



Full Authority Agenda

February 7, 2024

KCCA Admin Centre

10:00 a.m.

This meeting will be held electronically. The recording and draft minutes will be posted to KCCA’s web site on February 8, 2024. The meeting will be streamed live at the following link:

Facebook Page - <https://www.facebook.com/KettleCreekCA/>

Audio/Video Recording Notice

Land Acknowledgement

Kettle Creek Conservation Authority wishes to acknowledge the treaty and traditional lands originally occupied by the Indigenous First Nation peoples of the Anishinabek, Attiwonderonk and Haudenosaunee nations. KCCA strives to build meaningful relationships with Indigenous.

Introductions and Declarations of Pecuniary Interest

Delegations (10:30 a.m.)

- a) Rob Amos, Fluvial Geomorphologist/Aquafor Beech
Dodd Creek Enhanced Riverine Floodplain Mapping Report- Update

Minutes of Meetings

- a) January 17, 2024 Full Authority Meeting 3
Recommendation: That the minutes of the January 17, 2024 Full Authority Meeting be approved.

Matters Arising

- a) Information Security Policy 12
Recommendation: That the staff report on Matters Arising be received.

Correspondence

- a) From KCCA to Minister Smith (MNRF) Re: Cost Apportioning Agreements and Programs and Services Inventory January 22, 2024 13
Recommendation: That the correspondence be received.



Full Authority Agenda

February 7, 2024

KCCA Admin Centre

10:00 a.m.

Statement of Revenue and Expenses

- a) 2023 Draft Audited Financial Statements (Staff Report).....14
- b) Draft Financial Statements (Scott Trevors/Jim Frederick – Graham Scott Enns).....15
- c) Audit Planning and Finding Letters (Scott Trevors/Jim Frederick – Graham Scott Enns).....41

Recommendation: That the report on the Draft Audited Financial Statements be received and that the Audit Planning and Finding Letters be executed.

New Business

- a) Municipal Apportionment Vote (Elizabeth VanHooren)51

Recommendation: That the 2024 Municipal Apportionment be approved;
And That the participating municipalities be assessed for payment of \$1,181,189 which is comprised of Category 1 operating expenses of \$967,466.32; Category 3 operating expenses of \$145,930 and a special levy of \$67,792.68;
And that each participating municipality’s share of the 2024 Total municipal apportionment be calculated using “Modified Current Value Assessment

- c) Draft 2024 Budget – Updated (Elizabeth VanHooren)53

Recommendation: For the information of members.

- d) 2024 WECl Application(Jennifer Dow)68

Recommendation: That staff submit an application to the Water and Erosion Control Infrastructure (WECl) program as soon as funding is announced, for the Environmental Assessment for the Dalewood Dam with a total budget not to exceed \$34,000

- e) February Planning and Regulations Report (Joe Gordon)70

Recommendation: That the February 2024 Planning and Regulations Activity Report be received.

Closed Session

- a) January 17, 2024 Closed Session Minutes
- b) Legal Matter
- c) Legal Matter
- d) Personnel Matter – 2024 Salary Proposal

Up Coming Meetings

Annual General Meeting

February 21, 2024

10 a.m.



Full Authority Minutes

January 17, 2024

A meeting of the Full Authority of the Kettle Creek Conservation Authority was held on Wednesday, January 17, 2024 at 10:00 a.m. The meeting was streamed live to Facebook.

The meeting came to order at 10:00 a.m. Elizabeth VanHooren read the following statement:

Audio/Video Record Notice

Board members, staff, guests and members of the public are advised that the Full Authority Board/Committee meeting is being video/audio recorded, and will be posted to the Authority's web site along with the official written minutes. As such, comments and opinions expressed may be published and any comments expressed by individual Board members, guests and the general public are their own, and do not represent the opinions or comments of the Full Authority and/or the KCCA Board of Directors.

The recorded video of the Full Authority meeting is not considered the official record of that meeting. The official record of the Full Authority meeting shall consist solely of the Minutes approved by the Full Authority.

Members Present:

Frank Berze	Middlesex Centre	In Person
Lori Baldwin-Sands	St. Thomas	In Person
Jim Herbert	St. Thomas	In Person
Grant Jones	Southwold	In Person
Sharron McMillan	Thames Centre	In Person
Todd Noble	Central Elgin	In Person
John Wilson	Malahide	In Person

Members Absent:

Jerry Pribil	London
Sam Trosow	London

Staff Present

Jessica Kirschner	GIS and Information Services Coordinator	Virtual
Marianne Levogiannis	Public Relations Supervisor	In Person
Elizabeth VanHooren	General Manager/Secretary Treasurer	In Person
Jennifer Dow	Water Resources Supervisor	Virtual
Joe Gordon	Manager of Planning and Development	In Person
Brandon Lawler	Forests and Lands Technician	Virtual
Jeff Lawrence	Forestry and Lands Supervisor	Virtual
Betsy McClure	Stewardship Program Supervisor	In Person

Brandon Lawler

Forests and Lands Technician

Virtual

Guests:

Dan Dale	Acting Chair (Election of Officers)	In Person
Sarah Emons	Delegation	In Person
Kevin Jackson	Scrutineer	In Person
Gerry Richer	Delegation	In Person
Pete Zuzek	Delegation	Virtual

2024 Elections

VanHooren declared the position of Chair and Vice Chair vacant.
VanHooren asked for a motion that Dan Dale conduct the election of officers for 2024.

FA1/2024

Moved by: Lori Baldwin-Sands

Seconded: Sharron McMillan

That Dan Dale be appointed as Acting Chair for the purposes of conducting the election for Chair and Vice Chair.

Carried

Dale then assumed the Chair. Dale noted that the appointment of one or more scrutineers was required for the purpose of counting ballots should an election be required.

FA2/2024

Moved by: Todd Noble

Seconded: Jim Herbert

That Kevin Jackson act as scrutineer and that the ballots be destroyed after the election.

Carried

a) Election of Chair

Dale read the election procedures and proceeded to ask for nominations for the position of Chair.

FA3/2024

Moved by: Jim Herbert

That Grant Jones be nominated for the position of Chair of Kettle Creek Conservation Authority for the Year 2024.

Dale called for nominations for the position of Chair for a second time and a third and final time. There were no further nominations for Chair.

FA4/2024

Moved by: Lori Baldwin-Sands

Seconded: Sharron McMillan

That nominations for the position of Chair of Kettle Creek Conservation Authority for the Year 2024 be closed.

Carried

Grant Jones indicated his desire to let his name stand for the position of Chair.

Grant Jones was declared Chair of the Kettle Creek Conservation Authority for 2024 by acclamation.

b) Election of Vice Chair

Dale called for nominations for the position of Vice Chair.

FA5/2024

Moved by: John Wilson

That Lori Baldwin-Sands be nominated for the position of Vice Chair of Kettle Creek Conservation Authority for the Year 2024.

Dale called for nominations for the position of Vice Chair for a second and a third and final time for nominations for the position of Vice Chair.

There were no further nominations for the position of Vice Chair.

FA6/2024

Moved by: Grant Jones

Seconded: John Wilson

That nominations for the position of Vice Chair of Kettle Creek Conservation Authority for the Year 2024 be closed.

Carried

Lori Baldwin-Sands indicated her desire to let her name stand for the position of Chair.

Lori Baldwin-Sands was declared Vice Chair of the Kettle Creek Conservation Authority for 2024 by acclamation.

Dale turned over the Chair to Grant Jones. VanHooren thanked Dale and Jackson for their assistance in the Election of Officers for 2024 and acknowledged their ongoing leadership on the Kettle Creek Environmental Trust.

Introductions & Declarations of Pecuniary Interest

There were no declarations of pecuniary interest.

Hearing Board

There was no Hearing required.

Year 2024 Administrative Approvals

a) Committee Appointments

i.) Executive Committee

VanHooren noted that the Executive Committee consisted of five positions, the Chair, Vice Chair and Past Chair plus two to be elected. The 2023 Committee consisted of Grant Jones, Lori-Baldwin-Sands, Todd Noble, Frank Berze and John Wilson.

FA7/2024

Moved by: Lori Baldwin-Sands

Seconded: Sharron McMillan

That the 2024 Executive Committee consist of Grant Jones, Lori Baldwin-Sands, Todd Noble, Frank Berze and John Wilson.

Carried

- i.) Conservation Ontario
- ii.) Lake Erie Source Protection Committee
- iii.) Western Fair Association

FA8/2024

Moved by: Todd Noble

Seconded: Jim Herbert

That the Chair be appointed as the voting delegate to Conservation Ontario, the General Manager/Secretary Treasurer be appointed the alternate voting delegate and that Lori Baldwin-Sands be appointed as the second alternate for 2024; and further

That the Chair and the General Manager/Secretary Treasurer be KCCA's representatives on the Lake Erie Source Protection Committee; and finally

That Lori Baldwin-Sands be named as Kettle Creek Conservation Authority's representative on the Western Fair Association.

Carried

b) 2024 Signing Officers

FA10/2024

Moved by: Todd Noble

Seconded: Frank Berze

That the signing officers for the Kettle Creek Conservation Authority for 2024 be one of the Chair or Vice Chair and one of the General Manager/Secretary Treasurer or Manager of Planning and Development.

Carried

c) Borrowing Maximum

FA11/2024

Moved by: Sharron McMillan

Seconded: John Wilson

That the borrowing maximum for the Kettle Creek Conservation Authority for all expenditures in 2024 be \$200,000.00 and further, that signing officers be authorized to execute the necessary documents in this regard.

Carried

d) Appointment of Auditor

FA12/2024

Moved by: Jim Herbert

Seconded: Lori Baldwin-Sands

That the firm of Graham Scott Enns be appointed auditors for the Kettle Creek Conservation Authority for 2024.

Carried

e) Appointment of Solicitor

FA13/2024

Moved by: Frank Berze

Seconded: John Wilson

That Grant Inglis be appointed solicitor for the Kettle Creek Conservation Authority for 2024.

Carried

f) 2024 Meeting Dates

The 2024 Meeting dates were previously approved and are available on the website. VanHooren noted that the City of London holds 50% of the weighted vote; therefore, City of London representatives are required to pass weighted votes including the municipal apportionment and the budget. As such the 2024 Municipal Apportionment was postponed to February 7 when City of London representatives could attend. Members were reminded that the Annual General Meeting will have another weighted vote for the budget.

Delegations

a) Long Point Littoral Cell Working Group

Jones welcomed Sarah Emons and Pete Zuzek to the meeting. They provided members with an overview of the Long Point Littoral Cell Working Group. The group is soliciting support for a funding proposal to Environment and Climate Change Canada. The collaborative proposal led by the Long Point Biosphere hopes to develop a Resilience Action Plan for the Long Point Littoral cell. KCCA was asked to consider submitting a letter of support.

FA14/2024

Moved by: Lori Baldwin-Sands

Seconded: Sharron McMillan

That discussion on the Long Point Littoral Cell Working Group request be moved to New Business.

Carried

b) Gerry Richer

Levogiannis introduced Gerry Richer, a First Nation Ojibwe band member of the Marten Clan with the Henvey Inlet Reservation. A resident of Aylmer, Gerry had an impressive 35-year career with the Ministry of Natural Resources with various roles including Emergency Management. Levogiannis invited Richer to speak to the Board about the importance of Land Acknowledgement.

Richer encouraged all municipalities to reach out to First Nation communities and continue to consult and communicate with the community beyond Land Acknowledgements.

Jones thanked Richer for his presentation and reminded members that consideration of a Land Acknowledgement was already included under New Business.

Minutes of Meeting

FA15/2024

Moved by: Jim Herbert

Seconded: John Wilson

That the minutes of the December 20, 2023 Full Authority meeting be approved.

Carried

Matters Arising

c) January Media Report

d) January Watershed Conditions Report

FA16/2024

Moved by: Lori Baldwin-Sands

Seconded: Todd Noble

That the Staff Reports under Matters Arising (a) through (b) be received.

Carried

Correspondence

There was no correspondence.

Statement of Revenue and Expenses

No Statements were presented. Draft 2023 financials will be presented at the February 7, 2024 meeting.

New Business

- a) Land Acknowledgement

FA17/2024

Moved by: Lori Baldwin-Sands

Seconded: Sharron McMillan

That the Indigenous Engagement Guidelines and Land Acknowledgement be approved; and further

That the Land Acknowledgement be read at the beginning of all Authority meeting and events and included on KCCA's web site.

Carried

- b) 2023 Health and Safety Committee Report

FA18/2024

Moved by: Jim Herbert

Seconded: Todd Noble

That the 2023 Health and Safety Committee Report be received.

Carried

- c) 2024 Municipal Apportionment

Both City of London representatives were unable to attend this meeting due to scheduling conflicts. The City of London has 50% of the weighted vote. Consequently, the municipal apportionment vote was postponed until February 7, 2024 when City of London representatives can participate in the vote.

- d) January 2024 Planning and Regulations Activity Summary

FA19/2024

Moved by: Todd Noble

Seconded: Jim Herbert

That the January 2024 Planning and Regulations Activity Report be received.

Carried

e) Long Point Littoral Cell Working Group

FA20/2024

Moved by: Lori Baldwin-Sands

Seconded: Jim Herbert

That a Letter of Support for the Long Point Littoral Cell Working Group's application to the Great Lakes Freshwater Ecosystem Initiative be prepared and executed.

Carried

Closed Session

The Closed Session meeting began at 11:19 a.m.

FA21/2024

Moved by: Todd Noble

Seconded: Sharron McMillan

That the Full Authority move to Closed Session to discuss legal, Personnel or Property matters.

Carried

FA22/2024

Moved by: Lori Baldwin-Sands

Seconded: Jim Herbert

That the Full Authority revert to open session and report.

Carried

The Open Session resumed at 11:46 a.m.

a) Minutes

FA23/2024

Moved by: John Wilson

Seconded: Sharron McMillan

That the minutes of the Closed Session meeting of the December 20, 2023 Full Authority Meeting be approved.

Carried

b) Property Matter – Possible Land Acquisition

FA24/2024

Moved by: Frank Berze

Seconded: Todd Noble

That staff proceed as directed on a property matter.

Carried

c) Property Matter – Possible Land Acquisition

FA25/2024

Moved by: Lori Baldwin-Sands

Seconded: Todd Noble

That staff proceed as directed on a property matter.

Carried

d) Legal Matter – Possible Violation

FA26/2024

Moved by: Todd Noble

Seconded: Jim Herbert

That staff proceed as directed on a Legal Matter.

Carried

Upcoming Meetings

KCCA Full Authority Meeting (Audit/Municipal Apportionment)
Annual General Meeting (Budget)

February 7, 2024
February 21, 2024

Jones and Baldwin-Sands thanked members for their vote of confidence.

FA27/2024

Moved by: Sharron McMillan

Seconded: Jim Herbert

That the meeting adjourn.

Carried

The meeting adjourned at 11:47a.m.



Elizabeth VanHooren
General Manager/Secretary Treasurer

Grant Jones
Chair

TO: Board of Directors
FROM: Jessica Kirschner
Date: February 7, 2024
Subject: Information Security Policy
Recommendation: For information.



PURPOSE

To inform the board members of the development of an Information Security Policy to meet requirements of KCCA's cyber insurance renewal.

REPORT SUMMARY

- Due to a rise in the number and widespread impact of cyber attacks across various sectors, organizations are encountering increased difficulty in obtaining cyber insurance.
- This challenge is compounded by the heightened and more rigorous requirements imposed by insurance providers.
- KCCA's Cyber Insurance Policy is set to renew in April 2024. As part of the renewal process, the Authority was asked to develop an Incident Response Plan (IRP) establishing procedures to follow in case of a data breach.
- In consultation with KCCA's current IT provider and insurance company, KCCA staff are going one step further and developing a comprehensive Information Security Policy which is a set of rules and guidelines that dictate how information technology assets and resources should be used, managed, and protected, as well as what to do in case of a data breach.
- Staff will be trained in relevant aspects of the Information Security Policy and a comprehensive training program is being implemented.

RECOMMENDATION

For the information of members.

Ministry of Natural Resources and Forestry
Office of the Minister
99 Wellesley Street West
Room 6630, Whitney Block
Toronto ON M7A 1W3

By Email: ca.office@ontario.ca

January 22, 2024

RE: Cost Apportioning Agreements and Programs and Services Inventory

Dear Minister Smith,

On behalf of the Kettle Creek Conservation Authority (KCCA), I am writing to inform you that KCCA has successfully entered into the necessary Cost Apportioning Agreements with all 7 of its member municipalities.

KCCA remains grateful for the extension until March 31, 2024 that you provided to meet the requirements outlined in Ontario Regulation 687/21 Transition Plans and Agreements. However, we are pleased to report that this will not be necessary.

As of this date KCCA provided its member municipalities with the final version of the Inventory of Programs and Services and provided notification that all required Cost Apportioning Agreements are executed. These documents are now available in the Governance Section of KCCA's web site:

<https://www.kettlecreekconservation.on.ca/governance/>

Thank you for your ongoing support.

Sincerely,



Elizabeth VanHooren
General Manager/Secretary Treasurer

TO: Board of Directors
FROM: Elizabeth VanHooren
Date: February 7, 2024
Subject: 2023 Draft Audited Financial Statements
Recommendation: For information.



PURPOSE

To present the draft 2023 financial statements to the Board of Directors for review following year-end transfers.

REPORT SUMMARY

- The 2023 Audit occurred during the week of January 22-27, 2024
- Higher than budgeted interest rates, wage savings in the campgrounds and successful fundraising efforts all contributed to a positive year-end position of \$69,337.
- While \$179,587 was budgeted to be transferred from reserves to assist in shortfalls only \$27,513 was required (\$17,513 for the tree planting program and \$10,000 for the Dodd Creek Flood Plain mapping project).
- Consequently, campground revenue was available to push to capital reserves resulting in a net gain to the capital reserve of \$56,964 for a year end total of \$431,026.
- As of 2023 KCCA's financial statements are required to reflect remeasurement gains and losses, asset retirement obligations and financial instruments. These changes were applied retroactively to 2022 in the draft 2023 Financial Statements.
- Representatives of Graham Scott Enns will attend the meeting to present their findings and explain the new financial statement presentation.

RECOMMENDATION

For the information of members.

KETTLE CREEK CONSERVATION AUTHORITY

Financial Statements

December 31, 2023

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KETTLE CREEK CONSERVATION AUTHORITY

Financial Statements

For The Year Ended December 31, 2023

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MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The accompanying financial statements are the responsibility of the management of Kettle Creek Conservation Authority and have been prepared in accordance with Canadian public sector accounting standards.

These financial statements include:

- Independent Auditors' Report
- Statement of Financial Position
- Statement of Operations and Accumulated Surplus
- Statement of Changes in Net Financial Assets
- Statement of Remeasurement Gains and Losses
- Statement of Cash Flows
- Notes to the Financial Statements
- Schedule of Expenditures

The General Manager/Secretary Treasurer is responsible for ensuring that management fulfills its responsibility for financial reporting and is ultimately responsible for reviewing the financial statements before they are submitted to the board for approval.

The integrity and reliability of Kettle Creek Conservation Authority reporting systems are achieved through the use of formal policies and procedures, the careful selection of employees and an appropriate division of responsibilities. These systems are designed to provide reasonable assurance that the financial information is reliable and accurate.

The financial statements have been audited on behalf of the board of Kettle Creek Conservation Authority by Graham Scott Enns LLP in accordance with Canadian public sector accounting standards.

Ms. Elizabeth VanHooren
General Manager/Secretary Treasurer

St. Thomas, Ontario
February 21, 2024



INDEPENDENT AUDITORS' REPORT

To the Board of Directors of **Kettle Creek Conservation Authority**:

Opinion

We have audited the financial statements of **Kettle Creek Conservation Authority**, which comprise the statement of financial position as at December 31, 2023, and the statement of operations and accumulated surplus, statement of changes in net financial assets, statement of remeasurement gains and losses, statement of cash flows and the schedules of expenditures for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the organization's financial statements present fairly, in all material respects, the financial position of the organization as at December 31, 2023, and the results of its operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the organization in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the organization's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the organization or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the organization's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.



INDEPENDENT AUDITORS' REPORT (CONTINUED)

Auditors' Responsibilities for the Audit of the Financial Statements (Continued)

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the organization's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the organization's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the organization to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

KETTLE CREEK CONSERVATION AUTHORITY

**Statement of Financial Position
As At December 31, 2023**

	2023	2022
	<u>\$</u>	<u>\$</u>
		(Note 1)
FINANCIAL ASSETS		
Cash	365,563	446,216
Short-term investments (Note 4)	1,368,301	1,263,652
Accounts receivable	<u>163,089</u>	<u>78,703</u>
	<u>1,896,953</u>	<u>1,788,571</u>
LIABILITIES		
Accounts payable and accruals	114,003	278,624
Deferred revenue (Note 10)	<u>650,380</u>	<u>416,123</u>
	<u>764,383</u>	<u>694,747</u>
NET FINANCIAL ASSETS	1,132,570	1,093,824
NON-FINANCIAL ASSETS		
Prepays and inventory	10,901	17,226
Tangible capital assets (Page 23 - 24)	<u>3,523,112</u>	<u>3,486,196</u>
TOTAL NON FINANCIAL ASSETS	<u>3,534,013</u>	<u>3,503,422</u>
TOTAL NET ASSETS	<u>4,666,583</u>	<u>4,597,246</u>
 NET ASSETS IS COMPRISED OF THE FOLLOWING:		
ACCUMULATED SURPLUS (NOTE 11)	4,666,583	4,597,246
ACCUMULATED REMEASUREMENT GAINS (LOSSES)	<u>-</u>	<u>-</u>
	<u>4,666,583</u>	<u>4,597,246</u>

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On behalf of the board: _____

KETTLE CREEK CONSERVATION AUTHORITY

Statement of Operations and Accumulated Surplus For The Year Ended December 31, 2023

	Unaudited Budget \$ (Note 8)	2023 \$	2022 \$ (Note 1)
REVENUES			
User fees and sales	967,803	1,167,855	961,074
Municipal levies (Note 5)	1,099,500	1,099,500	1,047,143
Donations and fundraising	110,000	245,670	117,889
Provincial grants and fees for services	98,221	121,271	156,494
Other	201,728	118,525	298,728
Municipal grants and fees for services	78,665	117,095	147,058
Ministry of Natural Resources - operating grant	61,770	61,770	61,770
Federal grants and fees for services	18,000	19,406	209,797
Contributed land donation (Note 9)	-	-	<u>228,000</u>
	<u>2,635,687</u>	<u>2,951,092</u>	<u>3,227,953</u>
EXPENDITURES			
Program operations (Pages 20 - 21)	1,318,114	1,361,267	1,275,451
Lake Whittaker Conservation Area (Page 19)	501,606	479,080	540,870
Dalewood Conservation Area (Page 19)	442,466	454,392	479,239
Stewardship (Page 22)	187,705	216,331	160,255
Administration (Page 18)	188,247	195,394	164,582
Vehicles and equipment (Page 22)	72,843	70,753	73,850
Carolinian Forest Festival (Page 22)	42,492	50,194	43,452
Other conservation area expenditures (Page 22)	34,506	33,001	35,479
Volunteerism and fundraising (Page 22)	21,343	21,343	<u>20,891</u>
TOTAL EXPENDITURES (NOTE 12)	<u>2,809,322</u>	<u>2,881,755</u>	<u>2,794,069</u>
ANNUAL SURPLUS	(173,635)	69,337	433,884
ACCUMULATED SURPLUS, BEGINNING OF YEAR	4,597,246	4,597,246	3,906,596
ADOPTION OF NEW ACCOUNTING POLICIES AND STANDARDS (NOTE 1)	-	-	<u>256,766</u>
ACCUMULATED SURPLUS, END OF YEAR (NOTE 11)	<u>4,423,611</u>	<u>4,666,583</u>	<u>4,597,246</u>

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See accompanying notes to the financial statements

KETTLE CREEK CONSERVATION AUTHORITY

**Statement of Changes in Net Financial Assets
For The Year Ended December 31, 2023**

	Unaudited Budget <u>\$</u> (Note 8)	2023 <u>\$</u>	2022 <u>\$</u> (Note 1)
ANNUAL SURPLUS	(173,635)	69,337	433,884
Amortization of tangible capital assets	142,737	142,737	135,132
Acquisition of tangible capital assets	(274,000)	(179,653)	(514,930)
Change in inventory and prepaids	<u>-</u>	<u>6,325</u>	<u>1,450</u>
CHANGE IN NET FINANCIAL ASSETS	(304,898)	38,746	55,536
NET FINANCIAL ASSETS, BEGINNING OF YEAR	<u>1,093,824</u>	<u>1,093,824</u>	<u>1,038,288</u>
NET FINANCIAL ASSETS, END OF YEAR	<u><u>788,926</u></u>	<u><u>1,132,570</u></u>	<u><u>1,093,824</u></u>

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See accompanying notes to the financial statements

KETTLE CREEK CONSERVATION AUTHORITY

**Statement of Remeasurement Gains and Losses
For The Year Ended December 31, 2023**

	2023	2022
	<u>\$</u>	<u>\$</u>
ACCUMULATED REMEASUREMENT GAINS, BEGINNING OF YEAR	-	-
Change in accumulated remeasurement gains	<u>-</u>	<u>-</u>
ACCUMULATED REMEASUREMENT GAINS, END OF YEAR	<u><u>-</u></u>	<u><u>-</u></u>

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KETTLE CREEK CONSERVATION AUTHORITY

Statement of Cash Flows For The Year Ended December 31, 2023

	2023	2022
	<u>\$</u>	<u>\$</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Annual surplus	69,337	433,884
Adjustments for non-cash items:		
Amortization of tangible capital assets	142,737	135,132
Contributed land donation	<u>-</u>	<u>(228,000)</u>
	<u>212,074</u>	<u>341,016</u>
Changes in non-cash working capital:		
Accounts and other receivables	(84,386)	44,264
Inventory and prepaids	6,325	1,450
Accounts payable and accrued liabilities	(164,621)	99,038
Deferred revenue	<u>234,257</u>	<u>(2,696)</u>
	<u>(8,425)</u>	<u>142,056</u>
	<u>203,649</u>	<u>483,072</u>
CASH FLOWS FROM CAPITAL ACTIVITIES		
Purchase of tangible capital assets	<u>(179,653)</u>	<u>(286,930)</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS	23,996	196,142
CASH AND CASH EQUIVALENTS , BEGINNING OF YEAR	<u>1,709,868</u>	<u>1,513,726</u>
CASH AND CASH EQUIVALENTS , END OF YEAR	<u><u>1,733,864</u></u>	<u><u>1,709,868</u></u>
CASH AND CASH EQUIVALENTS ARE COMPRISED OF:		
Cash	365,563	446,216
Short-term investments	<u>1,368,301</u>	<u>1,263,652</u>
	<u><u>1,733,864</u></u>	<u><u>1,709,868</u></u>

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See accompanying notes to the financial statements

KETTLE CREEK CONSERVATION AUTHORITY

Notes to the Financial Statements For The Year Ended December 31, 2023

PURPOSE OF ORGANIZATION

The Kettle Creek Conservation Authority ("KCCA") is established under the Conservation Authorities Act of Ontario to further the conservation, restoration, development and management of natural resources, other than gas, oil, coal and minerals for the 520 square kilometres of watershed within its jurisdiction. KCCA's area of jurisdiction includes areas in the City of London, the City of St. Thomas, the Municipality of Central Elgin, the Township of Southwold, the Township of Middlesex Centre, Thames Centre and the Township of Malahide.

1. CHANGE IN ACCOUNTING POLICIES

On January 1, 2023 KCCA adopted accounting policies to conform to new standards issued under Canadian public sector accounting standards. The KCCA adopted the following standards which had the following impact:

- PS 1201 - Financial Statement Presentation - resulting in presentation of a new statement of remeasurement gains and losses. This change has been applied retrospectively.
- PS 3280 - Asset Retirement Obligations - require reporting of any asset retirement obligations as tangible capital assets and their liabilities and associated policies. It is managements opinion that no asset retirement obligations exist as at December 31, 2023. This change has been applied retrospectively.
- PS 3450 - Financial Instruments - reporting new disclosures regarding financial instrument risks and the restatement of the opening accumulated surplus related to deferred capital contributions. This change has been applied as deferred capital contributions no longer meet the definition of a financial obligation and are now reflected in net surplus when received and amortized over the life of the asset. This change has been applied retrospectively. The result of this change in the 2022 comparative figures was the removal of the deferred capital contributions of \$454,135, an increase in Provincial grants of \$79,075 and Federal grants of \$134,954, a decrease in other income related to the amortization of capital contributions of \$16,660, for an overall increase net surplus for the year of \$197,369. The elimination of the deferred capital contributions and in increase in net surplus resulted in a retroactive restatement to the opening surplus of \$256,766 and an increase in net financial assets of \$454,135.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of KCCA are prepared by management in accordance with Canadian public sector accounting standards. Management is responsible for the integrity and objectivity of these statements, all of the notes and schedules and ensuring that this information is consistent, where appropriate, with the information contained in the financial statements. Management is also responsible for implementing and maintaining a system of internal controls to provide reasonable assurance that reliable financial information is produced.

KETTLE CREEK CONSERVATION AUTHORITY

Notes to the Financial Statements For The Year Ended December 31, 2023

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Use of estimates

The preparation of any financial statement under Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenditure during the year and as a result actual amounts could differ from those estimated. KCCA made no significant estimates that would require additional disclosure in the year.

Financial instruments

The KCCA's financial instruments are measured as follows:

- i. Cash and short-term investments at fair value;
- ii. Portfolio investments at fair value (if any);
- iii. Accounts receivable at amortized cost;
- iv. Accounts payable and accrued liabilities at amortized cost.

The fair value is determined as follows:

- i. Level 1 - Fair value measurements are those derived from quoted prices (in active markets);
- ii. Level 2 - Fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the assets, either directly (i.e. as prices) or indirectly (i.e. derived from prices);
- iii. Level 3 - Fair value measurements are those derived from valuation techniques that include inputs for the asset that are not based on observable data (unobservable inputs).

For financial instruments measured using amortized cost the transaction costs and any other fees are expensed as incurred.

Unrealized gains and losses from changes in the fair value of financial instruments are recognized in the statement of remeasurement gains and losses.

All financial assets are tested annually for impairment. When financial assets are impaired, impairment losses are recorded in the statement of operations.

Non-financial assets

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They have useful lives extending beyond the current year and are not intended for sale in the ordinary course of operations. The change in non-financial assets during the year, together with the excess of revenues over expenses, provides the Change in Net Financial Assets for the year.

KETTLE CREEK CONSERVATION AUTHORITY

Notes to the Financial Statements For The Year Ended December 31, 2023

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenue recognition

Revenue is recognized as follows:

- Municipal levy revenue is recognized in full once the Municipalities approve the levied amount.
- Campground rental revenue is recognized when the campsite is used. For seasonal campground rentals the revenue is recognized over the camping season to which it relates.
- Grant revenue is recognized when the corresponding expenditure is incurred.
- Donation revenue is recognized when received.

Deferred revenue

KCCA receives certain amounts, principally from other public sector bodies, which may only be used in the conduct of certain programs or completion of specific work. These amounts are carried as deferred and recognized as revenue in the year the related expenditures are incurred or services performed.

Amounts are also received from seasonal campers for the forthcoming camping season. All amounts received from campers as down payments on the forthcoming season are deferred and brought into income over the forthcoming season.

Classification of expenditures

Expenditures are reported in various categories. The main categories include subwatershed rehabilitation, flood forecast and warning, significant areas, environmental monitoring and source protection, environmental planning and regulations, dam maintenance, information and education, tree and woodlot management, and GIS and data management. The total expenditures of these programs are outlined on Pages 20 - 21 and include allocations of wages and benefits, utilities, insurance, program support allocations, vehicle charge allocations and other direct expenses incurred for these programs.

Reserves

KCCA sets up internal reserves for campground operations, capital replacement, legal and other items in order to ensure funds are available to finance shortfalls. These reserves are replenished from operating surplus as directed by the board of directors.

KETTLE CREEK CONSERVATION AUTHORITY

Notes to the Financial Statements For The Year Ended December 31, 2023

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Tangible capital assets

Tangible capital assets are recorded at cost which includes all amounts that are directly attributable to acquisition, construction, development or betterment of the asset. The cost, less residual value, of the tangible capital assets are amortized on a straight-line basis over their estimated useful lives as follows:

Bridges, boardwalks and other wood structures	30 years
Buildings	50 years
Dams	100 years
Hydro and water services	50 years
Pools, courts and playgrounds	30 years
Roads	100 years
Septic systems	40 years
Signs, fencing and gates	50 years
Technology infrastructure	5 years
Vehicles and equipment	8 years

Tangible capital assets received as contributions are recorded at their fair value at the date of receipt and included in surplus in year of acquisition.

Cash and cash equivalents

KCCA reports cash and other investments as short term investments if it is expected these funds will not be used within the next fiscal year.

Government transfers

KCCA reports any government transfers received according to the purpose of the transfer, which is either capital or operating. A capital transfer, used to acquire a capital asset, will be brought into income the year the related capital asset is acquired.

Contaminated sites

KCCA may be exposed to litigation or other costs of remediation due to contaminated properties. A liability for remediation is recognized in the financial statements when an environmental standard exists, contamination exceeds the standard, KCCA is directly responsible for the remediation and a reasonable estimate of the liability can be made. As at December 31, 2023 there were no properties that KCCA was responsible to remedy and as such no liability has been accrued.

KETTLE CREEK CONSERVATION AUTHORITY

Notes to the Financial Statements For The Year Ended December 31, 2023

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Asset retirement obligations

KCCA may be exposed to obligations of remediation associated with their tangible capital assets. If a legal obligation exists of remediation for a tangible capital asset then the KCCA would be required to set up an estimated future cost and liability associated with these obligations. As at December 31, 2023 there were no tangible capital assets that KCCA has controlled, constructed, owned or used that would have a legal obligation of remediation.

3. FINANCIAL INSTRUMENT RISKS

Risks and Concentrations

The KCCA is exposed to various risks through its financial instruments. The following analysis provides a measure of the KCCA's risk exposure and concentrations at the balance sheet date. There were no changes in the risk assessments from the previous year.

Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk. The KCCA is mainly exposed to interest rate risk. It is management's opinion that the KCCA is not exposed to any currency or other price risk.

i] Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The KCCA is exposed to interest rate risk on its short-term investments (guaranteed investment certificates). As the interest rates are fixed the KCCA doesn't believe that interest rate risk is a significant risk.

Liquidity Risk

Liquidity risk is the risk that KCCA will encounter difficulty in meeting obligations associated with financial liabilities. The KCCA is exposed to this risk mainly in respect of its accounts payable and accrued liabilities. The KCCA doesn't believe that liquidity risk is a significant risk as no financial liabilities of the KCCA were in default during the period and the KCCA was not subject to any covenants during the period.

Credit Risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The KCCA's main credit risks relate to its accounts receivable and taxes receivable. The KCCA manages this risk by monitoring active receivable balances.

KETTLE CREEK CONSERVATION AUTHORITY

Notes to the Financial Statements For The Year Ended December 31, 2023

4. SHORT-TERM INVESTMENTS

The short-term investments consist of a high interest bank account. Total interest earned on the high interest bank account was \$34,649 (2022 - \$9,397).

5. MUNICIPAL LEVIES

The municipalities that participate as members of KCCA and their corresponding financial levies are as follows:

	2023	2022
	<u>\$</u>	<u>\$</u>
City of London	601,534	574,558
City of St. Thomas	321,692	306,815
Municipality of Central Elgin	88,987	83,985
Township of Southwold	47,217	43,800
Township of Middlesex Centre	17,778	16,714
Thames Centre	14,488	13,788
Township of Malahide	<u>7,804</u>	<u>7,483</u>
	<u><u>1,099,500</u></u>	<u><u>1,047,143</u></u>

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6. CREDIT FACILITY

KCCA has available a \$200,000 revolving demand loan with the Royal Bank of Canada that bears interest at prime plus 1.10%. At year end, KCCA had available \$200,000 of this operating loan. KCCA has provided a general security agreement covering all assets as security and is subject to a financial reporting covenant. KCCA was in compliance with this reporting covenant.

7. PENSION PLANS

KCCA makes contributions to the Ontario Municipal Employees Retirement System ("OMERS"), which is a multi-employer plan, on behalf of full-time members of staff and eligible contract staff. The plan is a defined benefit pension plan, which specifies the amount of retirement benefits to be received by the employees based on the length of service and rates of pay. The contributions paid by KCCA to OMERS for the year were approximately \$97,814 (2022 - \$89,391).

KETTLE CREEK CONSERVATION AUTHORITY

**Notes to the Financial Statements
For The Year Ended December 31, 2023**

8. BUDGETED FIGURES

The budget figures presented in these financial statements are based upon the 2023 budget approved by the board. Adjustments to budgeted values were required to provide comparative budget values based on the full accrual basis of accounting. The chart below reconciles the approved budget with the budget figures presented in these financial statements. Budget amounts are unaudited.

	<u>\$</u>
Approved budgeted revenue	3,242,861
Transfers from reserves - capital	(124,000)
Transfer from reserves - operating	(179,587)
Transfer from other departments	<u>(303,587)</u>
 Budgeted revenue - PSAB	 <u><u>2,635,687</u></u>
 Approved budgeted expenses (excluding capital purchases)	 3,242,861
Capital asset purchases	(124,000)
Transfers to reserves	(5,952)
Transfer to other departments	<u>(303,587)</u>
 Budgeted expenses - PSAB	 <u><u>2,809,322</u></u>

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9. DONATED SERVICES

Community members have volunteered their time and work to KCCA. Since these services are not normally purchased and because of the difficulty of determining their fair value, donated services are not recognized in these statements.

During the prior year, the KCCA received a land donation with a fair market value of \$228,000. This amount is included in the current year donations and accumulated surplus.

KETTLE CREEK CONSERVATION AUTHORITY

**Notes to the Financial Statements
For The Year Ended December 31, 2023**

10. DEFERRED REVENUE

	2023	2022
	<u>\$</u>	<u>\$</u>
Stewardship and other projects	366,493	149,054
Campground deposits	<u>283,887</u>	<u>267,069</u>
	<u>650,380</u>	<u>416,123</u>

11. ACCUMULATED SURPLUS AND RESERVES

	2023	2022
	<u>\$</u>	<u>\$</u>
Accumulated Surplus		
General fund	17,000	17,000
Reserves	1,126,471	1,094,050
Invested in tangible capital assets	<u>3,523,112</u>	<u>3,486,196</u>
	<u>4,666,583</u>	<u>4,597,246</u>
 Reserves		
Water Management	70,770	80,770
Watershed Rehabilitation	157,656	175,169
Wage Subsidy	111,749	111,749
Campground	56,294	56,294
Capital Replacement	431,026	374,058
Stewardship	92,009	92,009
Legal	41,946	41,946
Carolinian Forest Festival	56,675	53,709
Conservation Lands Management	<u>108,346</u>	<u>108,346</u>
	<u>1,126,471</u>	<u>1,094,050</u>

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KETTLE CREEK CONSERVATION AUTHORITY

**Notes to the Financial Statements
For The Year Ended December 31, 2023**

12. SUPPLEMENTAL INFORMATION

	<u>2023</u>	2022
	<u>\$</u>	<u>\$</u>
Current fund expenditures by object:		
Salaries, wages and employees benefits	1,492,724	1,556,744
Materials and supplies	1,173,451	1,042,154
Amortization	142,737	135,132
Vehicle and equipment charges	<u>72,843</u>	<u>60,039</u>
	<u><u>2,881,755</u></u>	<u><u>2,794,069</u></u>

13. RELATED PARTY TRANSACTIONS AND BALANCES

KCCA General Manager and Chair are ex officio of the Kettle Creek Environmental Trust ("KCET"). KCET is a public foundation that raises funds to support environmental works in the Kettle Creek Watershed. KCCA does not exercise control or significant influence over KCET and consequently the financial statements do not include the assets, liabilities or activities of KCET. KCCA and KCET at this time do not share resources, employees or financing.

During the year KCET made a donation to KCCA for \$19,000 (2022 - \$19,000) to support specific projects administrated by KCCA.

14. COMPARATIVE FIGURES

Certain comparative figures have been reclassified to conform with the current year financial statement presentation.

KETTLE CREEK CONSERVATION AUTHORITY

Schedule of Administrative Expenditures For The Year Ended December 31, 2023

	Budget \$	2023 \$	2022 \$
WAGES AND BENEFITS			
Administrative staff salaries and benefits	<u>129,012</u>	<u>144,830</u>	<u>94,529</u>
GENERAL			
Professional fees	81,258	80,579	78,206
Conservation Ontario Levy	22,626	22,626	22,535
Insurance and taxes	16,792	15,315	15,396
Amortization	9,008	9,008	8,121
Bank charges and interest	10,000	8,604	10,723
Memberships and subscriptions	4,000	5,486	3,783
Printing and publications	<u>1,700</u>	<u>-</u>	<u>-</u>
	<u>145,384</u>	<u>141,618</u>	<u>138,764</u>
RENT AND UTILITY SERVICES			
Office cleaning and maintenance	16,100	15,008	14,418
Light, heat, power and water	4,500	4,200	4,220
Telephone	3,500	3,446	3,474
General	<u>2,664</u>	<u>1,213</u>	<u>22,213</u>
	<u>26,764</u>	<u>23,867</u>	<u>44,325</u>
TRAVEL AND ALLOWANCE			
Members allowances	11,750	11,325	10,935
Staff mileage	<u>500</u>	<u>590</u>	<u>61</u>
	<u>12,250</u>	<u>11,915</u>	<u>10,996</u>
EQUIPMENT PURCHASES AND RENTAL			
Equipment maintenance	6,213	5,919	4,937
Equipment purchase and rental	<u>4,113</u>	<u>2,135</u>	<u>2,526</u>
	<u>10,326</u>	<u>8,054</u>	<u>7,463</u>
MATERIAL AND SUPPLIES			
Stationery and office supplies	5,000	5,631	3,710
Postage	<u>500</u>	<u>468</u>	<u>287</u>
	<u>5,500</u>	<u>6,099</u>	<u>3,997</u>
PROGRAM SUPPORT	<u>(140,989)</u>	<u>(140,989)</u>	<u>(135,492)</u>
	<u>188,247</u>	<u>195,394</u>	<u>164,582</u>

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KETTLE CREEK CONSERVATION AUTHORITY

**Schedule of Conservation Areas
For The Year Ended December 31, 2023**

Dalewood Conservation Area

	Budget	2023	2022
	<u>\$</u>	<u>\$</u>	<u>\$</u>
Campground wages	240,770	218,792	272,644
Campground purchases and supplies	123,851	154,186	129,792
Utilities	45,000	48,569	44,939
Amortization	<u>32,845</u>	<u>32,845</u>	<u>31,864</u>
	<u>442,466</u>	<u>454,392</u>	<u>479,239</u>

Lake Whittaker Conservation Area

	Budget	2023	2022
	<u>\$</u>	<u>\$</u>	<u>\$</u>
Campground wages	251,375	219,656	286,266
Campground purchases and supplies	161,017	170,807	175,545
Amortization	54,214	54,213	43,751
Utilities	<u>35,000</u>	<u>34,404</u>	<u>35,308</u>
	<u>501,606</u>	<u>479,080</u>	<u>540,870</u>

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KETTLE CREEK CONSERVATION AUTHORITY

**Schedule of Program Expenditures
For The Year Ended December 31, 2023**

	Budget	2023	2022
	<u>\$</u>	<u>\$</u>	<u>\$</u>
Subwatershed rehabilitation			
Wages and benefits	143,433	144,878	156,195
Purchases and materials	77,112	89,559	90,736
General	<u>29,217</u>	<u>27,704</u>	<u>20,686</u>
	<u>249,762</u>	<u>262,141</u>	<u>267,617</u>
Flood forecast and warning			
Wages and benefits	163,426	163,426	156,282
General	<u>123,222</u>	<u>123,320</u>	<u>50,509</u>
	<u>286,648</u>	<u>286,746</u>	<u>206,791</u>
Significant areas			
Wages and benefits	159,448	159,448	144,601
General	49,072	48,054	54,221
Property and utility services	17,274	31,191	23,360
Amortization	<u>19,406</u>	<u>19,407</u>	<u>13,390</u>
	<u>245,200</u>	<u>258,100</u>	<u>235,572</u>
Environmental monitoring and source protection			
Wages and benefits	108,388	108,388	103,592
General	37,889	34,920	38,625
Amortization	<u>1,659</u>	<u>1,659</u>	<u>1,659</u>
	<u>147,936</u>	<u>144,967</u>	<u>143,876</u>
Environmental planning and regulations			
Wages and benefits	65,625	70,095	89,543
General	20,712	15,281	13,337
Capital studies	<u>-</u>	<u>-</u>	<u>2,312</u>
	<u>86,337</u>	<u>85,376</u>	<u>105,192</u>
Dam maintenance			
Wages and benefits	63,869	63,869	64,817
General	38,454	57,779	59,009
Amortization	<u>6,375</u>	<u>6,375</u>	<u>6,010</u>
	<u>108,698</u>	<u>128,023</u>	<u>129,836</u>

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KETTLE CREEK CONSERVATION AUTHORITY

**Schedule of Program Expenditures
For The Year Ended December 31, 2023**

	Budget	2023	2022
	<u>\$</u>	<u>\$</u>	<u>\$</u>
Information and education			
Wages and benefits	65,191	65,191	66,225
General	<u>10,966</u>	<u>12,537</u>	<u>8,965</u>
	<u>76,157</u>	<u>77,728</u>	<u>75,190</u>
Tree and woodlot management			
Wages and benefits	55,817	55,817	55,867
General	<u>8,366</u>	<u>7,316</u>	<u>6,967</u>
	<u>64,183</u>	<u>63,133</u>	<u>62,834</u>
GIS and data management			
General	35,163	37,024	32,736
Wages and benefits	13,330	13,330	-
Amortization	<u>4,700</u>	<u>4,699</u>	<u>15,807</u>
	<u>53,193</u>	<u>55,053</u>	<u>48,543</u>
	<u>1,318,114</u>	<u>1,361,267</u>	<u>1,275,451</u>

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KETTLE CREEK CONSERVATION AUTHORITY

**Schedule of Other Expenditures
For The Year Ended December 31, 2023**

	Budget	2023	2022
	<u>\$</u>	<u>\$</u>	<u>\$</u>
Stewardship			
Stewardship projects	88,221	150,957	79,810
Purchases, materials, program support	73,700	41,134	56,514
Wages and benefits	<u>25,784</u>	<u>24,240</u>	<u>23,931</u>
	<u>187,705</u>	<u>216,331</u>	<u>160,255</u>
 Carolina Forest Festival			
Transportation	16,556	24,230	19,019
Purchases and materials	14,130	14,964	13,433
Wages and benefits	<u>11,806</u>	<u>11,000</u>	<u>11,000</u>
	<u>42,492</u>	<u>50,194</u>	<u>43,452</u>
 Other Conservation Areas			
Wages and benefits	26,720	25,828	27,636
Purchases and materials	6,120	5,507	6,177
Amortization	<u>1,666</u>	<u>1,666</u>	<u>1,666</u>
	<u>34,506</u>	<u>33,001</u>	<u>35,479</u>
 Vehicle and Equipment Maintenance			
Purchases and materials	59,977	57,887	60,984
Amortization	<u>12,866</u>	<u>12,866</u>	<u>12,866</u>
	<u>72,843</u>	<u>70,753</u>	<u>73,850</u>
 Volunteerism and Fund Raising			
Wages and benefits	3,935	3,935	3,991
Purchases and materials	<u>17,408</u>	<u>17,408</u>	<u>16,900</u>
	<u>21,343</u>	<u>21,343</u>	<u>20,891</u>

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KETTLE CREEK CONSERVATION AUTHORITY

Schedule of Tangible Capital Assets For The Year Ended December 31, 2023

ASSET TYPE	Opening Historical Cost Balance (Jan 1/2023)	2023 Acquisitions	2023 Disposals	2023 Write-Offs	Ending Historical Cost Balance (Dec 31/2023)	Opening Accumulated Amortization Balance (Jan 1/2023)	2023 Disposals	2023 Amortization	2023 Write-Offs	Ending Accumulated Amortization Balance (Dec 31/2023)	Ending Net Book Value (Dec 31/2023)
<u>Infrastructure Related</u>											
Land	847,169	-	-	-	847,169	-	-	-	-	-	847,169
Buildings	901,304	13,273	-	-	914,577	528,676	-	20,166	-	548,842	365,735
Dams	495,112	-	-	-	495,112	121,997	-	6,367	-	128,364	366,748
Bridges, boardwalks and other wood	375,854	-	-	-	375,854	140,271	-	17,020	-	157,291	218,563
Hydro and water services	625,009	-	-	-	625,009	258,010	-	10,637	-	268,647	356,362
Septic systems	71,319	-	-	-	71,319	46,806	-	1,735	-	48,541	22,778
Pools, courts and playgrounds	657,924	-	-	-	657,924	296,923	-	26,955	-	323,878	334,046
Roads	777,206	-	-	-	777,206	319,814	-	12,809	-	332,623	444,583
Infrastructure Related Sub-Total	<u>4,750,897</u>	<u>13,273</u>	<u>-</u>	<u>-</u>	<u>4,764,170</u>	<u>1,712,497</u>	<u>-</u>	<u>95,689</u>	<u>-</u>	<u>1,808,186</u>	<u>2,955,984</u>
<u>General Capital</u>											
Signs, fencing and gates	333,688	51,730	-	-	385,418	52,699	-	9,368	-	62,067	323,351
Equipment	307,581	25,695	-	-	333,276	208,975	-	6,734	-	215,709	117,567
Vehicles	222,932	88,955	35,656	-	276,231	176,510	35,656	10,545	-	151,399	124,832
Technology infrastructure	156,000	-	-	-	156,000	134,221	-	20,401	-	154,622	1,378
General Capital Sub-Total	<u>1,020,201</u>	<u>166,380</u>	<u>35,656</u>	<u>-</u>	<u>1,150,925</u>	<u>572,405</u>	<u>35,656</u>	<u>47,048</u>	<u>-</u>	<u>583,797</u>	<u>567,128</u>
Total Tangible Capital Assets	<u>5,771,098</u>	<u>179,653</u>	<u>35,656</u>	<u>-</u>	<u>5,915,095</u>	<u>2,284,902</u>	<u>35,656</u>	<u>142,737</u>	<u>-</u>	<u>2,391,983</u>	<u>3,523,112</u>

KETTLE CREEK CONSERVATION AUTHORITY

Schedule of Tangible Capital Assets For The Year Ended December 31, 2022

ASSET TYPE	Opening Historical Cost Balance (Jan 1/2022)	2022 Acquisitions	2022 Disposals	2022 Write-Offs	Ending Historical Cost Balance (Dec 31/2022)	Opening Accumulated Amortization Balance (Jan 1/2022)	2022 Disposals	2022 Amortization	2022 Write-Offs	Ending Accumulated Amortization Balance (Dec 31/2022)	Ending Net Book Value (Dec 31/2022)
<u>Infrastructure Related</u>											
Land	619,169	228,000	-	-	847,169	-	-	-	-	-	847,169
Buildings	867,338	33,966	-	-	901,304	509,836	-	18,840	-	528,676	372,628
Dams	476,861	18,251	-	-	495,112	115,995	-	6,002	-	121,997	373,115
Bridges, boardwalks and other wood	287,985	87,869	-	-	375,854	135,252	-	5,019	-	140,271	235,583
Hydro and water services	625,009	-	-	-	625,009	247,103	-	10,907	-	258,010	366,999
Septic systems	71,319	-	-	-	71,319	45,071	-	1,735	-	46,806	24,513
Pools, courts and playgrounds	657,924	-	-	-	657,924	269,968	-	26,955	-	296,923	361,001
Roads	<u>777,206</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>777,206</u>	<u>307,005</u>	<u>-</u>	<u>12,809</u>	<u>-</u>	<u>319,814</u>	<u>457,392</u>
Infrastructure Related Sub-Total	<u>4,382,811</u>	<u>368,086</u>	<u>-</u>	<u>-</u>	<u>4,750,897</u>	<u>1,630,230</u>	<u>-</u>	<u>82,267</u>	<u>-</u>	<u>1,712,497</u>	<u>3,038,400</u>
<u>General Capital</u>											
Signs, fencing and gates	198,715	134,973	-	-	333,688	47,733	-	4,966	-	52,699	280,989
Equipment	307,581	-	-	-	307,581	192,022	-	16,953	-	208,975	98,606
Vehicles	222,932	-	-	-	222,932	165,965	-	10,545	-	176,510	46,422
Technology infrastructure	<u>156,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>156,000</u>	<u>113,820</u>	<u>-</u>	<u>20,401</u>	<u>-</u>	<u>134,221</u>	<u>21,779</u>
General Capital Sub-Total	<u>885,228</u>	<u>134,973</u>	<u>-</u>	<u>-</u>	<u>1,020,201</u>	<u>519,540</u>	<u>-</u>	<u>52,865</u>	<u>-</u>	<u>572,405</u>	<u>447,796</u>
Total Tangible Capital Assets	<u>5,268,039</u>	<u>503,059</u>	<u>-</u>	<u>-</u>	<u>5,771,098</u>	<u>2,149,770</u>	<u>-</u>	<u>135,132</u>	<u>-</u>	<u>2,284,902</u>	<u>3,486,196</u>



GRAHAM SCOTT ENNS LLP
CHARTERED PROFESSIONAL ACCOUNTANTS

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25 John Street South, Aylmer, ON N5H 2C1

www.grahamscottens.com

February 21, 2024

Kettle Creek Conservation Authority
44015 Ferguson Line
St. Thomas, Ontario, N5P 3T3

Dear Board of Directors:

Re: Audit Findings

This letter has been prepared to assist you with your review of the financial statements of Kettle Creek Conservation Authority for the year ending December 31, 2023. We look forward to meeting with you and discussing the matters outlined below.

Significant Matters Arising

Changes to Audit Plan

There were no changes to the audit plan (as previously presented to you).

Other Matters

We have not identified any other significant matters that we wish to bring to your attention at this time.

Significant Difficulties Encountered

There were no significant difficulties encountered during our audit.

Comments on Accounting Practices

Accounting Policies

The significant accounting policies used by the entity are outlined in Note 1 to the financial statements.

- There were no significant changes in accounting policies other than the adoption of the new public sector accounting standards as noted in the audit planning letter and outlined in Note 1 to the financial statements.
- We did not identify any alternative accounting policies that would have been more appropriate in the circumstances.
- We did not identify any significant accounting policies in controversial or emerging areas.

Significant Accounting Estimates

There were no significant estimates/judgements contained in the financial statements.

Significant Financial Statement Disclosures

We did not identify any financial statement disclosures that are particularly significant, sensitive or require significant judgments, that we believe should be specifically drawn to your attention.

Uncorrected Misstatements

We accumulated no significant uncorrected misstatements during our audit.

Significant Deficiencies in Internal Control

A deficiency in internal control exists when a control is designed, implemented or operated in such a way that it is unable to prevent, or detect and correct, misstatements in the financial statements on a timely basis, or when a control necessary to prevent, or detect and correct, misstatements in the financial statements on a timely basis is missing.

A significant deficiency in internal control is defined as a deficiency or combination of deficiencies in internal control that, in the auditor's professional judgment, is of sufficient importance to merit the attention of those charged with governance.

To identify and assess the risks of material misstatement in the financial statements, we are required to obtain an understanding of internal control relevant to the audit. This understanding is used for the limited purpose of designing appropriate audit procedures. It is not used for the purpose of expressing an opinion on the effectiveness of internal control and, as a result, we do not express any such opinion. The limited purpose also means that there can be no assurance that all significant deficiencies in internal control, or any other control deficiencies, will be identified during our audit.

We did not identify any control deficiencies that, in our judgment, would be considered significant deficiencies.

Written Representations

In a separate communication, as attached, we have requested a number of written representations from management in respect to their responsibility for the preparation of the financial statements in accordance with Canadian public sector accounting standards.

Other Audit Matters of Governance Interest

We did not identify any related party relationships or transactions that were previously undisclosed to us.

We did not identify any other matters to bring to your attention at this time.

We would like to thank management and staff for the assistance they provided to us during the audit.

We hope the information in this audit findings letter will be useful. We would be pleased to discuss them with you and respond to any questions you may have.

This letter was prepared for the sole use of those charged with governance of Kettle Creek Conservation Authority to carry out and discharge their responsibilities. The content should not be disclosed to any third party without our prior written consent, and we assume no responsibility to any other person.

Sincerely,

GRAHAM SCOTT ENNS LLP

Chartered Professional Accountants



James G. Frederick, CPA, CA

Partner

Acknowledgement of Board of Directors:

We have read and reviewed the above disclosures and understand and agree with the comments therein:

Per: Kettle Creek Conservation Authority

Signed: _____

Date: _____

Print Name: _____



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www.grahamscottenns.com

November 15, 2023

Kettle Creek Conservation Authority
44015 Ferguson Line
St. Thomas, Ontario, N5P 3T3

Dear Board of Directors:

Re: Audit Planning

We are writing this letter in connection with our audit of the financial statements for the period ending December 31, 2023.

Our purpose in writing is to ensure effective two-way communication between us in our role as auditors and yourselves with the role of overseeing the financial reporting process. In this letter we will:

- a) Address our responsibilities as independent auditors and provide information about the planned scope and timing of our audit.
- b) Request a response to some audit questions and any additional information you may have that could be relevant to our audit.

Adoption of New Public Sector Accounting Standards

On April 1, 2022 the organization was required to adopt new Public Sector Accounting Standards, which would be effective December 31, 2023 year ends, and include the following:

- PS 1201 - Financial Statement Presentation
- PS 3280 - Asset Retirement Obligations
- PS 3450 - Financial Instruments

Current Developments in the Profession

Over the past number of years there have been developments in the area of financial reporting, corporate governance and auditing. The upcoming changes over the next few fiscal years for financial reporting as it relates to public sector accounting standards are described below.

PS 1202 – Financial Statement Presentation

This standard will apply for fiscal years beginning on or after April 1, 2026, which would be the year end December 31, 2027. This standard may impact the presentation on the financial statements with more distinction between financial assets and financial liabilities.

PS 3400 – Revenue

This standard will apply for fiscal years beginning on or after April 1, 2023, which would be the year end December 31, 2024. This standard will impact the timing of the revenue reported by the organization. Examination and audit of the types of revenue will determine the impact of this standard.

We as auditors are not responsible for ensuring that the organization is prepared for the introduction of these standards and these standards will only be considered in so far as it affects our audit responsibilities under Canadian Auditing Standards. Management and those charged with governance are responsible for analyzing the impact on the organization, developing plans to mitigate the effects, and the preparation of the financial statements under these new or updated Canadian public sector accounting standards.

Auditor Responsibilities

As stated in the engagement letter dated November 15, 2023, our responsibility as auditors of your organization is to express an opinion on whether the financial statements present fairly, in all material respects, the financial position, results of operations and cash flows of the organization in accordance with Canadian public sector accounting standards.

An audit is performed to obtain reasonable but not absolute assurance as to whether the financial statements are free of material misstatement. Due to the inherent limitations of an audit, there is an unavoidable risk that some misstatements of the financial statements will not be detected (particularly intentional misstatements concealed through collusion), even though the audit is properly planned and performed.

Our audit includes:

- a) Assessing the risk that the financial statements may contain misstatements that, individually or in the aggregate, are material to the financial statements taken as a whole; and
- b) Examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements.

As part of our audit, we will obtain a sufficient understanding of the business and the internal control structure of Kettle Creek Conservation Authority to plan the audit. This will include management's assessment of:

- a) The risk that the financial statements may be materially misstated as a result of fraud and error; and,
- b) The internal controls put in place by management to address such risks.

Planned Scope and Timing of Our Audit

In developing our audit plan, we worked with management to understand the nature of the entity Kettle Creek Conservation Authority and to identify and assess the risks of material misstatement in the financial statements, whether due to fraud or error. Our audit plan has been designed to focus on the identified areas of risk.

Materiality

Overall materiality will be used to:

- a) plan and perform the audit; and,
- b) evaluate the effects of identified and uncorrected misstatements on the audit procedures performed as well as on the financial statements.

The materiality amount will be reassessed at period end to ensure it remains appropriate.

Significant Changes During Period

The significant changes that we addressed in planning the audit for the current period are set out below:

Internal Control

To help identify and assess the risks of material misstatement in the financial statements, we obtain an understanding of internal control relevant to the audit. This understanding is used in the design of appropriate audit procedures. It is not used for the purpose of expressing an opinion on the effectiveness of internal control. Should we identify any significant deficiencies in the internal control and accounting systems, we will communicate them to you in our audit findings letter.

Significant Risks

In planning our audit, we identify significant financial reporting risks that, by their nature, require special audit consideration. The significant risks we have identified and our proposed audit response is outlined below:

Significant Risks	Proposed Audit Response
Revenue recognition and completeness	Analytical procedures Substantive testing of revenues, including the consistent application of accounting policies Review of cut-off procedures
Management override	Inquiries of management Review of journal entries Review of related-party transactions

If there are specific areas that warrant our particular attention during the audit or where you would like us to undertake some additional procedures, please let us know.

Uncorrected Misstatements

Where we identify uncorrected misstatements during our audit, we will communicate them to management and request that they be corrected. If not corrected by management, we will then request that you correct them. If not corrected by you, we will also communicate the effect that they may have individually, or in aggregate, on our audit opinion.

Audit Findings

At the conclusion of our audit, we will prepare an audit findings letter to assist you with your review of the financial statements. This letter will include our views and comments on matters such as:

- a) significant matters, if any, arising from the audit that were discussed with management;
- b) significant difficulties, if any, encountered during the audit;
- c) qualitative aspects of the entity's accounting practices, including accounting policies, accounting estimates and financial statement disclosures;
- d) uncorrected misstatements; and
- e) any other audit matters of governance interest.

Audit Questions and Requests

Fraud

To help us in identifying and responding to the risks of fraud within the entity, we would appreciate your responses to the following questions:

- a) What oversight, if any, do you provide over management’s processes for identifying and responding to fraud risks? Management’s processes could include policies, procedures, programs or controls that serve to prevent, detect and deter fraud.
- b) Do you have any knowledge of any actual, suspected or alleged fraud, including misappropriation of assets or manipulation of the financial statements, affecting the entity? If so, please provide details and how the fraud or allegations of fraud were addressed.

Other Matters

Would you please bring to our attention any significant matters or financial reporting risks, of which you are aware, that may not have been specifically addressed in our proposed audit plan. This could include such matters as future plans, contingencies (including any liability for contaminated sites), events, decisions, non-compliance with laws and regulations, potential litigation, specific transactions (such as with related parties or outside of the normal course of business) and any additional sources of audit evidence that might be available.

We recognize your significant role in the oversight of the audit and would welcome any observations on our audit plan.

This letter was prepared for the sole use of those charged with governance of Kettle Creek Conservation Authority to carry out and discharge their responsibilities. The content should not be disclosed to any third party without our prior written consent, and we assume no responsibility to any other person.

Sincerely,

GRAHAM SCOTT ENNS LLP

Chartered Professional Accountants



James G. Frederick, CPA, CA

Partner

Per: Kettle Creek Conservation Authority

Signed: _____

Date: _____

Print Name: _____

Kettle Creek Conservation Authority
44015 Ferguson Line
St. Thomas, Ontario
N5P 3T3

February 21, 2024

Graham Scott Enns LLP
450 Sunset Drive
St. Thomas, Ontario
N5R 5V1

Dear Sir/Madame:

This representation letter is provided in connection with your audit of the financial statements of Kettle Creek Conservation Authority for the year ended December 31, 2023 for the purpose of expressing an opinion as to whether the financial statements are presented fairly, in all material respects, in accordance with Canadian public sector accounting standards.

In making the representations outlined below, we took the time necessary to appropriately inform ourselves on the subject matter through inquiries of entity personnel with relevant knowledge and experience, and, where appropriate, by inspecting supporting documentation.

We confirm that (to the best of our knowledge and belief):

1. Financial Statements

We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated November 15, 2023 for:

- a) Preparing and fairly presenting the financial statements in accordance with Canadian public sector accounting standards;
- b) Providing you all relevant information, such as:
 - i) Accounting records, supporting data and other relevant documentation,
 - ii) Minutes of meetings (such as shareholders, board of directors and audit committees) or summaries of actions taken for which minutes have not yet been prepared, and
 - iii) Information on any other matters, of which we are aware, that is relevant to the preparation of the financial statements;
- c) Ensuring that all transactions have been recorded in the accounting records and are reflected in the financial statements; and
- d) Designing and implementing such internal control as we determined is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. We have also communicated to you any deficiencies in the design and implementation or the maintenance of internal control over financial reporting of which management is aware.

2. Fraud and Non-Compliance

We have disclosed to you:

a) All of our knowledge in relation to actual, alleged or suspected fraud affecting the entity's financial statements involving:

i) Management;

ii) Employees who have significant roles in internal control; or

iii) Others where the fraud could have a material effect on the financial statements;

b) All of our knowledge in relation to allegations of fraud or suspected fraud communicated by employees, former employees, analysts, regulators or others;

c) All known instances of non-compliance or suspected non-compliance with laws and regulations, including all aspects of contractual agreements that should be considered when preparing the financial statements;

d) All known, actual, or possible litigation and claims that should be considered when preparing the financial statements; and

e) The results of our risk assessments regarding possible fraud or error in the financial statements.

3. Related Parties

We have disclosed to you the identity of all of the entity's related-party relationships and transactions of which we are aware. All related-party relationships and transactions have been appropriately accounted for and disclosed in accordance with the requirements of Canadian public sector accounting standards.

4. Estimates

We acknowledge our responsibility for determining the accounting estimates required for the preparation of the financial statements in accordance with Canadian public sector accounting standards. Those estimates reflect our judgment based on our knowledge and experience of past and current events, and on our assumptions about conditions we expect to exist and courses of action we expect to take. We confirm that the significant assumptions and measurement methods used by us in making accounting estimates, including those measured at fair value, are reasonable.

5. Subsequent Events

All events subsequent to the date of the financial statements and for which Canadian public sector accounting standards requires adjustment or disclosure have been adjusted or disclosed.

6. Commitments and Contingencies

There are no commitments, contingent liabilities/assets or guarantees (written or oral) that should be disclosed in the financial statements. This includes liabilities arising from contract terms, illegal acts or possible illegal acts, and environmental matters that would have an impact on the financial statements.

7. Adjustments

We have reviewed, approved and recorded all of your proposed adjustments to our accounting records. This includes journal entries, changes to account coding, classification of certain transactions and preparation of, or changes to, certain accounting records. A list of these adjustments is attached to this letter.

8. Other Representations

i) Accounting Policies

All significant accounting policies are disclosed in the financial statements and are consistent with the prior period and incorporate the adoption of the new accounting standards adopted in the period.

ii) Future Plans

We have no plans or intentions that may materially affect the carrying value or classification of assets and liabilities reflected in the financial statements.

iii) Asset Retirement Obligations

We have reviewed our tangible capital assets and have evaluated the impact of any asset retirement obligations associated with these tangible capital assets, if any, and we have adequately disclosed this information in the financial statements.

Yours truly,

Elizabeth VanHooren, General Manager/Secretary Treasurer

TO: Full Authority
FROM: Elizabeth VanHooren
Date: January 17, 2024
Subject: 2024 Municipal Apportionment Approval



Recommendation: That the 2024 Municipal Apportionment be approved;

And That the participating municipalities be assessed for payment of \$1,181,189 which is comprised of Category 1 operating expenses of \$967,466.32; Category 3 operating expenses of \$145,930 and a special levy of \$67,792.68;

And that each participating municipality's share of the 2024 Total municipal apportionment be calculated using "Modified Current Value Assessment."

PURPOSE:

To formally approve the 2024 Municipal Apportionment Approval.

SUMMARY:

- The apportionment to municipalities is proposed to increase \$81,689 over 2023 levels with \$75,104 being directed to Category 1 (mandatory) programs and services and \$6,585 of this increase being directed to Category 3 programs and services (tree planting and enhanced environmental monitoring)
- The apportionment and draft 2024 budget were circulated to member municipalities and posted to KCCA's web site on November 16, 2023. To date there have been no comments or concerns submitted.
- The third phase of the budget process as outlined in O.Reg. 402/22 is for the Board to approve the municipal apportionment. The regulation sets out different apportionment methodologies depending on the category of expense.
- At KCCA, municipal apportionment is allocated to participating municipalities based on the Modified Current Value Assessment (MCVA) information in the watershed, which the Ministry of Natural Resources and Forestry (MNR) provided. MCVA is used for the allocation of costs for both Category 1 programs and services as well as Category 3 programs as outlined in the executed Cost Apportionment Agreements.
- The Apportionment of Municipal Costs is attached.
- Following approval of the Municipal Apportionment notices will be sent to member municipalities for payment. Draft 2 of the 2024 Budget will be presented at the February 7, 2023 meeting followed by the final budget vote at the Annual General Meeting on February 21, 2024.

Municipal Cost Apportionment

Budget 2024

Municipality	Modified Current	% Municipality	MCVA	Apportionment	Category 1	Category 3	Special	Proposed Total	Total	Difference
	Value Assessment (MVCA)	In Watershed	In Watershed	%	Apportionment	Apportionment	Levy*	2024 Apportionment	2023 Apportionment	2023/2024
Central Elgin	\$ 2,063,691,519.00	60	\$ 1,238,214,911.00	7.90	\$ 76,411.83	\$ 9,188.56	\$ 10,534.98	\$ 96,135.37	\$ 88,986.90	\$ 7,148.47
Middlesex Centre	\$ 3,781,981,998.70	7	\$ 264,738,740.00	1.69	\$ 16,337.37	\$ 1,964.58	\$ 1,030.45	\$ 19,332.39	\$ 17,778.43	\$ 1,553.96
London	\$ 59,265,812,025.35	15	\$ 8,889,871,804.00	56.71	\$ 548,605.37	\$ 95,561.75	\$ 1,030.45	\$ 645,197.58	\$ 601,534.55	\$ 43,663.03
Thames Centre	\$ 2,635,389,144.70	8	\$ 210,831,132.00	1.34	\$ 13,010.66	\$ 1,564.54	\$ 1,023.67	\$ 15,598.87	\$ 14,487.83	\$ 1,111.04
Malahide	\$ 1,326,938,184.75	8	\$ 106,155,055.00	0.68	\$ 6,550.96	\$ 787.76	\$ 1,023.67	\$ 8,362.39	\$ 7,803.74	\$ 558.65
Southwold	\$ 808,727,923.40	78	\$ 630,807,780.00	4.02	\$ 38,927.96	\$ 4,681.11	\$ 7,660.57	\$ 51,269.64	\$ 47,217.21	\$ 4,052.43
St. Thomas	\$ 4,517,376,589.10	96	\$ 4,336,681,526.00	27.66	\$ 267,622.17	\$ 32,181.70	\$ 45,488.89	\$ 345,292.76	\$ 321,691.77	\$ 23,600.99
Total Budget	\$ 74,399,917,385.00		\$ 15,677,300,948.00	100.00	967,466.32	\$ 145,930.00	\$ 67,792.68	\$ 1,181,189.00	\$ 1,099,500.43	\$ 81,688.57

*Footnote: Levy partially supports the costs of operating the provincially mandated responsibilities of municipal plan input and review. Province moved to greatly reduce grants in 1995. The levy is calculated based on past, existing and anticipated program activity. The municipality has the option of recovering the levy through application fees.

TO: Board of Directors
FROM: Elizabeth VanHooren
Date: February 7, 2024
Subject: 2024 Draft Budget - **Updated**
Recommendation: For the information of members.



PURPOSE

To provide members with the final draft 2024 budget for consideration and discussion before presentation and final consideration at the February 21, 2023 Annual General Meeting.

REPORT SUMMARY

- A draft of the 2024 budget with the draft municipal apportionment was circulated to members as part of the November 15, 2023 Full Authority package. Members were encouraged to submit any questions or concerns. The municipal apportionment and link to the draft budget was then circulated to member municipalities and posted on KCCA’s web site on November 16, 2023.
- To date no comments have been received by members or their municipalities on the 2024 draft budget or levy.
- 2023 Actuals are now included in the draft 2024 budget for comparison. Small adjustments were made to the draft budget previously circulated to reflect the 2024 amortization rate and better reflect comparisons to 2023 actuals. There are no significant changes as a result of these adjustments.
- Changes were also made to the Capital budget expenditures. Based on the advice of the auditor, \$34,000 allocated for the Dalewood Dam EA was moved from the capital budget to the operating budget. There is \$17,000 available in the Operating Reserve to cover KCCA’s portion of the expense with the additional \$17,000 budgeted to come from WECl. Other capital changes are outlined in the chart below.
- An updated reserve projection is also included. The updated 2024 Draft budget includes a drawdown of operating reserves of \$128,260 and Capital expenditures of \$336,000.
- Members are encouraged to review the updated draft and present any final questions or concerns to staff. The 2023 Budget will be presented for consideration of members at the Annual General Meeting on February 21, 2024

2024 Draft Capital Expenditures

Capital Item	November 15 Draft Budget	February 7 Draft Budget	Notes
Dalewood Dam MCEA	\$30,000		Moved to Operating and increased by \$4,000 for a total budget of \$34,000. Half to be supported by operating reserve and half to be supported by WECl program.
Dalewood Golf Cart	\$10,000	\$13,000	Updated based on recent quotes
Computers	\$10,000	\$13,000	Updated on recent quotes and addition of computer for flood modelling software
Sign		\$5,000	New sign at Kirk Cousins funded by donation.
Signs (Pooled Asset)	\$10,000	\$10,000	Unchanged; to update dated signage in campgrounds
Vehicle	\$70,000	\$70,000	Unchanged
Lake Whittaker Lakeshore Project	\$200,000	\$200,000	Unchanged
Hydro Panel Upgrades (Campgrounds)	\$25,000	\$25,000	Unchanged
Total	\$355,000	\$336,000	

Recommendation: For the information of members.

Programs and Services Revenue and Expenses Overview

Budget 2024 - Draft February 7, 2024

Programs and Services	Total Expenditures	Municipal Apportionment			Self Generated Revenue	Provincial Transfer Payment	Reserve Operating	Capital	Total Revenue
		Cat-1	Cat-2	Cat-3					
Category 1/2	General Operating ¹	536,053.00	320,990.00		121,562.00	10,501.00		83,000.00	536,053.00
	Plan Review and Permitting	95,626.00	72,273.00		17,500.00	1,853.00	4,000.00		95,626.00
	Flood Forecasting	252,183.00	195,296.00		10,530.00	35,827.00	10,530.00		252,183.00
	Dam Operations	151,356.00	103,767.00		17,000.00	13,589.00	17,000.00	-	151,356.00
	Monitoring/Source Protection	137,222.00	114,429.00		13,000.00		9,793.00		137,222.00
	Conservation Lands Management ²	377,088.00	228,503.00	82,748.00	39,957.00		20,880.00	5,000.00	377,088.00
Total Category	1,549,528.00	1,035,258.00	82,748.00		219,549.00	61,770.00	62,203.00	88,000.00	1,549,528.00
Category 3	Tree Planting ³	260,239.00		129,130.00	92,019.00		39,090.00		260,239.00
	Stewardship Services	125,076.00			101,076.00		24,000.00		125,076.00
	Education/Outreach	130,740.00			127,773.00		2,967.00		130,740.00
	Campgrounds	1,279,323.00			1,031,323.00			248,000.00	1,279,323.00
	Enhanced Monitoring ³	16,800.00		16,800.00					16,800.00
	Total Category	1,812,178.00			145,930.00	1,352,191.00	-	66,057.00	248,000.00
Total Budget⁴	3,361,706.00	1,035,258.00	82,748.00	145,930.00	1,571,740.00	61,770.00	128,260.00	336,000.00	3,361,706.00
Percentage of Total Budget		31%	2%	4%	47%	2%	4%	10%	

Note 1 General Operating costs include administrative expenses related to the Office of the General Manager, communications, finance, payroll, human resources, administration office and other administrative expenses to support Category 1 programs and services.

Note 2 Category 2 funding for Conservation Lands Management includes the Kettle Creek Dog Park Agreement and the Elgin County Tree Commissioner available on KCCA's website.

Note 3 Category 3 apportionment for tree planting and enhanced monitoring are subject to the Cost Apportioning Agreements available on KCCA's website.

Note 4 This summary includes proposed capital purchases of \$355,000. Capital purchases will be amortized in accordance with KCCA's Asset Management.

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Municipal Cost Apportionment

Budget 2024 - Draft February 7, 2024

Municipality	Modified Current	% Municipality	MCVA	Apportionment	Category 1	Category 3	Special	Proposed Total	Total	Difference
	Value Assessment (MVCA)	In Watershed	In Watershed	%	Apportionment	Apportionment	Levy*	2024 Apportionment	2023 Apportionment	2023/2024
Central Elgin	\$ 2,063,691,519.00	60	\$ 1,238,214,911.00	7.90	\$ 76,411.83	\$ 9,188.56	\$ 10,534.98	\$ 96,135.37	\$ 88,986.90	\$ 7,148.47
Middlesex Centre	\$ 3,781,981,998.70	7	\$ 264,738,740.00	1.69	\$ 16,337.37	\$ 1,964.58	\$ 1,030.45	\$ 19,332.39	\$ 17,778.43	\$ 1,553.96
London	\$ 59,265,812,025.35	15	\$ 8,889,871,804.00	56.71	\$ 548,605.37	\$ 95,561.75	\$ 1,030.45	\$ 645,197.58	\$ 601,534.55	\$ 43,663.03
Thames Centre	\$ 2,635,389,144.70	8	\$ 210,831,132.00	1.34	\$ 13,010.66	\$ 1,564.54	\$ 1,023.67	\$ 15,598.87	\$ 14,487.83	\$ 1,111.04
Malahide	\$ 1,326,938,184.75	8	\$ 106,155,055.00	0.68	\$ 6,550.96	\$ 787.76	\$ 1,023.67	\$ 8,362.39	\$ 7,803.74	\$ 558.65
Southwold	\$ 808,727,923.40	78	\$ 630,807,780.00	4.02	\$ 38,927.96	\$ 4,681.11	\$ 7,660.57	\$ 51,269.64	\$ 47,217.21	\$ 4,052.43
St. Thomas	\$ 4,517,376,589.10	96	\$ 4,336,681,526.00	27.66	\$ 267,622.17	\$ 32,181.70	\$ 45,488.89	\$ 345,292.76	\$ 321,691.77	\$ 23,600.99
Total Budget	\$ 74,399,917,385.00		\$ 15,677,300,948.00	100.00	967,466.32	\$ 145,930.00	\$ 67,792.68	\$ 1,181,189.00	\$ 1,099,500.43	\$ 81,688.57

*Footnote: Levy partially supports the costs of operating the provincially mandated responsibilities of municipal plan input and review. Province moved to greatly reduce grants in 1995. The levy is calculated based on past, existing and anticipated program activity. The municipality has the option of recovering the levy through application fees.

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Statement of Operations

Budget 2024 - Draft February 7, 2024

	Budget 2023	Actual 2023	Budget 2024
Revenue			
Municipal Apportionment (Cat 1)	960,154.40	965,317.60	1,035,258.00
Municipal Apportionment (Cat 3)	139,345.60	134,182.83	145,930.00
Municipal Category 2 Agreements	78,665.00	73,026.92	82,748.00
User Fees and Sales			
Lake Whittaker	485,704.00	525,576.69	536,003.00
Dalewood	431,320.00	480,515.74	479,320.00
Other	50,779.00	73,586.36	64,862.00
Transfer from Reserve (Capital)	124,000.00	-	336,000.00
Transfer from Reserve (Operating)	179,587.00	27,513.31	128,260.00
Ministry of Natural Resources	61770	61770	61770
Other Revenue and Grants	427949	606074.33	491555
Donations	0.00	355,105.65	0.00
Total Revenue	2,939,274.00	3,302,669.43	3,361,706.00
Expenditures			
General Operating	487,783.00	792,891.08	536,053.00
Plan Review and Permitting	86,337.00	85,375.65	95,626.00
Flood Forecasting	286,648.00	286,746.82	252,183.00
Dam Operations	108,698.00	128,022.55	151,356.00
Monitoring/Source Protection	133,399.00	130,430.21	137,222.00
Conservation Lands Management	381,889.00	354,234.74	377,088.00
Tree Planting	249,762.00	262,141.10	260,239.00
Stewardship Services	187,705.00	216,331.36	125,076.00
Education/Outreach	42,492.00	53,161.24	130,740.00
Campgrounds	960,024.00	978,797.68	1,279,323.00
Enhanced Monitoring	14,537.00	14,537.00	16,800.00
Total Expenditures	2,939,274.00	3,302,669.43	3,361,706.00
Surplus(Deficit)	-	-	-

General Operating Expenses

Budget 2024 - Draft February 7, 2024

	Budget 2023	Actual 2023	Budget 2024
Revenue			
Municipal Apportionment			
Category 1	304,359.00	304,359.14	320,990.00
Category 2			
Category 3			
Provincial Transfer Payment	10,501.00	10,501.00	10,501.00
Self Generated	96,923.00	121,912.68	121,562.00
Operating (Reserves)	-	-	-
Capital (Reserves)	76,000.00	-	83,000.00
Total Revenue	487,783.00	436,772.82	536,053.00
Expenditures			
Staffing and Board Expenses	230,043.00	244,752.64	243,117.00
Operating Expenses	155,166.00	166,458.91	170,164.00
Amortization	26,574.00	26,573.88	39,772.00
Transfer to Reserves			
Total Expenditures	411,783.00	437,785.43	453,053.00
Surplus (Deficit)	76,000.00	- 1,012.61	83,000.00

Standard Deliverables

Office of the General Manager, administrative support, human resources, accounting, purchasing and payroll, health and safety, customer service, legal, 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 and its mandated roles.

Preparing and submitting reports to CRA and financial reports for funding agencies.

2024 Initiatives

Implementation of 2022 Salary and Pay Equity Review over 5 years. Cost of living increase to wage grid of 2.75%. The following deliverables are required to be developed by December 31, 2024 in accordance with O. Reg 686/21: Watershed Resource Management Strategy, Conservation Areas Land Inventory and a Conservation Areas Management Plan to guide the management of CA owned properties including: objectives, land mapping, identification of programs and services. KCCA will be backfilling senior level positions in order to undertake these deliverables and required consultation.

Cost Saving Measures

Digitizing historical records with self-generated funds

Capital

Replacement of vehicle not specified to program area (\$70,000). Invest in infrastructure to facilitate use of EV powered vehicles. Staged computer upgrade to meet Windows 11 requirements (\$13,000).

Plan Review and Permitting

Budget 2024 - Draft February 7, 2024

	Budget 2023	Actual 2023	Budget 2024
Revenue			
Municipal Apportionment			
Category 1	63,062.00	63,062.01	72,273.00
Category 2			
Category 3			
Provincial Transfer Payment	1,853.00	1,853.00	1,853.00
Self Generated	17,422.00	25,705.21	17,500.00
Operating (Reserves)	4,000.00	-	4,000.00
Capital (Reserves)			
Total Revenue	86,337.00	90,620.22	95,626.00
Expenditures			
Staffing/Board Expenses	66,375.00	70,990.69	75,172.00
Operating Expenses	19,962.00	14,384.96	20,454.00
Amortization			
Transfer to Reserves			
Total Expenditures	86,337.00	85,375.65	95,626.00
Surplus (Deficit)	-	5,244.57	-

Standard Deliverables

Deliver the Authority’s permitting responsibilities, ensuring compliance with Ontario Regulation 181/06 and related policies, site inspections, communications with agents and consultants and appropriate enforcement action. Meet the Authority’s delegated responsibility to represent the provincial interest in natural hazards (Section 3.1 of the Provincial Policy Statement) providing technical information and advice on land-use planning documents (Official Plans and Zoning By-Law Amendments, Subdivisions, Consents and Minor Variance Work with member municipality drainage superintendents to assess drain maintenance notifications, and review new drain proposals under the Drainage Act and Conservation Authorities Act (DART) protocol).

2024 Initiatives

Changes are being proposed to the Regulation of Development for the Protection of People and Property from Natural Hazards in Ontario which will require mapping and policy updates.

Cost Saving Measures

Planning and Regulation Fees were increased in 2022 to match neighbouring CAs; provincial freeze on fee increases/modifications in effect until December 31, 2023 as per Minister Order.

Capital

No capital for this program area.

Flood Forecasting

Budget 2024 - Draft February 7, 2024

	Budget 2023	Actual 2023	Budget 2024
Revenue			
Municipal Apportionment			
Category 1	185,696.00	185,696.07	195,296.00
Category 2			
Category 3			
Provincial Transfer Payment	35,827.00	35,827.00	35,827.00
Self Generated		34,416.08	10,530.00
Operating (Reserves)	65,125.00	10,000.00	10,530.00
Capital (Reserves)			
Total Revenue	286,648.00	265,939.15	252,183.00
Expenditures			
Staffing/Board Expenses	164,176.00	163,968.38	172,385.00
Operating Expenses	122,472.00	122,778.44	79,798.00
Amortization			
Transfer to Reserves			
Total Expenditures	286,648.00	286,746.82	252,183.00
Surplus (Deficit)	-	- 20,807.67	-

Standard Deliverables

Operate a flood forecasting and warning system to ensure that residents and municipalities are aware of potential flood related events in a timely manner. Issue Flood messages (Conditions Statements, Watches and Warnings for shoreline and riverine systems) and conduct outreach and education on flood forecasting program and safety measures. Monitor watershed conditions to detect low water conditions and support the Water Response Team in responding to low water events. Acquire and maintain Floodplain mapping and conduct necessary communication initiatives to inform stakeholders and update mapping in Board approved policies, Official Plans and KCCA’s online mapping. Data collection, mapping data sets and study of designs to mitigate hazards. Development and use of systems to collect and store data and to provide spatial geographical representations of data.

2024 Initiatives

Status Quo.

Cost Saving Measures

In the last five years, KCCA has conducted updates to floodplain mapping using a combination of reserves and Provincial/Federal Funding representing an investment of \$174,880. Staff are currently working with local Universities for beta versions of flood forecasting models at little to no cost.

Capital

No capital for this program area.

Dam Operations

Budget 2024 - Draft February 7, 2024

	Budget 2023	Actual 2023	Budget 2024
Revenue			
Municipal Apportionment			
Category 1	95,109.00	95,109.05	103,767.00
Category 2			
Category 3			
Provincial Transfer Payment	13,589.00	13,589.00	13,589.00
Self Generated		850.00	17,000.00
Operating (Reserves)		-	17,000.00
Capital (Reserves)	-	-	-
Total Revenue	108,698.00	109,548.05	151,356.00
Expenditures			
Staffing/Board Expenses	64,119.00	63,869.00	66,882.00
Operating Expenses	38,204.00	57,778.55	78,099.00
Amortization	6,375.00	6,375.00	6,375.00
Transfer to Reserves			
Total Expenditures	108,698.00	128,022.55	151,356.00
Surplus (Deficit)	-	18,474.50	-

Standard Deliverables

Operate and maintain 3 dam structures on KCCA lands. Routine maintenance completed by KCCA staff or independent contractors as required. One erosion control structure is maintained.

2024 Initiatives

Assess and determine short and long-term goals for the Dalewood Dam including developing a comprehensive financial plan to support required works. An estimated \$8,500 is required annually for Dalewood Dam maintenance/monitoring until major repairs can be completed. \$34,000 required to initiate an Environmental Assessment of the Dalewood Dam; 50% supported through operating reserves and 50% through WECI program.

Cost Saving Measures

Budget assumes successful application to provincial WECI program for 50% funding for eligible expenses related to Dalewood Dam MCEA, maintenance and upkeep.

Capital

No planned capital for 2024

Monitoring and Source Protection

Budget 2024 - Draft February 7, 2024

	Budget 2023	Actual 2023	Budget 2024
Revenue			
Municipal Apportionment			
Category 1	125,179.00	125,179.04	114,429.00
Category 2			
Category 3			16,800.00
Provincial Transfer Payment			
Self Generated	13,000.00	16,199.37	13,000.00
Operating (Reserves)	9,757.00	-	9,793.00
Capital (Reserves)			
Total Revenue	147,936.00	141,378.41	154,022.00
Expenditures			
Staffing/Board Expenses	109,138.00	108,388.00	112,138.00
Operating Expenses	37,139.00	34,920.45	40,225.00
Amortization	1,659.00	1,658.76	1,659.00
Transfer to Reserves			
Total Expenditures	147,936.00	144,967.21	154,022.00
Surplus (Deficit)	-	- 3,588.80	-

Standard Deliverables

Category 1: Provincial Water Quality Monitoring Network; Provincial Groundwater Monitoring Network, and Low Water Response. Meet the obligations of the Clean Water Act and those that have been assigned in the Kettle Creek Source Protection Plan. Support and Liaise with the Grand River Source Protection Authority and the Lake Erie Source Protection Committee and relevant municipalities to meet the requirements of the Clean Water Act.

Category 3: Maintain and implement a watershed-wide monitoring program to inform watershed resource management decisions and contribute to data used in municipal planning.

KCCA, in partnership with Conservation Ontario, prepares a Watershed Report Card every 5 years. The Report Card provides information to the public on surface water, groundwater, forest and wetland conditions in the watershed.

2024 Initiatives

No changes are anticipated. Lab fees have steadily increased over the last 5 years. 2023 is the last year of a discounted rate. Minimum 10-12% increase expected in 2024 with potential 3% year over year for 2025-2027.

Cost Saving Measures

Staff will continue to negotiate lab fees.

Capital

No capital for this program area.

Conservation Lands

Budget 2024 - Draft February 7, 2024

	Budget 2023	Actual 2023	Budget 2024
Revenue			
Municipal Apportionment			
Category 1	201,287.00	201,287.07	228,503.00
Category 2	78,665.00	73,026.92	82,748.00
Category 3			
Provincial Transfer Payment			
Self Generated	34,557.00	73,245.45	39,957.00
Operating (Reserves)	29,380.00	-	20,880.00
Capital (Reserves)	38,000.00		5,000.00
Total Revenue	381,889.00	347,559.44	377,088.00
Expenditures			
Staffing/Board Expenses	241,943.00	241,538.80	267,411.00
Operating Expenses	80,874.00	91,623.58	82,748.00
Amortization	21,072.00	21,072.36	21,929.00
Transfer to Reserves			
Total Expenditures	343,889.00	354,234.74	372,088.00
Surplus (Deficit)	38,000.00	-	5,000.00

Standard Deliverables

Management and maintenance of 8 Conservation Areas for passive recreation including 25 kilometers of hiking trails, signage, fencing, gates, pavilions, roadways, parking lots, trail structures, stewardship, forest management, hazard tree management, invasive species management, taxes and insurance. Strategic Acquisition of environmentally significant properties in the Kettle Creek watershed as guided by KCCA’s Land Acquisition and Disposition Policy. Includes service agreements with County of Elgin for tree commissioning and City of St. Thomas and Municipality of Central Elgin for the Kettle Creek Dog Park.

2024 Initiatives

The following deliverables are required to be developed by December 31, 2024 in accordance with O. Reg 686/21: Conservation Areas Land Inventory and a Conservation Areas Management Plan to guide the management of CA owned properties including: objectives, land mapping, identification of programs and services. KCCA will be backfilling senior level positions in order to undertake these deliverables and required consultation using limited internal resources.

Cost Saving Measures

KCCA will be backfilling senior level positions in order to undertake these deliverables and required consultation using limited internal resources.

Capital

New Sign at Kirk Cousins Management Area (funded) \$5,000.

Tree Planting

Budget 2024 - Draft February 7, 2024

	Budget 2023	Actual 2023	Budget 2024
Revenue			
Municipal Apportionment			
Category 1			
Category 2			
Category 3	124,808.00	124,808.05	129,130.00
Provincial Transfer Payment			
Self Generated	89,629.00	119,819.74	92,019.00
Operating (Reserves)	35,325.00	17,513.31	39,090.00
Capital (Reserves)			
Total Revenue	249,762.00	262,141.10	260,239.00
Expenditures			
Staffing/Board Expenses	145,028.00	145,172.01	152,886.00
Operating Expenses	104,734.00	116,969.09	107,353.00
Amortization			
Transfer to Reserves			
Total Expenditures	249,762.00	262,141.10	260,239.00
Surplus (Deficit)	-	-	-

Standard Deliverables

Coordination and implementation of tree planting across the watershed including landowner support and technical advice, site plan development, over the counter sales, site preparation and tending, seedling and large stock tree planting, leading and facilitating community planting events and applying for and managing external funding in support of tree plantings.

2024 Initiatives

Maintain a base level of minimum 45,000 trees per year. Secure long-term sustainable funding for program.

Cost Saving Measures

Modest increase to fees to assist in covering off rising costs associated with minimum wage increases, tree stock, handling and delivery charges. Reserves are used to off-set costs of required re-plants and program costs. Continued or increasing use of reserves is an unsustainable model.

Capital

No planned capital for 2024.

Stewardship Services/Landowner Services

Budget 2024 - Draft February 7, 2024

	Budget 2023	Actual 2023	Budget 2024
Revenue			
Municipal Apportionment			
Category 1			
Category 2			
Category 3			
Provincial Transfer Payment			
Self Generated	163,705.00	224,409.92	101,076.00
Operating (Reserves)	24,000.00	-	24,000.00
Capital (Reserves)			
Total Revenue	187,705.00	224,409.92	125,076.00
Expenditures			
Staffing/Board Expenses	25,784.00	24,240.38	27,516.00
Operating Expenses	161,921.00	192,090.98	97,560.00
Amortization			
Transfer to Reserves			
Total Expenditures	187,705.00	216,331.36	125,076.00
Surplus (Deficit)	-	8,078.56	-

Standard Deliverables

Work with landowners and Municipalities 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. Administration of the Elgin Clean Water Program and the Kettle Creek Clean Water Initiative, providing technical advice, applying for and managing external funding, promotion of stewardship and organizing outreach events.

2024 Initiatives

Projects are scaled to available funding.

Cost Saving Measures

Program completely conducted using self-generated funds.

Capital

No planned capital for 2024.

Education and Outreach

Budget 2024 - Draft February 7, 2024

	Budget 2023	Actual 2023	Budget 2024
Revenue			
Municipal Apportionment			
Category 1			
Category 2			
Category 3			
Provincial Transfer Payment			
Self Generated	42,492.00	53,161.24	127,773.00
Operating (Reserves)			2,967.00
Capital (Reserves)			
Total Revenue	42,492.00	53,161.24	130,740.00
Expenditures			
Staffing/Board Expenses	11,455.00	11,000.00	37,243.00
Operating Expenses	31,037.00	39,193.78	93,497.00
Amortization			
Transfer to Reserves		2,967.46	
Total Expenditures	42,492.00	53,161.24	130,740.00
Surplus (Deficit)	-	-	-

Standard Deliverables

Curriculum-based education programs for elementary and secondary students and education and outreach programs for community groups/organizations.

2024 Initiatives

KCCA will coordinate the Elgin-Middlesex Children's Water Festival in 2024. KCCA and UTRCA rotate Festival responsibilities, with KCCA hosting every three years.

Cost Saving Measures

Program completely conducted using self-generated funds.

Capital

No planned capital for 2024.

Campgrounds

Budget 2024 - Draft February 7, 2024

	Budget 2023	Actual 2023	Budget 2024
Revenue			
Municipal Apportionment			
Category 1			
Category 2			
Category 3			
Provincial Transfer Payment			
Self Generated	938,024.00	1,016,033.43	1,031,323.00
Operating (Reserves)	12,000.00		
Capital (Reserves)	10,000.00	-	248,000.00
Total Revenue	960,024.00	1,016,033.43	1,279,323.00
Expenditures			
Staffing/Board Expenses	494,993.00	438,696.75	532,011.00
Operating Expenses	362,020.00	407,717.36	387,541.00
Amortization	87,059.00	87,058.32	87,320.00
Transfer to Reserves	5,952.00	45,325.25	24,451.00
Total Expenditures	950,024.00	978,797.68	1,031,323.00
Surplus (Deficit)	10,000.00	37,235.75	248,000.00

Standard Deliverables

Manage, operate and maintain Lake Whittaker and Dalewood Conservation Area Campgrounds including day-use areas (pay for use), canoe and kayak rentals, seasonal and transient camping, group camping and retail sales of firewood, ice and grocery items

2024 Initiatives

Development of achievable workplans and budget to ensure constant regeneration of capital assets in all program areas including annual transfer of profits to capital reserves.

Cost Saving Measures

Continue to operate campgrounds independent of municipal support, with revenue supporting full-time wages and capital asset management helping to offset mandatory program areas. Fees are evaluated annually to ensure cost recovery and revenue. Initiate at least one additional special revenue generating event at one active recreation property per year over the next five years.

Capital

Hydro upgrades (\$25,000); \$200,000 donation to upgrade LWCA Lakeshore Campground; \$13,000 DWCA golf cart replacement; \$10,000 sign replenishment.

TO: Board of Directors
FROM: Jennifer Dow
Date: February 7, 2024
Subject: 2024 WECl applications for the Dalewood Dam



Recommendation: That staff submit an application to the Water and Erosion Control Infrastructure (WECl) program as soon as funding is announced, for the Environmental Assessment for the Dalewood Dam with a total budget not to exceed \$34,000.

PURPOSE

To seek Board approval to submit a WECl application for the Dalewood Dam Environmental Assessment.

REPORT SUMMARY

- The 102-year-old Dalewood Dam requires costly repairs to the concrete structure, in particular to the spillway and wingwalls.
- The next step is to initiate an Environmental Assessment (EA) process to gather public feedback on the options as presented.
- KCCA will apply for Water and Erosion Control Infrastructure funding to offset the cost of the Environmental Assessment; a board motion is a requirement of the application.
- Total budget impact for the study will not exceed \$34,000 with 50% coming from the Operating Reserve and 50% coming from an application to the WECl program.

BACKGROUND

At the September 20, 2023, Full Authority meeting, staff and a representative from GD Vallee presented the Dalewood Dam Options Assessment. The final report investigated the advantages and disadvantages of a variety of options ranging from a “do nothing” approach to decommissioning/removal of the dam. Members of the Board and staff had an opportunity to view the Dalewood Dam at the Board Watershed Tour on September 22, 2023.

According to the Options Assessment Report, the engineering consultant is recommending three viable options for KCCA to consider:

1. Major Rehabilitation
2. Replace Structure (Reduced Capacity)
3. Removal (Decommissioning)

While the viable options are based on what the long-term vision is for the Dalewood Dam, the final decision for the dam will ultimately be determined through an Environmental Assessment (EA) process. The EA enables the planning and implementation of municipal infrastructure to be undertaken in accordance with an approved procedure designed to protect the environment.

Budget

A dam project budget line is included in the proposed 2024 budget for the amount of \$34,000 to cover the costs of required studies and engineering support through the EA process. A budget of \$34,000 is based on advice from GD Vallee and the number of studies and background information already compiled on the dam. Project spending will be dependent on the disbursement of Water and Erosion Control Infrastructure (WECI) funding.

The Ministry of Natural Resources and Forestry administers the WECI program which is a capital cost share program with municipalities to provide matched funding to Conservation Authorities for major maintenance, repair or related studies of water or erosion control structures that are either owned or maintained by Conservation Authorities. The WECI program contributes to public safety and natural hazard prevention at the local watershed level.

The next round of WECI funding for the 2024-2025 fiscal year is expected to be released in February 2024. A successful WECI application will fund 50% of the proposed project costs. However, funding is not guaranteed and is dependent on the number and size of applications from all CAs and the final scoring of each project submitted to the committee for review. Projects must be completed in the fiscal year April 1 to March 15. Funding for the WECI program will be subject to final provincial budget allocation and approval.

As part of the WECI application process, projects require municipal support or board authority budget approval demonstrating financial commitment. Currently KCCA staff are seeking board support to submit a funding application for a Municipal Class Environmental Assessment for the Dalewood Dam in order to facilitate the application as soon as funding is announced.

RECOMMENDATION

That staff submit an application to the Water and Erosion Control Infrastructure (WECI) program as soon as funding is announced, for the Environmental Assessment for the Dalewood Dam with a total budget not to exceed \$34,000.

TO: Board of Directors
 FROM: Joe Gordon
 Date: February 7, 2024
 Subject: February 2024 Planning and Regulations Activity Report



RECOMMENDATION:

That the February 2024 Planning and Regulations Activity Report be received.

REPORT SUMMARY

The following is a summary of KCCA’s Plan Input and Review responses and Section 28 permits issued by staff during the period of January 12 to February 2, 2024.

Plan Input and Review:

KCCA #	File No.	Municipality	Application Type	Support	Conditions

Section 28 Permit(s):

Permit No.	Address	Municipality	Description
P24-001-D	Cole Drain	Southwold	Minor drainage works consistent with Standard Compliance Requirements (SCR) of the DART Protocol.
P24-002-D	Coulter Drain	Southwold	Minor drainage works consistent with Standard Compliance Requirements (SCR) of the DART Protocol.
P24-003	473 Lower Spring St	Central Elgin	Replacement and enlargement of an existing accessory structure and placement of a minor utility shed located adjacent to remanent valley and bluff slopes. The application is supported by a development review and slope stability assessment by a geotechnical engineer.
P24-004-D	Palmer Drain	Southwold	Reconstruction of 91 metres of open channel watercourse to provide adequate outlet for improvements to a municipal drain.