3.1909 | 21,822 |
| Strathroy Caradoc | - | - | - |
| Middlesex Centre | 2.4836 | 2.4810 | 16,967 |
| Stratford | 7.1653 | 7.1146 | 48,656 |
| Perth East | 1.4178 | 1.4135 | 9,667 |
| West Perth | 1.4575 | 1.4482 | 9,904 |
| St Marys | 1.4696 | 1.4555 | 9,954 |
| Perth South | 1.1397 | 1.1504 | 7,867 |
| South Huron* | *0.2016* | *0.2031* | *1,389* |
| Zorra | - | - | - |
| South-West Oxford | - | - | - |
| **Total** | **100** | **100** | **$683,893** |

*Municipality of South Huron is not participating in Category 3 programs.


# Category 3 Programs and Services: Overview

## Community Partnerships and Education

Community partnerships programs increase support for and involvement in projects that restore and enhance watershed health and climate change resilience. By engaging communities and youth, they create value for a healthy environment through opportunities to learn about conservation, and build capacity by providing hands-on learning opportunities to address local environmental concerns.

Partnerships programs also facilitate relationships among watershed residents, UTRCA staff, and municipalities and enable the sharing of expertise and resources. The UTRCA assists community members and "friends of" watershed groups to identify local environmental needs, access funding, and implement on-the-ground projects within their local communities.

Community education links the UTRCA's programs and services and curriculum-based education, providing students with real-world examples and hands-on learning that bring classroom concepts to life and deepen their understanding through practical experiences. These programs help youth understand how to protect their watershed resources and avoid risks from flooding and related hazards. Staff work closely with watershed Boards of Education to reach over 20,000 students each year at UTRCA conservation areas and properties, local natural areas, school yards/in class, and virtually.

### 2027 Highlights: Community-based Watershed Stewardship

The Ingersoll Canopy Enhancement Project moves into its second year in 2027, with approximately 1,500 additional native trees and shrubs planted with the help of local students and community volunteers. The project will continue to expand tree canopy, improve riparian and natural areas, and provide opportunities for hands-on community involvement in local restoration.

New community science initiatives piloted in late 2026 will be launched in London in 2027. Through partnerships with Labatt Breweries of Canada and Nature London, community volunteers will work with the UTRCA to collect environmental data related to water quality and biodiversity. This information will help identify restoration priorities, guide invasive species management and river clean-up activities, and strengthen community involvement in monitoring and improving watershed health. These projects are the start of a more fulsome UTRCA volunteer program, in response to requests from watershed residents and to meet the Authority's research and stewardship needs.

### 2027 Highlights: Expanding Phosphorus and Turtle Education Programs

Following a successful pilot year, the UTRCA will expand high school phosphorus education programs across the watershed, with a focus on rural schools. Through interactive, curriculum-connected learning, students will explore how phosphorus affects soil health and water quality and learn about agricultural Best Management Practices that can help reduce phosphorus loss and protect local waterways.

The UTRCA will also expand its Species-at-Risk turtle education programs for junior and intermediate students. These programs will introduce students to local turtle species at risk, the threats they face, and the research, monitoring, habitat protection, and stewardship work being undertaken.

## 2027 Highlights: Education Programming with Indigenous Partners

In partnership with the Thames Valley District School Board (TVDSB) and Indigenous Learning Coordinators, the UTRCA will bring the Biinaagami Giant Floor Map into schools to support interactive, curriculum-connected programming. The map depicts the Great Lakes watershed and identifies the Indigenous communities and languages connected across the Great Lakes system. Students will explore how water moves through the watershed, how local waterways connect communities across the Great Lakes basin, and how individual and collective actions can affect water and the people and ecosystems that depend on it.

The map will also be the foundation for professional learning developed with the TVDSB and local Indigenous partners. UTRCA staff will contribute Western science and watershed-based learning related to water movement, watershed connections, and environmental change, while Indigenous partners will share their distinct knowledges, perspectives, teachings, and relationships with water. These learning opportunities will help educators approach water education through multiple ways of knowing and strengthen understanding of our shared responsibilities to water and one another.

## Stewardship and Restoration

The UTRCA delivers a wide range of landowner stewardship and restoration services that improve soil health, water quality and quantity, biodiversity, and climate resiliency. A healthy Thames River will also benefit Lake St Clair and Lake Erie.

Staff provide comprehensive conservation planning, technical services, and planning and design for a variety of stewardship practices. Technical plans are tailored to individual farm projects, recognizing the watershed's diverse agricultural landscape.

Staff advise on in-stream and riparian restoration as well as wetland enhancement projects that provide flood retention, reduce peak flows, mitigate erosion hazards, and improve flow regimes. Restoration programs include invasive species identification and control, pollinator habitat creation, and prairie seeding. Windbreaks and land retirement plantings reduce erosion, increase natural cover and habitat, and build climate change resilience across the watershed.

The forestry program, which is one of UTRCA's longest running programs, offers the sale of native trees and shrubs, tree planting, and woodlot management services to landowners. Collaborations with other organizations, such as Forests Canada and Tree Canada, support the implementation of federally funded initiatives. Additional support from municipalities, agencies, private donations, and other partners enables the delivery of tree planting services across the watershed and facilitates additional programs (e.g., Tree Power, Memorial Forests, community plantings).

The Clean Water Program (CWP) provides a one-window service for rural landowners to access technical assistance and financial incentives to support on the ground implementation of best management practices (BMPs) that improve and protect water quality on farmland. The CWP is funded by participating municipalities, with additional funding leveraged from government, foundations, and donations. The program supports forestry and restoration projects and offers in-field technical advice and planning centred around erosion control, which includes land management changes and structural options.

In 2027, additional stewardship program opportunities include the Thames River Phosphorus Reduction Initiative, which supports landowner projects that address soil erosion and reduce phosphorus losses, and the Resilient Agricultural Landscape Program, which supports carbon-focused projects, including the establishment of grasslands and shelterbelts.

### 2027 Highlights: 75 Years of Stewardship Services and 15 Years of Tree Power

The UTRCA first offered reforestation services to private landowners in 1952. Tree planting projects were already well underway at that time, but the program offered equipment and planting services to watershed residents. The UTRCA's longest running stewardship program has since expanded into broader restoration and stewardship efforts that still support conserving soil and water across the watershed.

The Tree Power program has continued to grow over the last 15 years. This popular program provides landowners with access to a diverse selection of native trees at reduced costs. It started with London Hydro in the City of London and has grown to include Festival Hydro with City of Stratford and five municipal programs at Thames Centre, Lucan-Biddulph, St. Marys, Perth South, and West Perth.

## 2027 Highlights: Demonstration Farms

The UTRCA's Thorndale and Wildwood Demonstration Farms are used to test the practicality and effectiveness of BMPs in providing environmental co-benefits without sacrificing farm productivity. Provincial and federal funding in 2027 helps support continued research, field tours, and outreach at both sites. These locations continue in partnership with landowners, agencies, academia, and the agriculture industry. The University of Guelph is also supporting research efforts at Wildwood Demonstration Farm through a four-year research project funded by the Ontario Agri-Food Innovation Alliance.

## Ecological Monitoring

The UTRCA supports science-based decisions through monitoring programs that include collecting, analyzing, and reporting on fishes, reptiles, benthic macro-invertebrates, Species at Risk, and air photos. The data collected gives an indication of stream health, water quality, habitat change, and impacts of stressors.

Environmental information is compiled and maintained in a comprehensive monitoring database that is integrated, available to watershed partners, and commonly accessed by development proponents undertaking technical studies or assessments.

The UTRCA reports on local watershed conditions every five years, in partnership with Conservation Ontario. Watershed Report Cards provide information on surface water, groundwater, forest, and wetland conditions within 28 subwatersheds to promote an understanding of local health and emerging trends as a basis for setting environmental management priorities and inspiring action.

The UTRCA is also engaging with local First Nations communities and individuals, to support the development of a more holistic approach in watershed planning that incorporates aspects of Indigenous Traditional Knowledge and an awareness of the river's spirit, in addition to western science and management objectives.

The Southern Ontario At Risk Reptiles (SOARR) program continues to lead reptile conservation in the region, slowing population declines, restoring habitat, and building partnerships. SOARR helps safeguard Canada's largest known populations of several endangered and threatened reptiles.The visibility of the Species at Risk programs (aquatic and terrestrial) also has a key role in building public support for other UTRCA services. Landowners are actively involved in habitat protection, schools and students benefit from hands-on field experiences, and volunteers are enthusiastic about contributing to data collection.

### 2027 Highlight: Celebrating 30 Years of Aquatic Biology Data

Over the past 30 years, UTRCA has built a fish and benthic monitoring record representing almost 6,000 sampling events. This has included 3,666 benthic samples, which collectively include the collection and identification of more than 1.25 million benthic organisms representing more than 400 taxonomic groups. In addition, 2,315 fish surveys at 942 sites across all 28 Upper Thames subwatersheds have resulted in the collection, identification, and counting of more than 117,000 fish representing 81 species.

These ecological monitoring programs provide a substantial long-term dataset for evaluating stream health and environmental change across the watershed. The data support decision-making, research, and conservation work by federal and provincial agencies, municipalities, universities, consultants, and environmental organizations, including Fisheries and Oceans Canada, Environment and Climate Change Canada, the Ontario Ministry of Natural Resources, Western University, and the University of Waterloo.

## Property Lease Management

The UTRCA manages a diverse range of revenue-generating land use agreements, including agricultural land leases, rental properties, partnerships with service clubs, and three golf course land leases. These activities provide an important source of revenue that supports general land management functions and contributes to capital improvements and the long-term stewardship of UTRCA properties.

UTRCA staff completed a competitive tender process for its agricultural land holdings, which received a positive response from the agricultural community. Staff work with successful proponents to finalize and execute new five-year agricultural lease agreements. These agreements provide a stable source of revenue while ensuring that UTRCA lands continue to be responsibly managed and maintained.

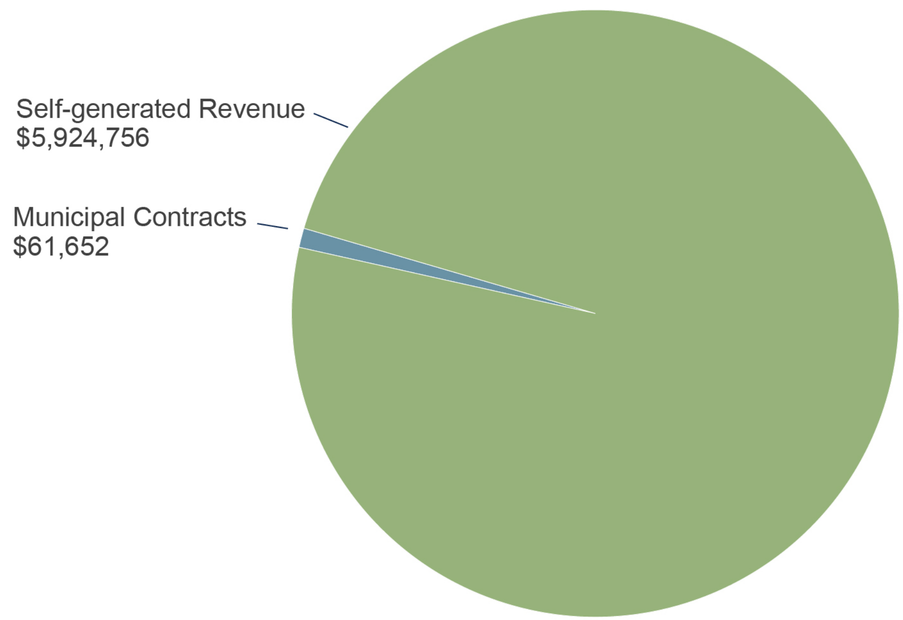
# Other Category 3 - Campground Operations: Budget

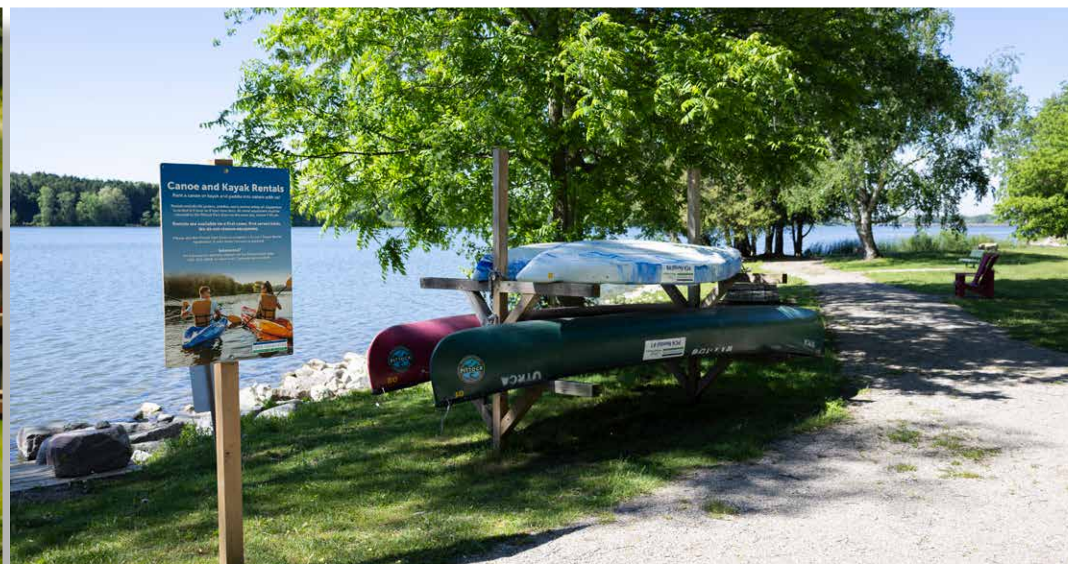
Campground operations are also Category 3 programs and services but are not included in municipal cost apportioning agreements as their funding is self-generated.

### Table 13. Other Category 3 (Campground Operations) Operating Budget

| Expenses by Type | Campground Operations |
|---|---:|
| Technical and Consulting Services | $221,173 |
| Computers and Communications | 24,461 |
| Fleet-Related Expenses | 2,250 |
| Insurance and Risk Management | 90,360 |
| Property-Related Expenses | 977,356 |
| Staff Travel, PD, PPE, Uniforms | 40,176 |
| Materials and Supplies | 315,945 |
| Other Expenses | - |
| Depreciation Expenses | 362,282 |
| Corporate Allocations | 729,911 |
| Wages and Benefits | 2,656,120 |
| **Total Operating Expenses** | **$5,420,034** |

**2027 Operating Funding Sources: Other Category 3 Programs and Services - Campground Operations**



# Other Category 3 Programs and Services - Campground Operations: Overview

The UTRCA operates three large, multi-use Conservation Areas: Fanshawe, Pittock, and Wildwood. These sites provide a range of recreational opportunities, including camping and day-use activities, and serve as key locations for public education and the promotion of watershed conservation.

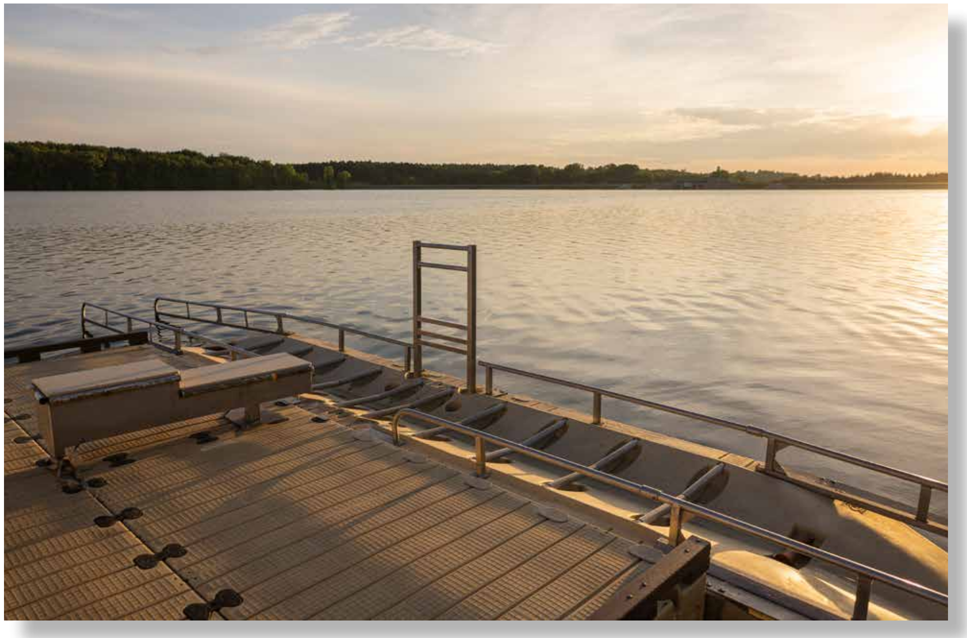
Campground operations across the three Conservation Areas include approximately 1,000 seasonal and 500 overnight campsites, more than 55 kilometres of managed trails, and three major day-use areas. These areas also host numerous community events annually, supporting both recreation and public engagement objectives.

## 2027 Highlights: Campground Infrastructure Improvements

Significant infrastructure investments will continue to be prioritized in 2027 to enhance visitor experiences across UTRCA conservation areas. Ongoing investments in campsites, electrical systems, park amenities, and other priority infrastructure will support the long-term sustainability of our conservation areas while creating safer, more accessible, and welcoming spaces for visitors to learn, explore, and enjoy.

The Lakeview revitalization project at Fanshawe Conservation Area is progressing through the permitting process, with construction anticipated to begin in the fall of 2026 and continue in 2027. These improvements will establish the Lakeview Pavilion and surrounding area as the hub of Fanshawe's day-use experience through improved facilities and visitor amenities.

Staff will also continue to develop and implement the Day-Use and Campground Concept Plans, advancing priority infrastructure and facility improvements, and engaging users and the public to support the continued enhancement of our Conservation Areas.



# Celebrating 80 Years -- and Moving Forward

Since its inception in 1947, the UTRCA has been dedicated to achieving a healthy, resilient environment on behalf of the municipalities in the Upper Thames River watershed. Over the past 80 years, the UTRCA has developed a wide range of programs and services to support local environmental needs, legislative requirements, and municipal and public demands for service. The Board of Directors has been the voice of the watershed municipalities, setting the UTRCA's overall policy direction and responding to local issues and concerns.

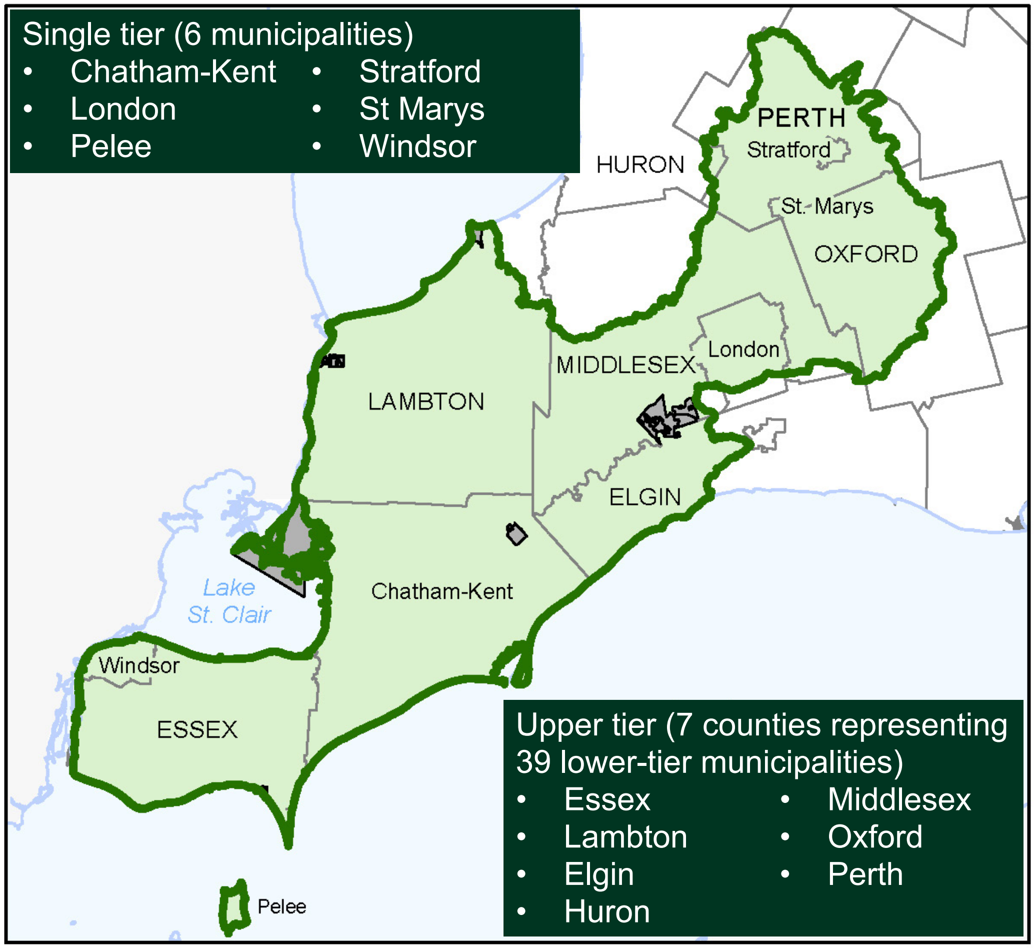
In accordance with recent changes to the Conservation Authorities Act, the Upper Thames River, Essex Region, St. Clair Region, and Lower Thames Valley Conservation Authorities are preparing to merge into the Western Lake Erie Regional Conservation Authority (WLERCA).

Throughout this change, supporting a transition that respects municipal contributions, maintains public trust for all communities served, and protects staff are top priorities. Successful consolidation will need to respect the past, while building upon shared achievements to create a unified region capable of delivering enhanced programs and services, advancing integrated watershed management, and strengthening community partnerships across the region.

The Regional CA will continue to be municipally governed, with participating municipalities appointing Board members and paying CA levies. The definition of participating municipalities has changed, however, to include upper-tier and single-tier municipalities only. Lower-tier municipalities within a county will no longer be participating.

Instead, each regional Conservation Authority will be required to establish one or more local "Watershed Council" that will provide local knowledge and input, including from Indigenous representatives, on watershed management decisions.

Over the past 80 years, Conservation Authorities have balanced fiscal responsibility with high quality, locally responsive services. That success is rooted in a deep local knowledge and upheld by local connections with landowners, community groups, and member municipalities. The consolidated authority should continue to be guided by science, local knowledge, and strong partnerships to protect people, property, and the natural environment.




*Participating municipalities in the Western Lake Erie Regional Conservation Authority*