

NOTICE TO

CLOCA BOARD OF DIRECTORS

Please find enclosed the **agenda** and supporting documents for the **CLOCA Annual General Board of Directors Meeting** on **Tuesday, January 17, 2023, at 5:00 p.m.** This meeting will be an **in-person meeting** held at the Authority's Administrative Office - 100 Whiting Avenue, Oshawa

The list below outlines upcoming meetings and events for your information.

UPCOMING MEETINGS & EVENTS

| DATE | TIME | EVENT | LOCATION |
|--|--|---|---|
| Tuesday, January 17/23 | 5:00 p.m. | CLOCA Board of Directors AGM | In-person: 100 Whiting Avenue, Oshawa |
| Tuesday, January 17/23 | Immediately following AGM | Central Lake Ontario Conservation Fund (CLOCF) Board Meeting | In-person: 100 Whiting Avenue, Oshawa |
| Thursday, January 19/23 | 7:00 p.m. | Woolly Adelgid...How are your Hemlocks? Register online: cloca.com/events | Free virtual workshop |
| *Tuesday, February 14/23 | 5:00 p.m. | CLOCA Board of Directors Meeting | Hybrid Meeting |
| Friday, February 17/23 | 6:00 p.m. to 7:30 p.m. 8:00 p.m. to 9:30 p.m. | Family Evening Snowshoe Hike Register online: cloca.com/events | Enniskillen Conservation Area Russ Powell Nature Centre 7274 Holt Road, Enniskillen |
| March 10-12/23 March 15-19/23 March 25-26/23 April 1-2/23 | 9:30 a.m. to Noon or Noon to 2:30 p.m. | Annual Maple Syrup Festival Purchase tickets online: cloca.com/maple-syrup-festival | Purple Woods Conservation Area 38 Coates Road East, Oshawa |
| Tuesday, March 21/23 | 5:00 p.m. | CLOCA Board of Directors Meeting | Hybrid Meeting |
| Tuesday, April 18/23 | 5:00 p.m. | CLOCA Board of Directors Meeting | Hybrid Meeting |
| Tuesday, May 16/23 | 5:00 p.m. | CLOCA Board of Directors Meeting | Hybrid Meeting |
| Tuesday, June 20/23 | 5:00 p.m. | CLOCA Board of Directors Meeting | Hybrid Meeting |
| Tuesday, July 18/23 | 5:00 p.m. | CLOCA Board of Directors Meeting | Hybrid Meeting |
| Tuesday, September 19/23 | 5:00 p.m. | CLOCA Board of Directors Meeting | Hybrid Meeting |
| Tuesday, October 17/23 | 5:00 p.m. | CLOCA Board of Directors Meeting | Hybrid Meeting |
| Tuesday, November 21/23 | 5:00 p.m. | CLOCA Board of Directors Meeting | Hybrid Meeting |
| Tuesday, December 19/23 | 5:00 p.m. | CLOCA Board of Directors Meeting | Hybrid Meeting |

***Prior Tuesday meeting due to Monday being a statutory holiday**

LATEST NEWS

Check Out our website! www.cloca.com
Discover your local Conservation Area.

“Healthy Watersheds for Today and Tomorrow”

CENTRAL LAKE ONTARIO CONSERVATION AUTHORITY

A G E N D A

ANNUAL AUTHORITY MEETING

Tuesday, January 17, 2023 - 5:00 P.M.

IN-PERSON MEETING LOCATION: 100 WHITING AVENUE, OSHAWA
AUTHORITY'S ADMINISTRATIVE OFFICE, BOARDROOM

CIRCULATION LIST

Authority Bob Chapman

Members: Marilyn Crawford

Sami Elhajjeh

Bruce Garrod

Ron Hooper

Rick Kerr

Chris Leahy

Tito-Dante Marimpietri

Ian McDougall

Rhonda Mulcahy

John Neal

David Pickles

Elizabeth Roy

Corinna Traill

Steve Yamada

Authority C. Darling, Chief Administrative Officer

Staff: B. Boardman, Executive/Accounting Administrator/Recording Secretary

R. Catulli, Director, Corporate Services

J. Davidson, Director, Watershed Planning & Natural Heritage

L. Hastings, Marketing & Communications Coordinator

D. Hope, Land Management & Operations Supervisor

C. Jones, Director, Planning & Regulation

P. Sisson, Director, Engineering & Field Operations

L. Vaja, Executive Assistant/Health & Safety Administrator

R. Wilmot, GIS Systems Supervisor

Others:

AGENDA ITEM:

SUPPORTING DOCUMENTS

1. CHAIR'S WELCOME

Central Lake Ontario Conservation Authority works within the traditional territory of the Huron-Wendat, Haudenosaunee, Mississauga, and Chippewa Nations and within the jurisdiction of the Williams Treaties. We are grateful for the continued work of many First Nations, Métis, and Inuit Peoples who are the original caretakers of the land and waters. In our local watershed, we have a responsibility to work collaboratively with the neighbouring communities of Scugog Island, Hiawatha, Alderville, and Curve Lake First Nations.

2. DECLARATIONS of interest by members on any matters herein contained.

3. ADOPTION OF MINUTES of November 23, 2022

pg. 1

4. CHAIR'S REMARKS – B. Chapman

5. PRESENTATIONS – None

6. ELECTION OF OFFICERS

At this point in the proceedings, the 2022 elected officers will vacate their positions, and the Chief Administrative Officer will officiate for the 2023 election of Chair.

Resolution Required: THAT in the event of a vote by ballot, Jamie Davidson and Perry Sisson be designated as scrutineers; and further that all election ballots be destroyed.

Authority Chair

(Three calls will be made for nominations. No seconder is required. Where more than one nominee stands for office, an election by secret ballot will be conducted.)

Nominations:

Resolution Required: THAT nominations for the position of Authority Chair be closed.

Election:

The newly elected Chair will assume the Chair to conduct the remainder of the meeting.

Authority Vice-Chair

(Three calls will be made for nominations. No seconder is required. Where more than one nominee stands for office, an election by secret ballot will be conducted.)

Nominations:

Resolution Required: THAT nominations for the position of Authority Vice-Chair be closed.

Election:

7. SIGNING OFFICERS

Resolution Required: THAT the Signing Officers of the Authority be any two of the following: The Chair, Vice-Chair, Chief Administrative Officer/Secretary-Treasurer, and Director of Corporate Services.

8. SOLICITORS

Central Lake Ontario Conservation Authority utilizes the services of six (6) legal firms:

- Borden Ladner Gervais – property tax and related matters
- Boychyn & Boychyn – real estate and property transactions
- Fogler, Rubinoff – land-related matters – planning and regulation matters
- Gardiner, Roberts – land-related matters – planning and regulation matters
- Hicks, Morley – employment and labour-related matters
- Littler Canada - legal matters for personnel/human resources

Resolution Required: THAT the firms Borden Ladner Gervais, Toronto; Boychyn & Boychyn, Oshawa; Fogler Rubinoff, Toronto; Gardiner, Roberts, Toronto; Hicks Morley, Toronto; and Littler Canada be appointed Solicitors for the Authority, as required.

9. BORROWING BY-LAW

Resolution Required: THAT the Central Lake Ontario Conservation Authority's signing officers are hereby authorized on behalf of the Central Lake Ontario Conservation Authority to borrow from time to time, from the banking institution under agreement with the Central Lake Ontario Conservation Authority, up to \$1,000,000 to meet current expenditures until Provincial grants and/or Regional funding are received, with interest as may be determined by agreement between the bank and the Central Lake Ontario Conservation Authority.

10. CONSERVATION ONTARIO COUNCIL

Resolution Required: THAT the Chair be appointed as the Authority's representative on the Conservation Ontario Council. Alternative designates are the Vice-Chair and the Chief Administrative Officer.

11. ENFORCEMENT OFFICERS

- (i) Development, Interference with Wetlands and Alteration to Shorelines and Watercourses Regulation #42/06

Resolution Required: THAT L. Bulford, E. Cameron, D. Cheng, J. Hetherington, C. Jones, S. Nejad, P. Sisson and be appointed Enforcement Officers under the Development, Interference with Wetlands and Alteration to Shorelines and Watercourses Regulation #42/06.

12. ENFORCEMENT OFFICERS

(ii) Conservation Areas Regulation #101/90

Resolution Required: THAT T. Backus, B. De Waal, H. Hirschfeld, D. Hope, J. Maas, and A. Cooper be appointed Enforcement Officers under the Conservation Areas Regulation #101/92.

13. CORRESPONDENCE

- (1) Letter from the Ministry of Natural Resources & Forestry pg. 7
Re: Legislative and regulation changes affecting conservation authorities
- (2) Letter from the Ministry of Natural Resources & Forestry pg. 10
Re: Minister's direction for conservation authorities regarding fee changes associated with planning, development, and permitting fees
- (3) Letter from C. Jones (CLOCA) to Watershed Planning Departments pg. 26
Re: Conservation Authority Legislative and Regulatory Changes (Bill 23)

RECOMMENDATION:

THAT the above correspondence items be received for information.

14. DIRECTOR, PLANNING & REGULATION

- (1) Staff Report #5811-23 pg. 28
Re: Permits Issued for Development, Interference with Wetlands, and Alteration to Shorelines and Watercourses – November 1 to December 31, 2022
- (2) Staff Report #5815-23 pg. 30
Re: 2022 Timeline Report for Section 28 Applications

15. DIRECTOR, WATERSHED PLANNING & NATURAL HERITAGE – None

16. DIRECTOR, ENGINEERING, FIELD OPERATIONS & EDUCATION

- (1) Staff Report #5813-23 pg. 33
Re: Lynde Creek Floodplain Mapping

17. DIRECTOR, CORPORATE SERVICES

- (1) Staff Report #5817-23 pg. 35
Re: BDO Canada Audit of Financial Statements for the Year Ended December 31, 2022

18. CHIEF ADMINISTRATIVE OFFICER

- (1) Staff Report #5812-23 pg. 51
Re: Common Memberships – Different Boards
- (2) Staff Report #5814-23 pg. 52
Re: 2022 Annual Report & Strategic Plan Implementation

19. CONFIDENTIAL MATTERS

- (1) Staff Report #5816-23 pg. 57
Re: Property Matter

20. NEW AND UNFINISHED BUSINESS

21. ADJOURNMENT

A G E N D A
SUPPORTING DOCUMENTS

MEETING OF: Authority – Annual
DATE: Tuesday, January 17, 2023
TIME: 5:00 p.m.
LOCATION: 100 Whiting Avenue, Oshawa

CENTRAL LAKE ONTARIO CONSERVATION AUTHORITY
MINUTES NO. 8
AUTHORITY MEETING

Wednesday, November 23, 2022 - 6:00 P.M.

MEETING LOCATION: VIRTUAL MEETING THROUGH ZOOM

Authority Bob Chapman, Chair
Members: Ron Hooper
Janice Jones
Chris Leahy
Tito-Dante Marimpietri
Ian McDougall
John Neal
Brian Nicholson
Steve Yamada

Authority C. Darling, Chief Administrative Officer
Staff: B. Boardman, Executive/Accounting Administrator
R. Catulli, Director, Corporate Services
C. Gregory, Coordinator, Conservation Education
L. Hastings, Marketing & Communications Coordinator
D. Hope, Conservation Lands & Education Manager
C. Jones, Director, Planning & Regulation
P. Sisson, Director, Engineering, Field Operations & Education
L. Vaja, Executive Assistant/Health & Safety Administrator/ Recording Secretary
R. Wilmot, Information Management & Technology Manager

Absent: Elizabeth Roy, Vice Chair
Dave Barton
Sterling Lee
Don Mitchell
David Pickles
Corinna Trall

Others:

The Chair called the meeting to order at 6:02 p.m.

LAND ACKNOWLEDGEMENT STATEMENT

Chair Chapman recited the Land Acknowledgement Statement.

DECLARATIONS of interest by members on any matters herein contained – *None*

CORRESPONDENCE

- (1) Correspondence from Conservation Ontario (Agenda pg. 3)
Re: Council Meeting Minutes from September 26, 2022
- (2) Correspondence to Premier Ford, Minister Clark, Minister Smith and Minister Piccini (Agenda pg. 9)
Re: Bill 23: Schedule 2 the More Homes Built Faster Act, 2022
- (3) Correspondence to the Standing Committee (Agenda pg. 12)
Re: CLOCA Comments - Bill 23, More Homes Built Faster Act, 2022

Res. #62 Moved by J. Neal
Seconded by R. Hooper

THAT the above correspondence items be received for information.

CARRIED

ADOPTION OF MINUTES (Agenda pg. 1)

Res. #63 Moved by J. Neal
Seconded by T.D Marimpietri

THAT the Authority minutes of September 20, 2022, be adopted as circulated.

CARRIED

DIRECTOR, PLANNING & REGULATION

- (1) Staff Report #5802-22 (Agenda pg. 14)
Re: Permits Issued for Development, Interference with Wetlands and Alteration to Shorelines and Watercourses – September 1 to October 31, 2022

Res. #64 Moved by R. Hooper
Seconded by B. Nicholson

THAT Staff Report #5802-22 be received for information.
CARRIED

- (2) Staff Report #5804-22 (Agenda pg. 17)
Re: Provincial Consultation on Replacing Provincial Policy Statement and Growth Plan

Res. #65 Moved by R. Hooper
Seconded by B. Nicholson

THAT the CLOCA Board of Directors considers Regional Municipal Planning in Durham, Natural Heritage and Water Conservation Policies, Existing Natural Hazard Policies, and Watershed, Subwatershed and Stormwater Management Policies to be essential for the health and safety of present and future generations in Durham Region and not barriers to the supply of housing;
THAT the Province of Ontario should Focus on Provincial Policy Implementation, including technical support at the Ontario Land Tribunal, as opposed to further re-writing of high-level provincial policy;
THAT the Commentary in Staff Report #5804-22 and attachments be endorsed and submitted to the Province of Ontario and Conservation Ontario as CLOCA's comments regarding Environmental Registry Posting 019-6177;
THAT Staff Report #5804-22 be circulated to Watershed Municipalities with a request for endorsement of this resolution; and,
THAT Staff Report #5804-22 be circulated to Members of Provincial Parliament, Members of Parliament, Conservation Ontario and adjacent Conservation Authorities for their information.
CARRIED

- (3) Staff Report #5808-22 (Agenda pg. 39)
Re: Provincial Consultation on Proposed Amendments to the Greenbelt

Res. #66 Moved by R. Hooper
Seconded by B. Nicholson

WHEREAS The Ontario Housing Affordability Task Force's Recommended Goal of 1.5 million homes in the next 10 years explicitly excluded building on the Greenbelt Protected Countryside;
WHEREAS As Recently as March 24 of this year, the Government of Ontario Stated that "government will not consider the removal of any lands from the Greenbelt";
WHEREAS Removal Proposals Include Portions of the Greenbelt Natural Heritage System Containing Irreplaceable Provincially Significant Wetlands and Woodlands in the CLOCA Watershed;
WHEREAS CLOCA Previously Commented on Greenbelt Expansion Proposals with the Premise of Improving the Quantity and Quality of the Greenbelt for Future Generations and Not to Facilitate Future Removals;
THEREFORE BE IT RESOLVED THAT the CLOCA Board of Directors requests that the Province of Ontario withdraw the Proposed Amendments to the Greenbelt Plan;
THAT the Commentary in Staff Report #5808-22 and attachments be endorsed and submitted to the Province of Ontario and Conservation Ontario as CLOCA's comments regarding Environmental Registry Posting 019-6216, 019-6217, 019-6218;
THAT Staff Report #5808-22 be circulated to Watershed Municipalities with a request for endorsement of this resolution; and,
THAT Staff Report #5808-22, be circulated to Members of Provincial Parliament, Members of Parliament, Conservation Ontario and adjacent Conservation Authorities for their information.
CARRIED

DIRECTOR, WATERSHED PLANNING & NATURAL HERITAGE

- (1) Staff Report #5806-22 (Agenda pg. 57)
Re: Proposed Updates to the Ontario Wetland Evaluation System

Res. #67 Moved by J. Neal
Seconded by T.D Marimpietri

THAT in response to Environmental Registry Posting ERO #019-61, the CLOCA Board of Directors requests that the Province of Ontario not proceed with the proposed updates to the Ontario Wetland Evaluation System;
That the Commentary in Staff Report #5806-22 and attachment, be endorsed and submitted to the Province of Ontario and Conservation Ontario as CLOCA's comments regarding Environmental Registry Posting ERO #019-6160;
THAT Staff Report #5806-22 be circulated to Watershed Municipalities with a request for endorsement of this resolution; and,
THAT Staff Report #5806-22, be circulated to Members of Provincial Parliament, Members of Parliament, Conservation Ontario and adjacent Conservation Authorities for their information.
CARRIED

I. McDougall joined the meeting at 6:04pm

DIRECTOR, ENGINEERING, FIELD OPERATIONS & EDUCATION

- (1) Staff Report #5799-22 (Agenda pg. 67)
Re: Trillium Community Building Fund – Capital Stream Grant
Stephen's Gulch, Enniskillen & Long Sault Conservation Areas

Res. #68 Moved by J. Neal
Seconded by T.D Marimpietri

THAT the Board of Directors endorse contracting Melrose Paving Company for the expansion of the Stephen's Gulch Conservation Area parking lot with an upset limit of \$136,061.80.
CARRIED

- (2) Staff Report #5803-22 (Agenda pg. 68)
Re: Lake Ontario Shoreline Damage Centres Risk Study

Res. #69 Moved by J. Neal
Seconded by T.D Marimpietri

THAT the Lake Ontario Shoreline Damage Centres Risk Study (SJL Ltd, 2022) be endorsed for use in CLOCA programs, and shared with our municipal partners.
CARRIED

- (3) Staff Report #5807-22 (Agenda pg. 72)
Re: Summer/Fall 2022 – Conservation Areas Update

Res. #70 Moved by J. Neal
Seconded by T.D Marimpietri

THAT Staff Report #5807-22 be received for information.
CARRIED

DIRECTOR, CORPORATE SERVICES

- (1) Staff Report #5801-22 (Agenda pg. 77)
Re: 2023 Proposed Fee Policy and Fees Schedule for Authority Services & Programs

Res. #71 Moved by B. Nicholson
Seconded by I. McDougall

THAT the 2023 Proposed Fees be adopted, effective November 23, 2022.
CARRIED

- (2) Staff Report #5809-22 (Agenda pg. 89)
Re: CLOCA Personnel Policy - Electronic Monitoring

Res. #72 Moved by B. Nicholson
Seconded by I. McDougall

THAT Staff Report #5809-22 be received for information and approved as circulated.
CARRIED

- (3) Staff Report #5810-22 (Agenda pg. 93)
Re: 2023 Preliminary Budget and Levy Submission

Res. #73 Moved by B. Nicholson
Seconded by I. McDougall

THAT the 2023 Preliminary Operating Levy Submission and Special Municipal Land Management Levy Submission totalling \$4,465,990, the Special Funding Request for the CLOCA Environmental Restoration Project totalling \$150,000, the Conservation Area Improvements totalling \$130,000, the Lynde Creek Floodplain Mapping totalling \$110,000 and the Electric Vehicle Charging Stations totalling \$30,000 be approved for circulation to the Region of Durham.

THAT the St. Mary's land acquisition surplus, which was generated from the Conservation Ontario overhead allocation (5.53% of total acquisition cost) be transferred to the Reserve for Land (\$57,100).
CARRIED

CHIEF ADMINISTRATIVE OFFICER

- (1) Staff Report #5800-22 (Agenda pg. 103)
Re: 2023 Meeting Schedule – Board of Directors

Res. #74 Moved by J. Neal
Seconded by B. Nicholson

THAT the 2023 Meeting Schedule for Board of Directors be adopted.
CARRIED

- (2) Staff Report #5805-22 (Agenda pg. 104)
Re: More Homes Built Faster Act, 2022

Res. #75 Moved by B. Nicholson
Seconded by J. Neal

THAT the CLOCA Board of Directors supports local conservation authority agreements with partners to review and provide comprehensive environmental and ecological planning advice on development proposals;

THAT the CLOCA Board of Directors calls on the Minister of Natural Resources and Forestry to not prescribe the planning Act as it relates to Section 21.1.1 and 21.1.2 of the Conservation Authorities Act to allow for locally developed plan review agreements between municipalities and conservation authorities for natural heritage and water resource plan review;

THAT the CLOCA Board of Directors recommends that development authorized under the Planning Act not be exempted from a requirement for a permit under the CA Act and that all current conservation authority hazard-related responsibilities remain unchanged;

THAT the Province re-establish the multi-stakeholder, solutions-oriented Conservation Authority Working Group to provide meaningful input prior to finalizing the legislative, regulatory and policy changes;

THAT the Commentary in Staff Report #5805-22 and attachment be endorsed and submitted to the Province of Ontario and Conservation Ontario as CLOCA's comments regarding Environmental Registry Postings ERO 019-6141, ERO 019-2927 & ERO 019-6161;

THAT Staff Report #5805-22 be circulated to Watershed Municipalities with a request for endorsement of this resolution; and,

THAT Staff Report #5805-22, be circulated to Members of Provincial Parliament, Members of Parliament, Conservation Ontario and adjacent Conservation Authorities for their information.

AMENDMENT Moved by B. Nicholson
 Seconded by R. Hooper

THAT the CLOCA Board of Directors supports local conservation authority agreements with partners to review and provide comprehensive environmental and ecological planning advice on development proposals;

THAT the CLOCA Board of Directors calls on the Minister of Natural Resources and Forestry to not prescribe the Planning Act and Environmental Assessment Act as it relates to Section 21.1.1 and 21.1.2 of the Conservation Authorities Act to allow for locally developed plan review agreements between municipalities and conservation authorities for natural heritage and water resource plan review;

THAT the CLOCA Board of Directors recommends that development authorized under the Planning Act not be exempted from a requirement for a permit under the CA Act and that all current conservation authority hazard-related responsibilities remain unchanged;

THAT the Province re-establish the multi-stakeholder, solutions-oriented Conservation Authority Working Group to provide meaningful input prior to finalizing the legislative, regulatory and policy changes;

THAT the Commentary in Staff Report #5805-22 and attachment be endorsed and submitted to the Province of Ontario and Conservation Ontario as CLOCA's comments regarding Environmental Registry Postings ERO 019-6141, ERO 019-2927 & ERO 019-6161;

THAT Staff Report #5805-22 be circulated to Watershed Municipalities with a request for endorsement of this resolution; and,

THAT Staff Report #5805-22 be circulated to Members of Provincial Parliament, Members of Parliament, Conservation Ontario and adjacent Conservation Authorities for their information.

Res. #75, CARRIED AS AMENDED

T.D Marimpietri left the meeting at 6:10pm

CONFIDENTIAL MATTERS – None

NEW AND UNFINISHED BUSINESS

Res. #76 Moved by B. Nicholson
 Seconded by J. Neal

THAT the December 20, 2022, and January 17, 2023 Board Meetings be conducted as hybrid.
CARRIED

B. Nicholson thanked staff for their hard work and dedication. He noted he had learned a lot during his time on the Board and that it was a pleasure working with everyone. He commended staff on their accomplishments. Thank you was echoed by R. Hooper and J. Jones.

Chair Chapman thanked R. Hooper, B. Nicholson, J. Jones and D. Mitchell for their hard work during the municipal term, along with Members that will not be returning to the Board for their next term.

ADJOURNMENT

Res. #77 Moved by R. Hooper
 Seconded by J. Jones

THAT the meeting adjourn.
CARRIED

The meeting adjourned at 6:22 p.m.

BOB CHAPMAN, CHAIR

CHRIS DARLING, CHIEF ADMINISTRATIVE OFFICER

DRAFT

Ministry of Natural Resources and Forestry

Ministère des Richesses naturelles et des Forêts

Resources Planning and Development
Policy Branch
Policy Division
300 Water Street
Peterborough, ON K9J 3C7

Direction des politiques de planification et d'exploitation des ressources
Division de l'élaboration des politiques
300, rue Water
Peterborough (Ontario) K9J 3C7

To: Conservation authorities and participating municipalities, Conservation Ontario and the Association of Municipalities of Ontario

From: Jennifer Keyes, Director

Date: December 28, 2022

Subject: Legislative and regulation changes affecting conservation authorities

Good afternoon,

I am writing to provide you with information on amendments to the *Conservation Authorities Act* made as part of the *More Homes Built Faster Act, 2022*, as well as two regulations that have been approved by the province in support of Ontario's Housing Supply Action Plan, both of which will come into effect on January 1, 2023. In addition, the Minister of Natural Resources and Forestry has issued a direction regarding fees that will be distributed separately from this letter. A notice will be posted to the Environmental Registry of Ontario (ERO) in the coming weeks regarding these decisions.

Legislative Amendments

As you are likely aware, the *More Homes Built Faster Act, 2022* was passed this Fall, receiving Royal Assent on November 28, 2022. Several changes were made to the *Conservation Authorities Act* that are intended to further focus conservation authorities on their core mandate, support faster and less costly approvals, streamline conservation authority processes, and help make land suitable for housing available for development.

Notably, one part of the *More Home Built Faster Act, 2022* which came into effect upon Royal Assent were changes to Section 28.0.1 of the *Conservation Authorities Act*, which include provisions to require a conservation authority to issue a permission or permit where a Minister's Zoning Order has been made under section 47 of the *Planning Act*. This section was amended to also apply to orders made under section 34.1 of the *Planning Act*, otherwise known as the "community infrastructure and housing accelerator" tool, in addition to some other minor changes.

Other changes, which will come into effect on January 1, 2023, include:

- Updates to Section 21 of the Act so that a disposition of land in respect of which the Minister has made a grant under section 39 requires authorities to provide a notice of the proposed disposition to the Minister instead of requiring the Minister's approval. Authorities will also be required to conduct public consultations before disposing of lands that meet certain criteria.
- Sections 21.1.1 and 21.1.2 of the Act which provide that authorities may not provide a program or service related to reviewing and commenting on proposals, applications, or other matters under prescribed Acts.
- A new section 21.3 that enables the Minister to issue temporary direction to a conservation authority preventing the authority from changing the amount of a fee it charges under subsection 21.2 (10) of the Act.

Remaining legislative changes regarding conservation authority development regulations will not come into effect until proclaimed, following the creation of a new Minister's regulation with supporting regulatory details. This regulation is currently being consulted on until December 30th on the ERO, #019-2927: [Proposed updates to the regulation of development for the protection of people and property from natural hazards in Ontario.](#)

New Regulatory Requirements

Following the passing of these legislative amendments, the government has proceeded with making two regulations, both of which will come into effect on January 1, 2023.

Amendments were made to [Ontario Regulation 686/21: Mandatory Programs and Services](#) to require conservation authorities to identify conservation authority lands suitable for housing. This requirement is part of the preparation of the land inventory required to be completed by conservation authorities by December 31, 2024, and certain considerations for identifying whether or not lands are suitable for housing are listed.

A new Minister's regulation (Ontario Regulation 596/22: Prescribed Acts – Subsections 21.1.1 (1.1) and 21.1.2 (1.1) of the Act) was also made to focus conservation authorities' role when reviewing and commenting on proposals, applications, or other matters related to development and land use planning. Under this regulation, conservation authorities are no longer able to provide a municipal (Category 2) or other (Category 3) program or service related to reviewing and commenting on a proposal, application, or other matter made under the following Acts:

- *The Aggregate Resources Act*
- *The Condominium Act, 1998*
- *The Drainage Act*
- *The Endangered Species Act, 2007*
- *The Environmental Assessment Act*
- *The Environmental Protection Act*
- *The Niagara Escarpment Planning and Development Act*
- *The Ontario Heritage Act*
- *The Ontario Water Resources Act*
- *The Planning Act*

This regulation does not affect conservation authorities' provision of mandatory programs or services (Category 1) related to reviewing and commenting on a proposal, application, or other matter made under those Acts.

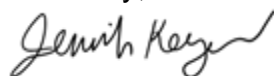
An administrative update to the "Determination of Amounts Owing Under Subsection 27.2 (2) of the Act" regulation (O. Reg. 401/22) was also made to update the methods of determining amounts owed by specified municipalities for operating expenses and capital costs related to mandatory the *Clean Water Act, 2006* and *Lake Simcoe Protection Act, 2008* programs and services to enable use of a benefit-based apportionment method.

I appreciate that with these most recent amendments, along with changes made over the last number of years, this is a time of significant transition for conservation authorities and their member municipalities. Throughout this time, conservation authorities have continued to deliver on their important roles in protecting people and property from natural hazards, conserving and managing lands, and drinking water source protection.

The ongoing efforts of conservation authorities to implement these changes is acknowledged, including initiatives led by conservation authorities and Conservation Ontario that have contributed to the Government's objectives of improving accountability and transparency and supporting timely development approvals to help address Ontario's housing supply crisis.

If you have any questions, please reach out to the Ministry of Natural Resources and Forestry at ca.office@ontario.ca. I look forward to working with you in the coming year.

Sincerely,



Jennifer Keyes

Director, Resources Planning and Development Policy Branch
Ministry of Natural Resources and Forestry

**Ministry of Natural
Resources and Forestry**

Office of the Minister

99 Wellesley Street West
Room 6630, Whitney Block
Toronto, ON M7A 1W3
Tel.: 416-314-2301

**Ministère des Richesses
naturelles et des Forêts**

Bureau du ministre

99, rue Wellesley Ouest
Bureau 6630, Édifice Whitney
Toronto ON M7A 1W3
Tél.: 416 314-2301



December 28, 2022

TO: Conservation authorities as listed in the Attachment A “Minister’s Direction to Not Change Fees”

SUBJECT: Minister’s direction for conservation authorities regarding fee changes associated with planning, development and permitting fees

In support of Ontario’s Housing Supply Action Plan: 2022-2023, the province made a series of legislative changes through the *More Homes Built Faster Act, 2022* (Bill 23) to help achieve the goal of building 1.5 million homes over the next 10 years. These changes accelerate housing development approvals while continuing to protect Ontario families, communities, and critical resources. A number of these changes affect conservation authorities and are intended to support faster and less costly approvals, streamline conservation authority processes, and help make land suitable for housing available for development.

To this end, pursuant to subsection 21.3 (1) of the *Conservation Authorities Act*, which is in effect January 1, 2023, I am issuing a Minister’s Direction (“Direction”), attached to this letter as Attachment “A”. Subsection 21.3 (1) provides that the “Minister may give a written direction to an authority directing it not to change the amount of any fee it charges under subsection 21.2 (10), in respect of a program or service set out in the list referred to in subsection 21.2 (2), for the period specified in the direction.”

The purpose of this Direction, which is effective from January 1, 2023 to December 31, 2023, is to require a conservation authority not to change the amount of the fee it charges or the manner in which it determines the fee for any program or service that may be provided by the conservation authority. This relates to reviewing and commenting on planning and development related proposals or land use planning policies, or for permits issued by conservation authorities. For greater certainty, the “Prescribed Acts – subsections 21.1.1 (1.1) and 21.1.2 (1.1) of the Act” regulation (O. Reg. 596/22), effective January 1, 2023, prohibits a CA from providing a municipal (Category 2) or other (Category 3) program or service related to reviewing and commenting on a proposal, application, or other matter

made under prescribed Acts. This regulation therefore precludes the charging of a fee by a conservation authority for these specific programs or services provided under subsections 21.1.1 (1) or 21.1.2 (1.1) of the *Conservation Authorities Act*.

The conservation authorities listed in Appendix A of the Direction are encouraged to make the Direction publicly available on the Governance section of their websites.

Pursuant to subsection 21.2 (3) of the Act, I am also re-distributing the Minister's list of classes and programs and services in respect of which conservation authorities may charge a fee along with this Direction, with editorial changes to reflect the recent legislative and regulatory changes.

If you have any questions, please contact Jennifer Keyes, Director, Resources Planning and Development Policy Branch, at Jennifer.Keyes@ontario.ca or 705-761-4831.

If it is in the public interest to do so, I will provide further direction or clarification at a later date related to the matters set out in this Direction.

Sincerely,



The Honourable Graydon Smith
Minister of Natural Resources and Forestry

c: The Honourable Steve Clark, Minister of Municipal Affairs and Housing
The Honourable David Piccini, Minister of the Environment, Conservation and Parks

**Minister’s Direction Issued Pursuant to Section 21.3 of the *Conservation Authorities Act*
(this “Direction”)**

WHEREAS section 21.2 of the *Conservation Authorities Act*, in effect on January 1, 2023, permits a Conservation Authority to charge a fee for a program or service if the program or service is included in the Minister’s list of classes of programs and services in respect of which a Conservation Authority may charge a fee;

AND WHEREAS subsections 21.2 (6) and 21.2 (7) of the *Conservation Authorities Act* provide that a Conservation Authority shall adopt a written fee policy that includes a fee schedule listing the programs and services that it provides in respect of which it charges a fee, and the amount of the fee charged for each program or service or the manner in which the fee is determined (a “**Fee Schedule**”);

AND WHEREAS subsection 21.2 (10) of the *Conservation Authorities Act* provides that a Conservation Authority may make a change to the list of fees set out in the fee schedule or to the amount of any fee or the manner in which a fee is determined, provided the authority shall give notice of the proposed change to the public in a manner it considers appropriate;

AND WHEREAS section 21.3 of the *Conservation Authorities Act* provides the Minister with the authority to give a written direction to an authority directing it not to change the amount of any fee it charges under subsection 21.2 (10), in respect of a program or service set out in the list referred to in subsection 21.2 (2), for the period specified in the direction;

NOW THEREFORE pursuant to the authority of the Minister of Natural Resources and Forestry under section 21.3, the Conservation Authorities set out under Appendix “A” of this Direction (the “**Conservation Authorities**” or each, a “**Conservation Authority**”) are hereby directed as follows:

Fee Changes Prohibition

1. Commencing on the Effective Date and for the duration of the Term of this Direction, a Conservation Authority is prohibited from making a change under subsection 21.2 (10) of the *Conservation Authorities Act* to the amount of any fee or the manner in which a fee is determined in its fee schedule if such a change would have the effect of changing the fee amount for the programs and services described in paragraphs 2 and 3 of this Direction.

Program and Service Fees Impacted

2. This Direction applies to any fee set out in the Fee Schedule of a Conservation Authority, including without limitation fees for any mandatory program or service (Category 1), municipal program or service (Category 2), or Conservation Authority recommended program or service (Category 3) related to reviewing and commenting on

planning and development related proposals, applications, or land use planning policies, or for Conservation Authority permitting.

3. For greater certainty, this Direction applies to any fees in respect of the following programs or services provided under the Mandatory Programs and Services regulation ([O. Reg. 686/21](#)):
 - a. Section 6: programs and services related to reviewing applications and proposals under the *Aggregate Resources Act*, *Drainage Act*, *Environmental Assessment Act*, and the *Niagara Escarpment Planning and Development Act*, for the purpose of commenting on the risks related to natural hazards arising from the proposal,
 - b. Section 7: programs and services related to ensuring that decisions under the *Planning Act* are consistent with the natural hazards policies in the policy statements issued under section 3 of the *Planning Act* and are in conformance with any natural hazard policies included in a provincial plan as defined in section 1 of that Act,
 - c. Section 8: programs and services related to Conservation Authority duties, functions, and responsibilities to administer and enforce section 28 and its regulations, section 28.0.1, and section 30.1 of the *Conservation Authorities Act*,
 - d. Paragraph 4 of subsection 13 (3): programs and services related to reviewing and commenting on any proposal made under another Act for the purpose of determining whether the proposal relates to a significant drinking water threat or may impact any drinking water sources protected by a source protection plan, and
 - e. Subparagraph 4 iv of section 15: programs and services related to reviewing and commenting on proposals made under other Acts for the purpose of determining the proposal's impact on the Lake Simcoe Protection Plan and the Lake Simcoe watershed.

Application

4. This Direction, applies to all Conservation Authorities in Ontario, listed in Appendix "A" to this Direction.
5. For greater certainty, this Direction also applies to the Conservation Authorities listed in Appendix "A" to this Direction when such Conservation Authorities are meeting as a source protection authority under the *Clean Water Act, 2006*.

Effective Date and Term

6. This Direction is effective from January 1, 2023 (the "**Effective Date**").
7. The term of this Direction is the period from the Effective Date to December 31, 2023 (the "**Term**").

Amendments

8. This Direction may be amended in writing from time to time at the sole discretion of the Minister.

**HIS MAJESTY THE KING IN RIGHT OF ONTARIO
as represented by the
Minister of Natural Resources and Forestry**



The Honourable Graydon Smith
Minister of Natural Resources and Forestry
December 28, 2022

APPENDIX A

LIST OF CONSERVATION AUTHORITIES TO WHICH THE DIRECTION APPLIES

Ausable Bayfield CA

R.R. #3
71108 Morrison Line
Exeter ON N0M 1S5
Brian Horner
bhorner@abca.on.ca

Cataraqui Region CA

Box 160
1641 Perth Road
Glenburnie ON K0H 1S0
Katrina Furlanetto
kfurlanetto@crca.ca

Catfish Creek CA

R.R. #5
8079 Springwater Road
Aylmer ON N5H 2R4
Dusty Underhill
generalmanager@catfishcreek.ca

Central Lake Ontario CA

100 Whiting Avenue
Oshawa ON L1H 3T3
Chris Darling
cdarling@cloca.com

Credit Valley CA

1255 Old Derry Rd
Mississauga ON L5N 6R4
Quentin Hanchard
quentin.hancard@cvc.ca

Crowe Valley CA

Box 416
70 Hughes Lane
Marmora ON K0K 2M0
Tim Pidduck
tim.pidduck@crowevalley.com

Essex Region CA

Suite 311
360 Fairview Ave West
Essex ON N8M 1Y6

Tim Byrne
tbyrne@erca.org

Ganaraska Region CA

Box 328
2216 County Road 28
Port Hope ON L1A 3V8
Linda Laliberte
llaliberte@grca.on.ca

Grand River CA

Box 729
400 Clyde Road
Cambridge ON N1R 5W6
Samantha Lawson
slawson@grandriver.ca

Grey Sauble CA

R.R. #4
237897 Inglis Falls Road
Owen Sound ON N4K 5N6
Tim Lanthier
t.lanthier@greysauble.on.ca

Halton Region CA

2596 Britannia Road West
Burlington ON L7P 0G3
Hassaan Basit
hbasit@hrca.on.ca

Hamilton Region CA

P.O. Box 81067
838 Mineral Springs Road
Ancaster ON L9G 4X1
Lisa Burnside
lisa.burnside@conservationhamilton.ca

Kawartha Region CA

277 Kenrei (Park) Road
Lindsay ON K9V 4R1
Mark Majchrowski
mmajchrowski@kawarthaconservation.com

Kettle Creek CA

R.R. #8
44015 Ferguson Line
St. Thomas ON N5P 3T3
Elizabeth VanHooren
elizabeth@kettlecreekconservation.on.ca

Lake Simcoe Region CA

Box 282
120 Bayview Parkway
Newmarket ON L3Y 3W3
Rob Baldwin
r.baldwin@lsrca.on.ca

Lakehead Region CA

Box 10427
130 Conservation Road
Thunder Bay ON P7B 6T8
Tammy Cook
tammy@lakeheadca.com

Long Point Region CA

4 Elm Street
Tillsonburg ON N4G 0C4
Judy Maxwell
jmaxwell@lprca.on.ca

Lower Thames Valley CA

100 Thames Street
Chatham ON N7L 2Y8
Mark Peacock
mark.peacock@ltvca.ca

Lower Trent Region CA

R.R. #1
714 Murray Street
Trenton ON K8V 5P4
Rhonda Bateman
rhonda.bateman@ltc.on.ca

Maitland Valley CA

Box 127

1093 Marietta Street
Wroxeter ON N0G 2X0
Phil Beard
pbeard@mvca.on.ca

Mattagami Region CA
100 Lakeshore Road
Timmins ON P4N 8R5
David Vallier
david.vallier@timmins.ca

Mississippi Valley CA
10970 Highway 7
Carleton Place ON K7C 3P1
Sally McIntyre
smcintyre@mvc.on.ca

Niagara Peninsula CA
250 Thorold Road West, 3rd Floor
Welland ON L3C 3W2
Chandra Sharma
csharma@npca.ca

Nickel District CA
199 Larch St
Suite 401
Sudbury ON P3E 5P9
Carl Jorgensen
carl.jorgensen@conservationsudbury.ca

North Bay-Mattawa CA
15 Janey Avenue
North Bay ON P1C 1N1
Chitra Gowda
chitra.gowda@nbmca.ca

Nottawasaga Valley CA
8195 Line 8
Utopia ON L0M 1T0
Doug Hevenor
dhevenor@nvca.on.ca

Otonabee Region CA

250 Milroy Drive
Peterborough ON K9H 7M9
Janette Loveys Smith
jsmith@otonabeeconservation.com

Quinte CA

R.R. #2
2061 Old Highway #2
Belleville ON K8N 4Z2
Brad McNevin
bmcnevin@quinteconservation.ca

Raisin Region CA

PO Box 429
18045 County Road 2
Cornwall ON K6H 5T2
Richard Pilon
richard.pilon@rrca.on.ca

Rideau Valley CA

Box 599
3889 Rideau Valley Dr.
Manotick ON K4M 1A5
Sommer Casgrain-Robertson
sommer.casgrain-robertson@rvca.ca

Saugeen Valley CA

R.R. #1
1078 Bruce Road #12, Box #150
Formosa ON N0G 1W0
Jennifer Stephens
j.stephens@svca.on.ca

Sault Ste. Marie Region CA

1100 Fifth Line East
Sault Ste. Marie ON P6A 6J8
Corrina Barrett
cbarrett@ssmrca.ca

South Nation River CA

38 Victoria Street
P.O. Box 29
Finch ON K0C 1K0
Angela Coleman
acoleman@nation.on.ca

St. Clair Region CA

205 Mill Pond Crescent

Strathroy ON N7G 3P9
Ken Phillips
kphillips@scrca.on.ca

Toronto and Region CA
101 Exchange Avenue
Vaughan ON L4K 5R6
John MacKenzie
john.mackenzie@trca.ca

Upper Thames River CA
1424 Clarke Road
London ON N5V 5B9
Tracey Annett
annettt@thamesriver.on.ca

Policy: Minister's list of classes of programs and services in respect of which conservation authorities may charge a fee

December 28, 2022

Preamble

A conservation authority is permitted to charge a fee for a program or service only if the program or service is included in the Minister's list of classes of programs and services in respect of which a conservation authority may charge a fee. The Minister's published list of classes of programs and services in respect of which a conservation authority may charge a fee ("Minister's Fee Classes Policy") is provided as per the provisions set out in section 21.2 of the *Conservation Authorities Act*. From time to time, the Minister may make changes to the list and will promptly update this document and distribute it to each conservation authority.

Categories of conservation authority programs and services

The *Conservation Authorities Act* establishes three categories of programs and services that a conservation authority may provide:

- Category 1: Mandatory programs and services, which are those that a conservation authority is required to provide under section 21.1 of the Act, and that are described in the "Mandatory Programs and Services" regulation (O. Reg. 686/21).
- Category 2: Municipal programs and services, which are those that a municipality, situated in whole or in part within a conservation authority's area of jurisdiction, requests a conservation authority to provide on behalf of the municipality pursuant to s. 21.1.1 of the Act under a memorandum of understanding or other agreement.
- Category 3: Other programs and services that the conservation authority determines are advisable to provide, pursuant to section 21.1.2 of the Act, to further the purposes of the Act.

Fees that a conservation authority may charge under the *Conservation Authorities Act*

Section 21.2 of the *Conservation Authorities Act* requires a conservation authority to administer the charging of fees in a transparent and accountable manner by adopting and publishing a written fee policy, which includes a fee schedule that lists the programs and services for which an authority charges a fee and the amount to be charged. Conservation authorities must maintain their fee schedule and if an authority wishes to make changes to its fee schedule, it must notify the public of the proposed change (e.g., on its website). In its fee policy, a conservation authority must also set out the frequency with which it will conduct a review of its fee policy, including its fee schedule, the process for carrying out a review of the fee policy, including the rules for giving notice of the review and any changes as a result of a review, and the circumstances under which any person may request the

authority to reconsider a fee that was charged to the person and the procedures applicable to the reconsideration. Decisions regarding the fee policy and fee schedule are made by the members of a conservation authority, comprised of representatives appointed by the participating municipalities and the agricultural sector representative member, where appointed by the Minister of Natural Resources and Forestry.

Reconsideration of fee charged

A conservation authority's fee policy must define the circumstances in which a person may request that the authority reconsider a fee that was charged and the procedures applicable to the reconsideration. Where the authority's fee policy permits a person to request the authority to reconsider the fee it has charged that person because it is contrary to the authority's fee schedule or excessive in relation to the program or service for which it was charged, that person may apply to the authority, in accordance with the procedures set out in the authority's fee policy, to request a reconsideration of the fee. After receiving and considering the request, the authority may vary the amount of the fee to be charged to an amount the authority considers appropriate, order that no fee be charged, or confirm the original amount of the fee.

Fees that a conservation authority may charge as prescribed by other legislation

The Minister's Fee Classes Policy does not include those instances where the authority is already authorized under another statute to charge a fee for a program or service. For example, where an authority administers an on-site sewage system program under the *Building Code Act, 1992*, the authority has the power to charge fees for that program. Similarly, under Part IV of the *Clean Water Act, 2006*, a municipality has enforcement responsibility to regulate significant drinking water threats in wellhead protection areas and intake protection zones and may delegate that responsibility to a conservation authority. When this delegation occurs, the conservation authority is also given the power to charge fees as the enforcement body under that Act.

Prescribed Acts

Pursuant to subsections 21.1.1 (1.1) and 21.1.2 (1.1) of the *Conservation Authorities Act*, the Minister may make regulations to prohibit a CA from providing a municipal (Category 2) or other (Category 3) program or service related to reviewing and commenting on a proposal, application, or other matter made under a prescribed Act. This precludes the charging of a fee by a conservation authority for any such program or service under an Act that has been prescribed for the purposes of subsections 21.1.1 (1.1) or 21.1.2 (1.1).

User-Pay Principle

The fees that conservation authorities charge, in accordance with the Minister's Fee Classes Policy, are considered 'user fees.' 'User fees' are fees paid to an authority by a

person or organization for a service that they specifically benefit from. This includes use of a public resource (e.g., park access or facility rental) or the privilege to do something (e.g., receive an approval through a permit or other permission to undertake a regulated activity).

For the purposes of this Minister’s Fee Classes Policy, a fee may only be applied when the User-Pay Principle is considered appropriate, which is when there is a class of persons that directly benefits from a program or service delivered by an authority (“User-Pay Principle”) (note: other restrictions may apply; see Table 1 below).

Enabling authorities to charge a fee for programs and services where the User-Pay Principle is considered appropriate increases opportunities for an authority to generate revenue. This may reduce an authority’s reliance on the municipal levy (now called an “apportionment”) to finance the programs and services it provides. However, it is up to a conservation authority to decide the proportion of the costs associated with administering and delivering a program or service that should be recovered by a user fee versus those costs that are offset by other funding sources, such as the municipal levy. Beginning with the 2024 calendar year budgets, if an authority considered opportunities to raise and use self-generated revenue such as fees to finance its operations, the authority will be required to include in its budget a description of what the authority considered.

Fee amounts

A conservation authority may determine the amount of a fee to be charged for a program or service that it provides. If a fee is to be charged for a program or service, the amount to be charged or the manner for determining the amount must be listed in the conservation authority’s fee schedule. Some fee amounts cannot exceed the authority’s costs for administering and delivering a program or service. For example, fees for planning services should be developed in conjunction with the appropriate planning authorities and set to recover but not exceed the costs associated with administering and delivering the services on a program basis. Similarly, fees for permitting services should be developed to recover but not exceed the costs associated with administering and delivering the services on a program basis. Other fees set by the authority for a program or service are not subject to this restriction, such as fees for selling products or fees for rentals. Fees that are not subject to this restriction can provide the authority with a source of revenue to help offset costs for other programs and services offered by the authority.

Minister’s direction re fee changes

Pursuant to subsection 21.3 (1) of the *Conservation Authorities Act*, the Minister may give a written direction to a conservation authority directing it not to change the amount of any fee it charges, or the manner in which a fee is determined, in respect of a program or

service that is set out in this Minister’s list of classes of programs and services in respect of which a conservation authority may charge a fee. Any conservation authority that receives a direction is required to comply within the time specified in the direction.

Minister’s fee classes

The following is the list of classes of programs and services in respect of which an authority may charge a fee.

Table 1. Classes of programs and services for which conservation authorities may charge a fee

| Classes of programs and services | Criteria |
|--|---|
| Category 1 mandatory programs and services (section 21.1 of the <i>Conservation Authorities Act</i>) and programs and services provided in accordance with the Mandatory Programs and Services Regulation (O. Reg. 686/21) | Category 1 programs and services where the following requirement is met: <ul style="list-style-type: none"> • The User-Pay Principle is appropriate. |
| Category 2 municipal programs and services – i.e., those programs and services an authority provides on behalf a municipality pursuant to a memorandum of understanding or service level agreement or other agreement (section 21.1.1 of the <i>Conservation Authorities Act</i>) | Category 2 programs and services, subject to any limitations that may be set out in the <i>Conservation Authorities Act</i> or its regulations, and where the following requirements are met: <ul style="list-style-type: none"> • The User-Pay Principle is appropriate; and • The parties agree through provisions in a memorandum of understanding, service level agreement, or other agreement governing the provision of the Category 2 program or service that the authority should be permitted to charge a fee for that program or service. |
| Category 3 authority determined programs and services (section 21.1.2 of the <i>Conservation Authorities Act</i>) that are financed in whole or in part by the municipal levy and on or after January 1, 2024 will require a cost apportioning agreement | Category 3 programs and services, subject to any limitations that may be set out in the <i>Conservation Authorities Act</i> or its regulations, that are financed in whole or in part by the municipal levy, and where the following requirements are met: <ul style="list-style-type: none"> • The User-Pay Principle is appropriate; and • Where a cost apportionment agreement has been entered into for a Category 3 program or service, the agreement includes provisions permitting the authority to charge a fee for the program or service. This requirement does not apply where the cost |

| | |
|--|---|
| | <p>apportionment agreement relates to any of the following Category 3 programs and services:</p> <ul style="list-style-type: none"> i) Recreational activities that are provided on land that is owned or controlled by the authority with the direct support or supervision of staff employed by the authority or by another person or body, or with facilities or other amenities maintained by the authority, including equipment rentals and renting facilities for special events. ii) Community relations to help establish, maintain, or improve relationships between the authority and community members. iii) Public education services to improve awareness of issues relating to the conservation, restoration, development, and management of natural resources in watersheds in Ontario. iv) The provision of information to the public. v) The sale of products by the authority. |
| <p>Category 3 authority determined programs and services (section 21.1.2 of the <i>Conservation Authorities Act</i>) that are not financed in whole or in part by the municipal levy</p> | <p>Category 3 programs and services, subject to any limitations that may be set out in the <i>Conservation Authorities Act</i> or its regulations, that are not financed in whole or in part by the municipal levy, and where the following requirement is met:</p> <ul style="list-style-type: none"> • The User-Pay Principle is appropriate. |

Disclaimer

This Minister’s Fee Classes Policy summarizes some of the requirements in the *Conservation Authorities Act* with respect to the charging of a fees by a conservation authority for programs and services. This document should not be construed as legal advice or a substitute for seeking independent legal advice. Anyone seeking to fully understand how the Act and regulations may apply to the charging of fees by a conservation authority for programs or services should refer to the Act and regulations. The Act and associated regulations take precedence in the event of any inconsistency with this policy.

January 5, 2023

To: CLOCA Watershed Planning Departments

**Subject: Conservation Authority Legislative and Regulatory Changes (Bill 23)
CLOCA File# ASLA3**

Dear planning colleagues:

I'm reaching out to advise of recent legislative and regulatory changes to the *Conservation Authorities Act* that affect the services we are able to provide to our watershed municipalities.

Summary of Recent Provincial Legislative and Regulatory Changes

Under Bill 23, amendments were made to the *Conservation Authorities Act* that direct that a conservation authority *may not provide* a municipal "program or service related to reviewing and commenting on a proposal, application or other matter made under a prescribed Act." At the same time, the Minister of Natural Resources and Forestry (MNRF) was given new regulation-making power to prescribe which acts are subject to this new legislated requirement. The Minister has now made such a regulation, Ontario Regulation 596/22, and has named the *Planning Act*, amongst others, as subject to the prohibition listed above.

What does this mean for CLOCA's Plan Review Service for Watershed Municipalities?

Under these changes, CLOCA retains both a plan review role under the *Planning Act* and a development regulation role under the *Conservation Authorities Act*. We will continue to participate in pre-application / pre-circulation matters actively and comprehensively. Municipalities are still required to circulate planning applications to conservation authorities so that we may review and comment on natural hazard and source water protection matters pursuant to Ontario Regulation 686/21 and the Provincial Policy Statement. The scope of CLOCA's reviews will continue to include wetlands, valleylands, watercourses and stormwater management amongst other relevant matters, as they constitute an integral component of natural hazard management in addition to our source water protection mandate.

Existing Memoranda of Understanding between the Region of Durham and the City of Oshawa to review and comment on certain natural heritage related matters are affected by the legislative and regulatory changes discussed above.

Provincially Directed Fee Freeze

As you may recall from previous correspondence from me, the CLOCA *Plan Review and Regulation Fee Schedules* for the Fall 2022 to 2023 period were approved by the CLOCA's Board of Directors on November 23, 2022 and have been in effect since that time. A Ministerial Order received from MNRF on December 28, 2022 prevents any changes to these schedules for the 2023 calendar year both in terms of fee rates and fee classifications. Our existing fees and classifications are not affected by the Order and should continue to be collected per the normal course of business.

Next Steps

CLOCA will need to work with watershed municipalities to determine a Made-in-Durham approach to ensure continuity of service is maintained with respect to certain natural heritage related matters. We will be reaching out to you again shortly to discuss specific options and approaches in this regard.

Conclusion

With your continued support and collaboration, I am confident that we will strengthen our partnership in providing long-standing, productive, and successful professional public planning services for the benefit of the Region of Durham and the CLOCA watershed.

Yours truly,



Chris Jones, MCIP, RPP

Director of Planning and Regulation

CJ/

Cc: Cory Harris, GRCA
Ken Thajer, GRCA
Laurie Nelson, TRCA
Matthew Mantle, KRCA
Ashley Brown, LSRCA
Chris Darling, CLOCA
Jamie Davidson, CLOCA
Perry Sisson, CLOCA
Rose Catulli, CLOCA
Planning and Regulation Department Staff, CLOCA

g:\planning\planning\comments\2023\cloca bill 23 notice.docx

DATE: January 17, 2023
FILE: RPRG3974
S.R.: 5811-23
TO: Chair and Members, CLOCA Board of Directors
FROM: Chris Jones, Director, Planning & Regulation
SUBJECT: **Permits Issued for Development, Interference with Wetlands and Alteration to Shorelines and Watercourses – November 1 to December 31, 2022**

APPROVED BY C.A.O. 

Attached are Development, Interference with Wetlands and Alterations to Shorelines and Watercourses applications, pursuant to Ontario Regulation 42/06, as approved by staff and presented for the members' information.

RECOMMENDATION:

THAT Staff Report #5811-23 be received for information.

Attach.

PERMITS TO BE RATIFIED, FROM 1 NOV 2022 TO 31 DEC 2022

| Row | Municipality | Owner / Applicant | Street Lot Con | Permit No | Description |
|-----|-----------------------|--|--|-----------------------|--|
| 1 | CLARINGTON DARLINGTON | ONTARIO POWER GENERATION/WSP | 1 HOLT RD S/LOT 20/BFC | C22-244-H | DEVELOPMENT ACTIVITIES ASSOCIATED WITH RECONSTRUCTION/REALIGNMENT OF HOLT RD TO LAKESHORE ROAD, INCLUDING LAKE ONTARIO SHORELINE EROSION PROTECTION MEASURES |
| 2 | CLARINGTON DARLINGTON | TRANS -NORTHERN PIPELINE INC./DILLON CONSULTING LTD | RUNDLE RD TO HOLT RD/LOT 21 & 22/CON 03 & 04 | C22-247-WH | DEVELOPMENT ACTIVITIES ASSOCIATED WITH VEGETATION CLEARING WORK WITHIN TNPI PIPELINE RIGHT-OF-WAY |
| 3 | CLARINGTON DARLINGTON | TRANS -NORTHERN PIPELINE INC./DILLON CONSULTING LTD | MAPLE GROVE TO GREEN RD/LOT 17 & 18/CON 02 | C22-245-WH | DEVELOPMENT ACTIVITIES ASSOCIATED WITH DEVELOPMENT ACTIVITIES ASSOCIATED WITH VEGETATION CLEARING WORK WITHIN TNPI PIPELINE RIGHT-OF-WAY |
| 4 | CLARINGTON DARLINGTON | TRANS -NORTHERN PIPELINE INC./DILLON CONSULTING LTD | OLD SCUGOG RD TO BOWMANVILLE CREEK/LOT 06/CON 03 | C22-246-WH | DEVELOPMENT ACTIVITIES ASSOCIATED WITH DEVELOPMENT ACTIVITIES ASSOCIATED WITH VEGETATION CLEARING WORK WITHIN TNPI PIPELINE RIGHT-OF-WAY |
| 5 | CLARINGTON DARLINGTON | PROPERTY OWNER | 118 KING LN/LOT 18/CON 05 | C22-250-GBW | DEVELOPMENT ACTIVITIES ASSOCIATED WITH THE CONSTRUCTION OF GARAGE |
| 6 | CLARINGTON DARLINGTON | MUNICIPALITY OF CLARINGTON | JACK POTS WAY/LOT 35/CON 01 | RE-ISSUED C22-251-BGW | DEVELOPMENT ACTIVITIES ASSOCIATED WITH THE CLEANING OF A STORMWATER MANAGEMENT POND AND ASSOCIATED PIPE INSTALLTION |
| 7 | CLARINGTON DARLINGTON | PROPERTY OWNER | 1472 PEBBLESTONE RD/LOT 34/CON 04 | C22-252-GBW | DEVELOPMENT ACTIVITIES ASSOCIATED WITH THE CONSTRUCTION OF AN ACCESSORY STRUCTURE |
| 8 | CLARINGTON DARLINGTON | PROPERTY OWNER | 2551 MAPLE GROVE RD/LOT 18/CON 02 | C22-253-RW | DEVELOPMENT ACTIVITIES ASSOCIATED WITH THE REPLACEMENT OF AN EXISTING BUILDING |
| 9 | CLARINGTON DARLINGTON | RIDGEWORTH DEVELOPMENTS INC. | 1588 BLOOR ST/LOT 32/CON 02 | C22-257-GBW | DEVELOPMENT ACTIVITES ASSOCIATED WITH SITE PREPARTION TO FACILITATE A TEMPORARY SALES CENTRE |
| 10 | CLARINGTON DARLINGTON | ROMANO BROTHERS/PROPERTY OWNER | 3201 RUNDLE RD/LOT 22/CON 03 | C22-259-GBW | DEVELOPMENT ACTIVITIES ASSOCIATED WITH THE CONSTRUCTION OF A BUILDING |
| 11 | CLARINGTON DARLINGTON | BELL CANADA | HWY 2/LOT 20-24/CON 02 | C22-260-GBFH | DEVELOPMENT ACTIVITIES ASSOCIATED WITH DIRECTIONAL DRILLING TO PLACE A NEW COMMUNICATION CONDUIT |
| 12 | CLARINGTON DARLINGTON | BELL CANADA/TELECON | 2467 LAMBS RD/LOT 07/CON 02 | C22-267-GBH | DEVELOPMENT ACTIVITIES ASSOCIATED WITH INSTALLATION OF A CONDUIT BY OPEN TRENCH AND DIRECTIONAL BORE |
| 13 | OSHAWA | ENBRIDGE GAS INC. | 243 KAISER CRES/LOT 12/CON 02 | O22-265-GFH | DEVELOPMENT ACTIVITIES ASSOCIATED WITH THE INSTALLATION OF GAS PIPELINE |
| 14 | OSHAWA | CITY OF OSHAWA/LANDSCAPE PLAN LTD | 111 ARENA ST/LOT 12/CON 02 | O22-256-GBFH | DEVELOPMENT ACTIVITIES ASSOCIATED WITH REDEVELOPMENT OF KINSMEN CIVIC MEMORIAL STADIUM/BALL DIAMOND |
| 15 | OSHAWA | BROCCOLINI THORNTON LP | 1680 THORNTON RD N/LOT 17/CON 04 | O22-266-GAW | DEVELOPMENT ACTIVITIES ASSOCIATED WITH THE REALIGNMENT OF AN EXISTING WATERCOURSE AND RESTORATION PLANTINGS TO CREATE A CONSOLIDATED NATURAL HERITAGE SYSTEM ON THE WEST PORTION OF THE SITE. THE REALIGNMENT WILL FACILITATE THE FUTURE DEVELOPMENT OF THE REMAINING INDUSTRIAL LANDS |
| 16 | OSHAWA | PROPERTY OWNER | 1400 RAGLAN RD E/LOT 02/CON 09 | REVISED - O22-254-GBW | DEVELOPMENT ACTIVITIES ASSOCIATED WITH A STORAGE STRUCTURE AND DRIVEWAY |
| 17 | WHITBY | INDUSTRIAL COMMERCIAL PLASTICS CORP/BRODKSY DESIGN BUILD | 10 STANLEY CRT/LOT 24/CON 01 | W22-255-BH | DEVELOPMENT ACTIVITIES ASSOCIATED WITH CONSTRUCTION OF AN ACCESSORY STRUCTURE |
| 18 | WHITBY | METROLINX | 625 VICTORIA ST E/LOT 22-24/BFC | W22-263-C | DEVELOPMENT ACTIVITES ASSOCIATED WITH RECONSTRUCTION OF THREE CULVERTS AND HEADWALLS |
| 19 | WHITBY | PROPERTY OWNER/MANORVILLE HOMES | 917 DUNDAS ST W/LOT 30/CON 01 | W22-213-GBFH | DEVELOPMENT ACTIVITIES ASSOCIATED WITH CONSTRUCTION OF A DWELLING |
| 20 | WHITBY | THICKSON WOODS LAND TRUST | CRYSTAL BEACH BLVD/LOT 20/BFC | W22-249-HS | DEVELOPMENT ACTIVITIES ASSOCIATED WITH PLACEMENT OF LARGE BOULDERS ON THE SHORELINE OF LAKE ONTARIO FOR EROSION CONTROL |
| 21 | WHITBY | TOWN OF WHITBY/CIMA + | HARBOUR ST/LOT 25/BFC | W22-248-GW | DEVELOPMENT ACTIVITIES ASSOCIATED WITH A 120 METER EXTENSION OF HARBOUR STREET |
| 22 | WHITBY | ENBRIDGE GAS INC. | 1549, 1555, 1559 VICTORIA ST E | W22-261-GBFH | DEVELOPMENT ACTIVITIES ASSOCIATED WITH A GAS SERVICE INSTALLATION |
| 23 | WHITBY | LCBO | 2000 BOUNDARY RD/LOT 18/BFC | W22-262-BFC | DEVELOPMENT ACTIVITIES ASSOCIATED WITH REMOVING AND REPLACING A PEDSTRIAN BRIDGE |
| 24 | WHITBY | BROOKFIELD RESIDENTIAL (ONTARIO) GARDEN LTD/CANDEVCON EAST LTD | 100 GARDEN ST/LOT 25/CON 02 | W22-258-GFH | DEVELOPMENT ACTIVITES ASSOCIATED WITH ROUGH GRADING WORKS AND SITE PREPARATION |
| 25 | WHITBY | PROPERTY OWNER/MANORVILLE HOMES | 919 DUNDAS ST W/LOT 30/CON 01 | W22-268-GBFH | DEVELOPMENT ACTIVITIES ASSOCIATED WITH CONSTRUCTION OF A DWELLING ON SEVERED LOT |

DATE: January 17, 2023
FILE: RPRG3974
S.R.: 5815-23
MEMO TO: Chair and Members, CLOCA Board of Directors
FROM: Chris Jones, Director, Planning and Regulation
SUBJECT: **2022 Timeline Report for Section 28 Applications**

APPROVED BY C.A.O. 

Purpose

The purpose of this report is to present CLOCA’s *Conservation Authorities Act* Section 28 application review timeline data for the calendar year 2022 pursuant to the Conservation Ontario Client Service and Streamlining Initiative.

Background: Two Sets of Section 28 Application Service Standard Guidance

Currently, guidance related to service standards for Section 28 permit applications are specified in a document from the former Ministry of Natural Resources (MNR) titled *Policies and Procedures for Conservation Authority Plan Review and Permitting Activities (2010)*. This guidance addresses administrative matters including determining “complete applications,” and decision timelines for “minor” and “major” applications. Following receipt of a complete set of information or “complete application,” this policy directs that conservation authorities are to render a decision (i.e., complete the review of a complete application) within 30 days for a minor application or 90 days for a major application. Applications received and issued by CLOCA in 2022 under this framework are reported in the table below under “**Policy and Procedure Timeline.**”

As part of a renewed commitment to efficient regulatory services, Conservation Ontario created a second document titled *Client Service Standards for Conservation Authority Plan and Permit Review (2019)*, which was subsequently endorsed by Conservation Ontario Council in June 2019. This guidance established a second set of service standards that conservation authorities would strive to meet as a best practice. Under this framework, for applications with complete information, conservation authorities would complete their review and make a decision within 28 days for “major” applications, 21 days for “minor” applications and within 14 days for “routine” applications. Applications received and issued by CLOCA in 2022 under this second framework are reported in the table below under “**CO Guideline Timeline.**”

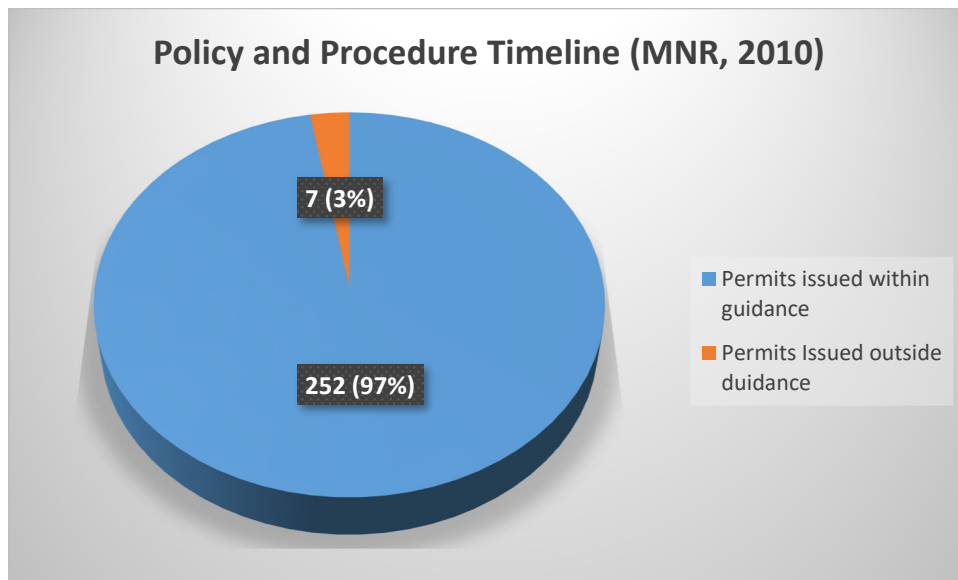
2022 Data and Results

The following table presents the 2022 timeline results for the 259 permits that were received and issued by CLOCA in 2022. The Major, Minor and Routine application types are based upon the level of complexity and scale of the application, as determined by staff during the course of the review process.

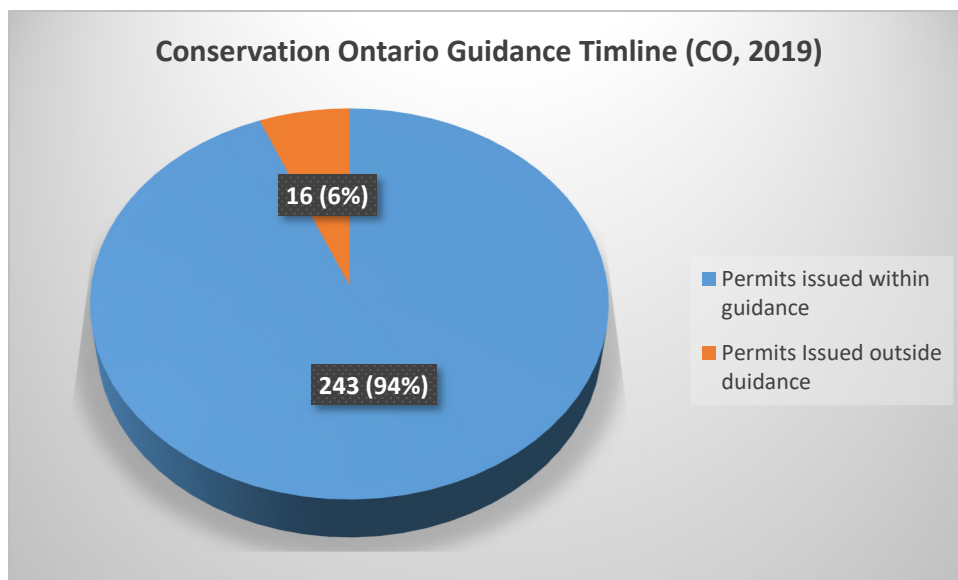
| Guidance Framework | Application Type | Number of Permits Issued |
|---|---------------------|--------------------------|
| <i>Policy and Procedure Timeline (MNR, 2010)</i> | Count Within Major | 15 |
| | Count Within Minor | 237 |
| | Count Outside Major | 0 |
| | Count Outside Minor | 7 |
| Total Permits Issued | | 259 |

| | | |
|--|-----------------------|------------|
| CO Guidance Timeline (Conservation Ontario, 2019) | Count Within Major | 11 |
| | Count Within Minor | 208 |
| | Count Within Routine | 24 |
| | Count Outside Major | 3 |
| | Count Outside Minor | 7 |
| | Count Outside Routine | 6 |
| Total Permits Issued | | 259 |

The following pie chart illustrates that 97% of permits were issued by CLOCA in 2022 within the MNR, 2010 guidance (79% in 2020 and 97% in 2021). 3% permit were issued outside the guidance timelines (21% in 2020, 3% in 2021). This represents a continuation in performance with the 2020 results, which were exceptional.



The following pie chart illustrates that 94% of permits were issued by CLOCA in 2022 within the Conservation Ontario, 2019 guidance (74% in 2020 and 94% in 2021). 6% of permits were issued outside of the guidance timelines (26% in 2020 and 6% in 2021). These results represent a continuation of the exceptional results in 2021.



Analysis

The data presented in this report represents the third year of CLOCA's annual reporting on Section 28 applications. Compared against the base-line data obtained in the 2020 and 2021 results, the 2022 results of 97% and 94% of permits having been issued within the relevant guidance represents conformity to the established timeliness performance standards set out by the province and Conservation Ontario, respectively. Using experience from the first years of tracking, staff anticipate that future results will be in range between 2021 and 2022 performance with 2022 results being a ceiling. Staff will continue to focus effort to issue permits within the guidance to the greatest extent possible.

Conclusion

In accordance with the Conservation Ontario guidance for "High Growth Conservation Authorities," which includes CLOCA, it is intended that this report will also be published on the CLOCA Planning and Regulation web page and that results will be reported annually each January.

RECOMMENDATION:

THAT Staff Report # 5815-23 be received for information.

DATE: January 17, 2023
FILE: NHLF64
S.R.: 5813-23
TO: Chair and Members, CLOCA Board of Directors
FROM: Perry Sisson, Director, Engineering and Field Operations
SUBJECT: **Lynde Creek Floodplain Mapping**

APPROVED BY C.A.O. 

Purpose:

The purpose of this report is to inform the CLOCA Board of Directors that funding under the federal Flood Hazard Information and Mapping Program (FHIMP) has been approved for Lynde Creek Floodplain Mapping, and to seek the endorsement of the Board for completion of the project.

National Disaster Mitigation Program and Flood Hazard Information and Mapping Program:

In 2014, Public Safety Canada announced a National Disaster Mitigation Program (NDMP) using an investment of \$200 million over five years. The NDMP was available for provinces, municipalities and conservation authorities to complete flood risk assessments, floodplain mapping, flood mitigation planning, and small-scale mitigation projects. CLOCA received funding every year of the program, and completed floodplain mapping, shoreline hazard management plans, flood risk assessments, and flood warning equipment upgrades. Our regional and municipal partners also completed many projects through the program.

With the completion of the NDMP program, the Flood Hazard Information and Mapping Program was announced in 2022 by Natural Resources Canada. Like NDMP, the program provides 50% funding for projects related to floodplain mapping. Projects must be completed by March 2024. CLOCA submitted a FHIMP application for the Lynde Creek Floodplain Mapping project in September 2022 and received notice of approval in November 2022.

The Project:

The Lynde Creek and its tributaries drain an area of approximately 131 square kilometres. It is entirely located within the Region of Durham and is found primarily within the Town of Whitby with some areas falling within the Town of Ajax, the City of Pickering, and the Townships of Uxbridge and Scugog. The population of the watershed is estimated at 100,000 people and includes 16 flood damage centres as identified in the CLOCA Watershed Flood Risk Assessment (2017), including a high-risk flood damage centre with 218 residential structures at risk.

Floodplain mapping for the Lynde Creek is more than 15 years old and has been outdated by significant changes to the watershed including: eleven new watercourse crossings from the new Highway 407 and Highway 412 construction, new Hwy 401 bridge and reconstructed highway profile and ramp crossings of the creek, new bridge and road profile for Victoria Street over the Lynde Creek, development associated with the West Whitby and Brooklin Secondary Plans, and intensification of urban land uses and road crossings. Proposed Official Plan urban expansion areas will also impact the Lynde Creek and will be considered in the floodplain mapping exercise. The Town of Whitby recently completed a Master Drainage Study for the Lynde Creek watershed, including updated hydrologic models that may be useful for the floodplain mapping exercise.

The project will use updated lidar topographic mapping and survey-checked engineering plans for recent roadway crossings of the floodplain and provide accurate floodplain mapping to replace our outdated information.

Cont'd

Project Costs and Project Funding:

A preliminary workplan and budget has been prepared for the project. It is anticipated that the project will require 12 to 14 months to complete with an estimated cost of \$220,000 in consulting fees and expenses. CLOCA staff will prepare a Terms of Reference for the project, complete a bidding and award process, and administer the project. CLOCA will additionally provide topographic base mapping, hydrologic and hydraulic models, and conduct peer review throughout the project development. Our partner municipalities will be contacted for road and culvert/bridge information, where necessary, and be invited to participate as a stakeholder. The project will include public postings and information sessions.

The FHIMP approval will provide \$110,000 toward the project based on matching the cost as estimated above. A request to the Region of Durham for special levy funding has been included in the CLOCA 2023 budget for the remaining 50% of the project cost.

RECOMMENDATION:

THAT Staff Report 5813-23 be endorsed subject to funding approval through the Region of Durham.

REPORT

CENTRAL LAKE ONTARIO CONSERVATION AUTHORITY

DATE: January 17, 2023
FILE: AFNA41
S.R.: 5817-23
TO: Chair and Members, CLOCA Board of Directors
FROM: Rose Catulli, Director of Corporate Services
SUBJECT: **BDO Canada Audit of Financial Statements for the Year Ended December 31, 2022**

APPROVED BY C.A.O. 

The attached audit plan letter from the audit firm of BDO Canada LLP is being sent to the Board in advance of the annual audit. Having gone through a number of significant reporting requirements in prior audit years, we do not anticipate any significant change in format for the 2022 statements. The letter in effect provides the Board of Directors an opportunity to provide information about anything that may affect the audit especially as it relates to risk in the organization or suspected or alleged fraud.

CAS 315R is a new international audit standing, which is effective for audits of financial statements for periods beginning on or after December 15, 2021. The change applies to all auditors in Canada; it applies to all audits, regardless of size and complexity. Attached for information is a BDO publication regarding *CAS 315R – Identifying and assessing risk of material misstatement for clients*. This new audit standard will have a varying impact on our audit fees which has been estimated at 20 – 30% increase.

'Upcoming changes in Standards: Helping you understand the impact' effecting the 2023-year end for Public Sector Accounting Standards (page 2) is attached for information.

RECOMMENDATIONS:

THAT the letter from Nigel A.C. Allen, BDO Dunwoody Canada LLP be received;

THAT the attached BDO publication, CAS 315R (revised) - Identifying and assessing risk of material misstatement for clients, be received for information;

THAT the attached BDO publication, Upcoming changes in Standards: Helping you understand the impact, be received for information; and

THAT Nigel A.C. Allen, BDO Dunwoody Canada, be advised that the Board of Directors is not aware of any matters related to increased risk, fraud, or errors on behalf of management processes.

Attach.



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Fax: +1 (905) 898-0028
Toll-free: 1-866-275-8836
www.bdo.ca

BDO Canada LLP
300 Lakeshore Drive
Suite 300
Barrie, Ontario
L4N 0B4

January 9, 2023

Central Lake Ontario Conservation Authority
100 Whiting Avenue
Oshawa, Ontario
L1H 3T3

Dear Rose Catulli,

We understand that you wish to engage us as the auditors of Central Lake Ontario Conservation Authority for its fiscal year ended December 31, 2022 and subsequent years.

We are pleased to perform the engagement subject to the terms and conditions of this Agreement, to which the attached Standard Terms and Conditions form an integral part. The definitions set out in the Standard Terms and Conditions are applicable throughout this Agreement. This Agreement will remain in place and fully effective for future years until varied or replaced by another relevant written agreement.

Adam Delle Cese will be the Engagement Partner for the audit work we perform for you. The Engagement Partner will call upon other individuals with specialized knowledge to assist in the performance of services.

Our Role as Auditors

We will conduct our audit(s) in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements prepared in accordance with Canadian Public Sector Accounting Standards are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. Our audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by you, as well as evaluating the overall financial statement presentation.

Because of the inherent limitations of an audit, together with the inherent limitations of internal control, there is an unavoidable risk that some material misstatements, whether by fraud or error, may not be detected, even though the audit is properly planned and performed in accordance with Canadian generally accepted auditing standards.

In making our risk assessments, we consider internal control relevant to your preparation and fair presentation of the financial statements 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 your internal controls. However, we will communicate to you concerning any significant deficiencies in internal controls relevant to the audit of the financial statements that we have identified during the audit.

We will also communicate matters required by professional standards, to the extent that such matters come to our attention, to you, those charged with governance and/or the board of directors.



Reporting

Our audit will be conducted on the basis that the financial statements have been prepared in accordance with Canadian Public Sector Accounting Standards.

Our independent auditor's report will be substantially in the form set out in Canadian Auditing Standard (CAS) 700. The form and content of our report may need to be amended in the light of our audit findings. If we are unable to issue or decline to issue an audit report, we will discuss the reasons with you and seek to resolve any differences of view that may exist.

Role of Management and Those Charged with Governance

You acknowledge and understand that you have responsibility for:

- (a) the preparation and fair presentation of the financial statements in accordance with Canadian Public Sector Accounting Standards. The audit of the financial statements does not relieve you of your responsibilities;
- (b) such internal controls as you determine are necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; and
- (c) providing us with:
 - access, in a timely manner, to all information of which you are aware that is relevant to the preparation of the financial statements such as records, documentation and other matters;
 - additional information that we may request for the purpose of the audit;
 - unrestricted access to persons within the entity from whom we determine it is necessary to obtain audit evidence;
 - financial and non-financial information (other information) that will be included in document(s) containing financial statements and our audit report thereon prior to **the date of our auditor's report. If it is not possible to** provide all the other information prior to the date of our auditor's report, you are responsible for provision of such other information as soon as practicable; and
 - written confirmation concerning representations made to us in connection with the audit. If appropriate and adequate written representations are not provided to us, professional standards require that we disclaim an audit opinion.

Financial Statement Services

We will obtain your approval, if during the course of our engagement we:

- (a) prepare or change a journal entry; or
- (b) prepare or change an account code or a classification for a transaction.

Tax Services

In addition to the assurance services discussed above, we may be requested by you to prepare the Charity Information Return. The returns will be prepared based upon the information supplied



by you. We will not review or otherwise attempt to verify the accuracy or completeness of such information. We will utilize the information you have already provided to our engagement personnel to the extent that the material is available and relevant to the preparation of the returns. It may be necessary for us to request further information. You should review all tax returns carefully before filing to confirm that they are true, correct and complete. The responsibility for the prevention and detection of fraud, error or other similar irregularities must remain with you.

Your returns are subject to review by the taxation authorities who may not agree with your tax positions. You are responsible for retaining adequate documentation that form the basis of your tax return. If an examination occurs, documentation may be requested to support items and positions reported on the tax returns. Penalties may apply for failure to maintain adequate documentation. Any items reassessed against you by the taxation authorities are subject to certain rights of appeal. In the event of any tax audit, we will be available to represent you for a mutually agreed upon fee.

Regardless of any tax return preparation services we provide to you, you will remain responsible for filing your tax returns and any additional reporting (if applicable) with the appropriate authorities on a timely basis, unless we undertake, in writing, to do so on your behalf. Notwithstanding the foregoing, in the event that we agree to file tax returns on your behalf, you acknowledge and agree that you remain solely responsible for providing us with the documents and information required to make a timely filing, which includes written authorization to file the return on your behalf. We assume no responsibility or liability for any fees or penalties associated with a late filing where you have failed to fulfil your responsibilities.

Our fee as indicated below is based on the assumption that all information required to prepare any required tax returns is provided on a timely basis. Our fee may need to be adjusted if there is a delay in providing this information to us. To the extent that there are unanticipated tax issues that require additional research to complete the tax return or should additional work be required on BDO's part to accumulate any schedules, information, calculations, etc., necessary to support the information required to be disclosed in the tax returns, additional fees shall be charged at our standard hourly rates based upon the increased time and expenses incurred by BDO personnel. In addition, the fee quoted does not include services related to responding to notices or inquiries from taxing authorities.

We will discuss with you any filing positions which, if taken, have the potential to give rise to a material adverse assessment or reassessment by the taxing authorities. If such an assessment or reassessment occurs, any additional tax that arises will be your responsibility. In addition, we cannot be responsible for interest and penalties assessed against you in connection with your tax affairs. Therefore, should any interest or penalty be assessed, they shall be your responsibility.

Our audit is conducted primarily to enable us to express an opinion on the financial statements. The audit process is not designed to provide us with a full understanding of your tax situation and in particular, to allow us to determine whether the entity has specific tax compliance issues. We will, however, provide advice on an ongoing basis on general tax matters as requested by you. To the extent that tax services requested by you are not covered by a separate engagement letter, the terms of this Agreement shall apply to the tax services.

Additional Services

We are available to provide a wide range of services beyond those outlined in this Agreement. To the extent that any additional services that we provide to you that are not provided under a



separate written engagement agreement, the provisions of this Agreement will apply to the services.

Fee Estimation

The estimated fee for this engagement is as follows:

- Audit services: \$24,000
- Additional CAS 315R (estimate): \$3,900 - \$4,900
- Tax services: \$1,000
- Additional services: \$3,700

For each future year we will issue a Summary of Services providing details of our Services and fees.

Our estimated fee is based on an assumed level of quality of your accounting records, the agreed upon level of preparation and assistance from your personnel and adherence to the agreed-upon timetable. Our estimated fee also assumes that your financial statements are in accordance with Canadian Public Sector Accounting Standards and that there are no significant new or changed accounting policies or issues or internal control or other reporting issues. We will inform you on a timely basis if these factors are not in place. Should our assumptions with respect to the quality of your accounting records be incorrect or should the conditions of the records, degree of cooperation, results of audit procedures, or other matters beyond our reasonable control require additional commitments by us beyond those upon which our estimated fees are based, we may adjust our fees and planned completion dates.

Our professional fees will be based on our billing rates which depend on the means by which and by whom our Services are provided. Our billing rates may be subject to change from time to time at our discretion with or without notice to you.

Delays in providing the complete list of agreed upon working papers/schedules to BDO will result in additional fees as follows:

- 1 week delay - additional 10% of estimated fees
- 1 month delay - additional 20% of estimated fees

Should a delay occur, we cannot guarantee completion of our work by your deadline.

We will also bill you for our out-of-pocket expenses, our administrative and technology charge, and applicable Goods and Services Sales Tax, Harmonized Sales Tax, Quebec Sales Tax and Provincial Sales Tax. Our administrative and technology charge is calculated as 7% of our professional fee and represents an allocation of estimated costs associated with our technology infrastructure and support staff time costs.

Our fees will be invoiced and payable as follows:

- \$9,600 interim payment;
- \$9,600 prior to issuance of assurance report; and
- Remainder within 10 days after issuance of our final invoice along with any additional required final payments.

Our accounts are due when rendered and invoiced amounts are deemed to be earned when paid. BDO may suspend the performance of Services in the event that you fail to pay an invoice when it is due. Fees that are not paid within 30 days of an invoice or by a specified payment deadline will



be considered delinquent. Interest may be charged at the rate of 12% per annum on all accounts outstanding for more than 30 days.

Standard Terms and Conditions

A copy of our Standard Terms and Conditions is attached as Appendix 1. You should ensure that you read and understand them. The Standard Terms and Conditions include clauses that limit our professional liability.

Please sign and return the attached copy of this Agreement to indicate your agreement with it. If you have any questions concerning this Agreement, please contact us before signing it.

It is a pleasure for us to be of service and we look forward to many future years of association with you.

Yours truly,

BDO Canada LLP

Chartered Professional Accountants, Licensed Public Accountants

Agreement of all the terms and conditions in this Agreement is hereby acknowledged by:

Signature

Date

Name (please print)

Position

Please carefully review this Agreement, which includes the attached Standard Terms and Conditions, prior to signing it. A complete copy of the signed engagement letter should be returned to us.



Appendix 1 - Standard Terms and Conditions

1 Overview and Interpretation

1.1 This Agreement sets forth the entire agreement between the parties in relation to Services and it supersedes all prior agreements, negotiations or understandings, whether oral or written, with respect to Services, including without limitation any non-disclosure agreements entered into in advance of this Agreement. This Agreement applies to Services whenever performed (including before the date of this Agreement). To the extent that any of the provisions of the accompanying letter conflict with these Standard Terms and Conditions, these Standard Terms and Conditions shall prevail. This Agreement may not be changed, modified or waived in whole or part except by an instrument in writing signed by both parties.

1.2 In this Agreement, the following words and expressions have the meanings set out below:

This Agreement - these Standard Terms and Conditions, the letter to which they are attached, supporting schedules or other appendices to the letter, and any Summary of Services letters issued in future years

Services - the services provided or to be provided under this Agreement, and any other services which we agree to provide to you subsequent to the date of this Agreement that are not covered by a separate engagement letter

We, us, our, BDO - refer to BDO Canada LLP, a Canadian limited liability partnership organized under the laws of the Province of Ontario

You, your - the party or parties contracting with BDO under this Agreement. You and your does not include BDO, its affiliates or BDO Member Firms

BDO Member Firm or Firms - any firm or firms that form part of the international network of independent firms that are members of BDO International Limited

Confidential Information - all non-public proprietary or confidential information and Personal Information, including Client Documents

Personal Information - personal information that is or could be attributed to identifiable individuals

Client Documents - information (including internal financial information and internal records and reports) provided to us by you or on your behalf in connection with the performance of the Services

2 BDO Network and Sole Recourse

2.1 BDO is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international network of independent member firms (i.e. BDO Member Firms), each of which is a separate legal entity.

2.2 We may use other BDO Member Firms or subcontractors to provide Services; however, we remain solely responsible for Services. You agree not to bring any claim or action against another BDO Member Firm (or their partners, members, directors, employees or subcontractors) or our subcontractors in respect of any liability relating to the provision of Services.



- 2.3 You agree that any of our affiliates, subcontractors, and other BDO Member Firms and any subcontractors thereof whom we directly or indirectly involve in providing Services have the right to rely on and enforce Section 2.2 above, as well as all liability protections contained herein, as if they were a party to this Agreement. For greater certainty, you agree that other BDO Member Firms that are subcontractors may enforce any limitations or exclusions of liability available to us under this Agreement.
- 3 Respective Responsibilities
 - 3.1 We will use reasonable efforts to complete, within any agreed-upon time frame, the performance of Services.
 - 3.2 **You shall be responsible for your personnel's compliance with your obligations under this Agreement.** We will not be responsible for any delays or other consequences arising from you not fulfilling your obligations.
- 4 Working Papers and Deliverables
 - 4.1 Ownership - All reports (including assurance reports where applicable), written advice, working papers, and internal materials created or developed by us pursuant to this Agreement are owned by us, and we retain all property rights therein. All Client Documents continue to be your property, provided that we retain copies of such documents as necessary for our internal record keeping (including as required to comply with our professional obligations).
 - 4.2 Oral advice and draft deliverables - You should not rely upon any draft deliverables or oral advice provided by us. Should you wish to rely upon something we have said to you, please let us know and, if possible, we will provide the information that you require in writing.
 - 4.3 Translated documents - If you engage us to translate any documents, advice, opinions, reports or other work product of BDO from one language to another, you are responsible for the accuracy of the translation work.
 - 4.4 Reliance by Third Parties - Our Services will not be planned or conducted in contemplation of or for the purpose of reliance by any party other than you, and are intended for the benefit of only you. Items of possible interest to a third party will not be addressed and matters may exist that would be assessed differently by a third party, possibly in connection with a specific transaction. The receipt by any third parties of any advice, opinions, reports or other work product is not intended to create any duty of care, professional relationship or any present or future liability between such third parties and us. For greater certainty, we expressly disclaim any liability of any nature or kind resulting from the disclosure to or unauthorized reliance by any third party on our advice, opinions, reports or other work product.
 - 4.5 Consent to use the Report - Nothing in this Agreement shall be construed as consent to the use of our report in connection with a continuous disclosure document, a public or private offering document, an annual report or any other document and we expressly do not provide such consent. If you request consent for the use of our report, we will consider, at the relevant time, providing consent and any conditions that we may attach to such consent. Our consent must be in writing.
 - 4.6 Consent requests - In order to provide consent, professional standards require that we read the other information in the related document and consider whether such information



is materially inconsistent with the related financial statements. Any consent request must be made on a sufficiently timely basis to allow us to consider your identification and resolution of events occurring in the period since the date of our report, and to obtain updated written representation letters. Such procedures will be performed at your cost and will be documented in a separate engagement letter.

5 Confidentiality

5.1 We will use Confidential Information provided by you only in relation to the Services or for internal and administrative purposes. We will not disclose any Confidential Information, except where required by law, regulation or professional obligation. You agree, however, that we may disclose Confidential Information to other BDO Member Firms or other subcontractors assisting us in providing Services, provided that such parties are bound by reasonable confidentiality obligations no less stringent than in this Agreement.

6 Analytics

6.1 Notwithstanding any other provision, BDO uses Confidential Information to develop, enhance, modify and improve technologies, tools, methodologies, services and offerings and for data analytics and other insight generation, including by aggregating de-identified data. Information developed in connection with these purposes may be used or disclosed to current or prospective clients as part of service offerings, however BDO will not use or disclose any Confidential Information in a way that would permit you to be identified.

7 Privacy and Consent for Use of Personal Information

7.1 In order to provide our Services, we may be required to access and collect Personal Information of individuals that is in your custody. You agree that we may collect, use, store, transfer, disclose and otherwise process Personal Information as required for the purpose of providing the Services. Personal Information may be processed in various jurisdictions in which we or applicable BDO Member Firms and subcontractors providing Services operate and as such Personal Information may be subject to the laws of such jurisdictions. Personal Information will at all times be collected, used, stored, transferred, disclosed or processed in accordance with applicable laws and professional regulations and we will require any service providers and BDO Members that process Personal Information on our behalf to adhere to such requirements. Any collection, use, storage, transfer or **disclosure of Personal Information is subject to BDO's Privacy Statement available at <https://www.bdo.ca/en-ca/legal-privacy/legal/privacy-policy/>.**

7.2 You represent and warrant that:

- (a) you have the authority to provide the Personal Information to us in connection with the performance of our Services, and
- (b) the Personal Information provided to us has been provided in accordance with applicable law, and you have obtained all required consents of the individuals to whom such Personal Information relates in order to permit BDO to collect, use and disclose the Personal Information in the course of providing the Services.

8 Independence

8.1 Professional and certain regulatory standards require us to be independent, in both fact and appearance, with respect to our clients in the performance of our Services. We will communicate to you any relationships between BDO (including its related entities) and you



that, in our professional judgment, may reasonably be thought to bear on our independence.

9 Offers of Employment

9.1 Any discussions that you, or any party acting on your behalf, have with professional personnel of our Firm regarding employment could pose a threat to our independence. Your recruitment of an engagement team member from the current or prior year's engagement may compromise our independence and our ability to render agreed Services to you. Engagement team members may include current and former partners and staff of BDO, other BDO Member Firms and other firms who work under our direction. Therefore, you agree to inform us prior to any such discussions so that you and we can implement appropriate safeguards to maintain our independence.

10 Professional and Regulatory Oversight and Legal Processes

10.1 As required by legal, regulatory, or professional authorities (both in Canada and abroad) and by BDO policy, our client files must periodically be reviewed by practice inspectors to ensure that we are adhering to professional and BDO standards. It is understood that by entering into this Agreement, you provide your consent to us providing our files relating to your engagement to the practice inspectors for the sole purpose of their inspection.

10.2 Certain law enforcement, regulatory and other governmental bodies may also have the right under law or regulation to conduct investigations of you, including the Services provided by us. To the extent practicable and permitted by law or regulation, we will advise you of any such document request or production order we receive in connection with any such investigation prior to providing any documents in response to such request or order.

10.3 We are sometimes required by law, regulation, subpoena or other legal process, or upon your request, to produce documents or personnel as witnesses in connection with legal or regulatory proceedings. Where BDO is not a party to such proceedings, you shall reimburse us at our current standard billing rates for professional time and expenses, including without limitation, reasonable legal fees, expenses and taxes incurred in responding to such compelled assistance or request by you.

11 Electronic Communications

11.1 Both parties recognize and accept the security risks associated with email communications, including but not limited to the lack of security, unreliability of delivery and possible loss of confidentiality and privilege. Unless you request in writing that we do not communicate by internet email, you assume all responsibility and liability in respect of risk associated with its use.

12 Limitation of Liability

12.1 In any dispute, action, claim, demand for losses or damages arising out of the Services **performed by BDO pursuant to this Agreement, BDO's liability will be several, and not joint** and several, and BDO shall only be liable for its proportionate share of the total liability based on degree of fault as determined by a court of competent jurisdiction or by an independent arbitrator, notwithstanding the provisions of any statute or rule of common law which create, or purport to create, joint and several liability.



- 12.2 In no event shall BDO be liable for indirect, consequential, special, incidental, aggravated, punitive or exemplary damages, losses or expenses, or for any loss of revenues or profits, loss of opportunity, loss of data, or other commercial or economic loss or failure to realize expected savings, including without limitation expected tax savings, whether or not the likelihood of such loss or damage was contemplated.
- 12.3 BDO shall in no event be liable under this Agreement or otherwise in connection with the Services for any actions, damages, claims, fines, penalties, complaints, demands, suits, proceedings, liabilities, costs, expenses, or losses (collectively, "Liabilities") in any way arising out of or relating to the Services performed hereunder for an aggregate amount of more than the higher of:
- (a) three times the fees paid to BDO by you, in a twelve consecutive month period, for the Services provided pursuant to this Agreement giving rise to the claim; and
 - (b) \$25,000.
- 12.4 The limitations of liability in this section apply whether or not the Liabilities asserted by you against BDO are incurred by you directly or as a result of a claim or demand against you by a third party.
- 12.5 No exclusion or limitation on the liability of other responsible persons imposed or agreed at any time shall affect any assessment of our proportionate liability hereunder, nor shall settlement of or difficulty enforcing any claim, or the death, dissolution or insolvency of any such other responsible persons or their ceasing to be liable for the loss or damage or any portion thereof, affect any such assessment.
- 12.6 You agree claims or actions relating to the delivery of Services shall be brought against us alone, and not against any individual. Where our individuals are described as partners, they are acting as one of our members.
- 12.7 **For purposes of this Section, the term "BDO" shall include BDO Canada LLP and its subsidiaries, associated and affiliated entities and their respective current and former partners, directors, officers, employees, agents and representatives. The provisions of this Section shall apply to the fullest extent of the law, regardless of the form of the claim, whether in contract, statute, tort (including without limitation, negligence) or otherwise.**

13 Indemnity

- 13.1 To the fullest extent permitted by applicable laws, in the event of a claim or demand by a third party against BDO that arises out of or relates to the Services, you agree to indemnify and hold harmless BDO from and against all losses, costs (including solicitors' fees), damages, or expenses resulting from such third party claim or demand, except to the **extent that the same is finally determined to have resulted from BDO's negligence or intentional misconduct.**

14 Alternative Dispute Resolution

- 14.1 Both parties agree that they will first attempt to settle any dispute arising out of or relating to this Agreement, including any question regarding its existence, interpretation, validity, breach or termination, or the Services provided hereunder, through good faith negotiations.

- 14.2 In the event that the parties are unable to settle or resolve their dispute through negotiation, such dispute shall be subject to mediation using a mediator chosen by mutual agreement of the parties.
- 14.3 All disputes remaining unsettled for more than 60 days following the parties first mediation session with a mediator, or such longer period as the parties mutually agree upon, shall be referred to and finally resolved by arbitration. The parties agree that one arbitrator shall be appointed within twenty (20) days of receipt of the request for arbitration. If the parties cannot agree on the appointment of an arbitrator in such period then either party may immediately apply for the appointment of an arbitrator to a court of competent jurisdiction in the Province of the governing law as contained herein pursuant to such Province's applicable *Arbitration Act*. The place of arbitration shall be in the capital of the Province of the governing law as contained herein. Unless the arbitrator otherwise determines, the fees of the arbitrator and the costs and expenses of the arbitration will be borne and paid equally by the parties. Such arbitration shall be final, conclusive and binding upon the parties, and the parties shall have no right of appeal or judicial review of the decision whatsoever. The parties hereby waive any such right of appeal or judicial review which may otherwise be provided for in any provincial arbitration statute. Judgement upon the award, including any interim award, rendered by the arbitrator may be entered in any court having jurisdiction. The arbitration shall be kept confidential and the existence of the arbitration proceeding and any element thereof (including but not limited to any pleadings, briefs or other documents submitted and exchanged and testimony and other oral submissions and any awards made) shall not be disclosed beyond the arbitrator(s), the parties, their counsel and any person to whom disclosure is necessary to the conduct of the proceeding except as may be lawfully required in judicial proceedings relating to the arbitration or otherwise.

15 Limitation Period

- 15.1 You shall make any claim relating to Services or otherwise under this Agreement no later than one year after you became aware or ought reasonably to have become aware of the facts giving rise to any such claim.
- 15.2 You shall in no event make any claim relating to the Services or otherwise under this Agreement later than four years after the completion of the Services under this Agreement.
- 15.3 To the extent permitted by law, the parties to this Agreement agree that the limitation periods established in this Agreement replace any limitation periods under any limitations act and/or any other applicable legislation and any limitation periods under any limitations act and/or any other applicable legislation shall not alter the limitation periods specified in this Agreement.

16 Québec Personnel

- 16.1 We may sometimes have individual partners and employees performing Services within the Province of Québec who are members of the Ordre des comptables professionnels agréés du Québec. Any such members performing professional services hereunder assumes full personal civil liability arising from the practice of their profession, regardless of their status within our partnership. They may not invoke the liability of our partnership as grounds for excluding or limiting their own liability. Any limitation of liability clauses in this Agreement shall therefore not apply to limit the personal civil liability of partners and



employees who are members of the Ordre des comptables professionnels agréés du Québec.

17 Termination

17.1 This Agreement applies to Services whenever performed (including before the date of this Agreement).

17.2 You or we may terminate this Agreement at any time upon written notice of such termination to the other party. We will not be liable for any loss, cost or expense arising from such termination. You agree to pay us for all Services performed up to the date of termination, including Services performed, work-in-progress and expenses incurred by us up to and including the effective date of the termination of this Agreement.

18 Governing Laws

18.1 The terms of our engagement shall remain operative until amended, terminated, or superseded in writing. They shall be interpreted according to the laws of Ontario in which **BDO's principal Canadian office performing the engagement is located**, without regard to **such province/territory's rules on conflicts of law**.

19 Survival

19.1 The provisions of this Agreement that give either of us rights or obligations beyond its termination shall continue indefinitely following the termination of this Agreement. Any clause that is meant to continue to apply after termination of this Agreement will do so.

20 Force Majeure

20.1 We will not be liable for any delays or failures in performance or breach of contract due to events or circumstances beyond our reasonable control, including acts of God, war, acts by governments and regulators, acts of terrorism, accident, fire, flood or storm or civil disturbance.

21 Assignment

21.1 No party may assign, transfer or delegate any of the rights or obligations hereunder without the written consent of the other party or parties. BDO may engage independent contractors and BDO Member Firms to assist us in performing the Services in this Agreement without your consent.

22 Severability

22.1 The provisions of this Agreement shall only apply to the extent that they are not prohibited by a mandatory provision of applicable law, regulation or professional standards. If any of these provisions shall be held to be invalid, void or unenforceable, then the remainder of this Agreement shall not be affected, impaired or invalidated, and each such remaining provision shall be valid and enforceable to the fullest extent permitted by law.

Version: v4 202205

Assurance and accounting

CAS 315R (revised) – Identifying and assessing risk of material misstatement for clients

CAS 315R is a new international audit standard, which is effective for audits of financial statements for periods beginning on or after December 15, 2021. This includes stub periods during 2022.

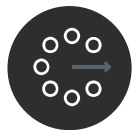
The change applies to all auditors in Canada and globally. And it applies to all audits, regardless of size and complexity.

Key changes to the standard and what it means for the audit

- Requirement to obtain more detailed information on your system of internal control and its environment, including the use of IT.
- Identify and assess all risks with a reasonable possibility of being material resulting in more risks identified than in the past.
- Use a “spectrum” (which considers inherent risk factors combined with the likelihood of the risk of occurring and the magnitude of misstatement) to form a conclusion on each potential risk of material misstatement identified.
- The conclusion on the risk will drive our response (i.e. the scope of audit work we need to perform), which may be less or more work.

| Impact on auditors | Impact on you |
|---|---|
| Engagement teams have extensive training | N/A |
| Careful consideration when scheduling staff (i.e., timing, level, and experience) | Audit team will need to spend more time in the field and/or have new members |
| Requests to our clients for additional information regarding systems, processes, and controls | More up-front questions for you at planning; face-to-face meetings to gather information; requirement to speak to personnel not previously accessed in the past |
| Use of Information Systems (IS) audit specialists (where required) | Requirement to access IT personnel not previously accessed in the past |

Quality and value added



EFFECTIVE AND BETTER-QUALITY AUDITS

Requires auditors to complete a more robust risk identification and assessment process resulting in a more focused response that is appropriate for the nature, size, and complexity of our clients—making our audits more effective and higher quality.



ENHANCED DISCUSSIONS

Increased risk identification and better professional judgement will result in more robust discussions with audit committees, boards and other stakeholders.



PROFESSIONAL JUDGEMENT

Changes came as a result of increased pressures for auditors to employ enhanced professional judgement.



COMPLEX ENVIRONMENTS

Responds to the increasingly complex nature of the environments in which we and our clients operate. For example, complex financial reporting frameworks, complex governance structures, greater use of technology/IT, and worldwide operations.

Impact on Fees

Depending on the nature, size, and complexity of the organization, this new audit standard will have varying impact on audit fees. This should be discussed with your auditor.

The information in this publication is current as of June 30, 2022.

This publication has been carefully prepared, but it has been written in general terms and should be seen as broad guidance only. The publication cannot be relied upon to cover specific situations and you should not act, or refrain from acting, upon the information contained therein without obtaining specific professional advice. Please contact BDO Canada LLP to discuss these matters in the context of your particular circumstances. BDO Canada LLP, its partners, employees and agents do not accept or assume any liability or duty of care for any loss arising from any action taken or not taken by anyone in reliance on the information in this publication or for any decision based on it.

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Assurance and accounting

Upcoming changes in Standards: Helping you understand the impact

Refer to the information below to discuss standards that may have an impact on client engagements in the next two years. **NOTE:** This is not a complete list of changes and the impact may be different for each organization.

| JANUARY 1 2022 | APRIL 1 2022 | JANUARY 1 2023 | DECEMBER 15 2023 |
|---|---|---|--|
| <ul style="list-style-type: none"> Amendments to Section 3400, Revenue | <ul style="list-style-type: none"> Asset Retirement Obligations, Section PS 3280 Financial Instruments, Section PS 3450 | <ul style="list-style-type: none"> Accounting Guideline (ACG) 20, Customer's Accounting for Cloud Computing Arrangements | <ul style="list-style-type: none"> CAS 600 (Revised), Special Considerations—Audits of Group Financial Statements |

ASPE/ASNPO

Amendments to Section 3400, Revenue

Additional guidance on the following revenue topics:

- Percentage of completion method
- Multiple-element arrangements
- Reporting revenue gross or net
- Bill and hold arrangements
- Up-front non-refundable fees or payments (NOTE: The AcSB is deliberating potentially deferring this change in the amendment.)

| Effective date | Impact on auditors | Impact on you |
|---|--|--|
| Years beginning on or after Jan. 1 2022 | <ul style="list-style-type: none"> Need to assess risks relating to the application of these amendments Understand systems and document processes related to changes in the timing of revenue recognition resulting from the changes Consider impact to audit approach based on risk assessment | <ul style="list-style-type: none"> Must assess application and impact of changes Provide contracts to support application of changes |

Exposure Draft: ACCOUNTING GUIDELINE (AcG) 20, Customer's Accounting for Cloud Computing Arrangements

- Proposals provide an option to expense certain costs in a cloud computing arrangement (the "simplification approach")
- For entities not following the simplification approach, proposals provide factors to help determine whether the cloud computing arrangement includes a software intangible asset under Section 3064, Goodwill and Intangible Assets
- If no software intangible asset exists, proposals allow an enterprise to capitalize certain implementation costs as prepaid assets to be amortized over the life of the service contract

| Effective date | Impact on auditors | Impact on you |
|---|---|---|
| PROPOSED: Years beginning on or after Jan. 1 2023 | <ul style="list-style-type: none"> Need to assess risks relating to the client's policy choice Depending on risk assessment, may need to read agreements/ understand systems and document processes/ controls related to the client's accounting of the cloud computing arrangement Consider impact to audit approach based on risk assessment | <ul style="list-style-type: none"> Must assess application and impact of changes - if effective date is as proposed, entities will have a short period of time to adopt the Guideline May need to provide contracts to support allocations Fee implications to audit/review changes, including audit/review of estimates of costs/disclosures There may be an impact on key ratios in lending agreements depending on the policy choices. |

PSAS

Asset Retirement Obligations, Section PS 3280

- Asset retirement obligations (AROs) must now be recognized if there is a legal obligation to incur retirement costs in relation to the tangible capital asset
- Landfill liabilities must now be accounted for in accordance with the new standard, which will result in measurement changes
- For more information on AROs, please visit the [ARO Resource Centre](#).

| Effective date | Impact on auditors | Impact on you |
|--|---|--|
| Years beginning on or after April 1 2022 | <ul style="list-style-type: none"> • Need to assess risks relating to the changes • Depending on risk assessment, may need to understand systems and document processes • Consider impact to audit approach based on risk assessment | <ul style="list-style-type: none"> • Must assess application and impact of changes • Calculate the allocation of costs over the life of the obligation(s) • Management experts will be required in many instances to determine the asset retirement costs |

Financial Instruments, Section PS 3450

- Now applicable for all governments and government organizations
- New Statement of Remeasurement Gains and Losses to show fair value changes in derivatives and portfolio investments and foreign exchange gains/losses
- Guidance related to embedded derivatives

| Effective date | Impact on auditors | Impact on you |
|--|---|--|
| Years beginning on or after April 1 2022 | <ul style="list-style-type: none"> • Need to assess risks relating to the changes • Depending on risk assessment, may need to understand systems and document processes/controls • Consider impact to audit/ review approach based on risk/ area of concern assessment | <ul style="list-style-type: none"> • Prepare new Statement of Remeasurement Gains and Losses • Identify potential embedded derivatives in debt agreements and supply contracts |

Assurance

CAS 600 (Revised), Special Considerations—Audits of Group Financial Statements (Including the work of component auditors)

- Strengthens responsibilities related to professional skepticism, planning and performing a group audit, two-way communications between the group auditor and component auditors, and documentation

| Effective date | Impact on auditors | Impact on you |
|--|---|--|
| Periods beginning on or after Dec. 15 2023 | <ul style="list-style-type: none"> • Using professional judgement to determine the nature and extent of testing at each subsidiary/component making up the group and whether to involve other auditors/practitioners More explicit requirements for reviewing work of and communicating with auditors/practitioners used by the group auditor • Enhanced documentation requirements | <ul style="list-style-type: none"> • May see changes in the nature and extent of the audit work performed on subsidiaries/ components making up the group audit and the use of other auditors/practitioners |

Impact on Fees

Depending on the nature, size, and complexity of the organization, these changes will have varying impact on audit fees. This should be discussed with your auditor.

The information in this publication is current as of June 30, 2022.

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REPORT

CENTRAL LAKE ONTARIO CONSERVATION AUTHORITY

DATE: January 17, 2023
FILE: ABDA3
S.R.: 5812-23
TO: Chair and Members, CLOCA Board of Directors
FROM: Chris Darling, Chief Administrative Officer
SUBJECT: **Common Membership – Different Boards**

APPROVED BY C.A.O. 

We currently have three boards that require the officers and members to be established in common – Central Lake Ontario Conservation Authority (CLOCA), Central Lake Ontario Conservation Fund (CLOCF) and Central Lake Ontario Source Protection Authority (CLOSPA).

By-Law 2018-1 CLOCA Administrative and Meeting Procedural By-Law, requires the Chair and Vice Chair of CLOCA be elected annually from the members appointed by the Region of Durham. To deal with the CLOCF and the CLOSPA respective requirements, it is recommended the following motion be adopted at the CLOCA annual meeting following its election of officers.

RECOMMENDATION:

THAT the Chair, Vice Chair, and members of the Central Lake Ontario Conservation Authority for 2023 be the Chair, Vice Chair, and members of the Central Lake Ontario Conservation Fund for 2023 and the Chair, Vice Chair, and members of the Central Lake Ontario Source Protection Authority for 2023.

REPORT

CENTRAL LAKE ONTARIO CONSERVATION AUTHORITY

DATE: January 17, 2023
FILE: ABDA4
S.R.: 5814-23
TO: Chair and Members, CLOCA Board of Directors
FROM: Chris Darling, Chief Administrative Officer
Lisa Hastings, Communications Specialist
SUBJECT: **2022 Annual Report & Strategic Plan Implementation**

APPROVED BY C.A.O. 

In celebration of our collective accomplishments over the past year, we present the 2022 Annual Report. The Report showcases the programs, services and projects delivered by the Central Lake Ontario Conservation Authority (CLOCA) in 2022 implementing our 2021-2025 Strategic Plan.

Our 2021-2025 Strategic Plan provides guidance to ensure we are focused on our mission to obtain healthy watersheds for today and tomorrow. The goals and objectives in the Strategic Plan drove our 2022 work plans and resulting accomplishments. Attachment 1 to this report provides a summary of actions taken to support the key objectives identified in the Strategic Plan. In summary, our 2022 accomplishments deliver on the following Strategic Plan goals:

- conserve, restore and enhance natural resources through integrated watershed management
- support healthy communities and the protection of people and property from flooding and erosion
- protection, management, and safety of conservation areas
- create a more knowledgeable and connected watershed community through engagement and education
- demonstrate business excellence through effective customer service, engaged employees and innovation

The 2022 Annual Report has been reformatted as an online document for viewing on our website with a printable pdf version available on request. In the past, we printed copies for distribution at public events and mailed 100 printed copies to stakeholders, including Councils of member municipalities, partners, conservation authorities within the Greater Toronto Area and Conservation Ontario. This year we have transitioned away from distribution of paper copies and will be directing all interested parties to our online version on the CLOCA website.

A link to the 2022 Annual Report link will be emailed to Board Members on Friday, January 13, 2023.

RECOMMENDATION:

THAT the Board of Directors endorse the 2022 Annual Report.

Attach.

CD/LH/bb
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| | <u>Strategic Goals and Key Objectives</u> | <u>Actions Supporting objectives</u> |
|---|--|---|
| <p>Goal: Conserve, Restore and Enhance Natural Resources through Integrated Watershed Management</p> <p>Key Objectives:</p> | | |
| 1 | <p>Improve understanding of watershed ecosystem and its response to human and natural environmental stressors, to support informed decision making</p> | <ul style="list-style-type: none"> ➤ Continue to implement CLOCAs integrated watershed monitoring program ➤ Conduct gap analysis through integrated monitoring program development and implement measures to fill knowledge gaps ➤ Explore opportunities to advance citizen science to undertake monitoring ➤ Conduct regular needs assessment & implementation of data mgt, modelling capacity, storage & equipment to ensure monitoring, assessment & reporting needs are fulfilled ➤ Undertake continuous improvement & advancement of integrated watershed monitoring programs ➤ Communicate monitoring results to stakeholders |
| 2 | <p>Expand network of protected greenspace and Conservation Authority land holdings</p> | <ul style="list-style-type: none"> ➤ Engage landowners in priority land acquisition areas as identified in CLOCA land securement strategy ➤ Work with watershed partners in securing and protecting greenspace |
| 3 | <p>Implement updated integrated watershed plans and other action plans to guide landuse planning, protection, restoration, and stewardship initiatives</p> | <ul style="list-style-type: none"> ➤ Continue to request and obtain municipal compliance through adoption of WSP recommendations into municipal documents, policies, zoning, guidance, etc. ➤ Enhance Restoration & Stewardship services program with a focus on implementation of WSP and CA management plan recommendations and actions ➤ Completed Wildlife Corridor Protection and Enhancement Plan |
| 4 | <p>Collaborate with partners to reduce the impact of environmental stressors such as climate change</p> | <ul style="list-style-type: none"> ➤ Dedicate staff resources to work with partners in addressing climate change challenges ➤ Continue to participate (lead or supporting role) in stakeholder projects to improve WSH health ➤ Partnered with Durham Region to establish new tree planting program |

Strategic Plan Goals, Key Objectives and Supporting Actions

| | | |
|--|--|--|
| <p>Goal: Support Healthy Communities and the Protection of People and Property from Flooding and Erosion</p> <p>Key Objectives</p> | | |
| 1 | Increase capacity to predict flood events and flood-vulnerable areas | <ul style="list-style-type: none"> ➤ Pursue funding opportunities to adopt a flood forecast model that allows for modelling of predicted storm forecasts including radar forecasts and improve database of gauge information and user accessibility ➤ Purchase survey grade GPS equipment to enhance positional and elevation information ➤ Calibrate flow gauges to allow for more confident flood predictive models ➤ Undertake studies to identify flood-vulnerable areas |
| 2 | Provide timely and expert technical advice and land use tools and resources to our partner municipalities | <ul style="list-style-type: none"> ➤ Monitor and report on Board approved timeline compliance ➤ Provide proactive and detailed input early in planning and regulation processes ➤ Ensure municipal planning documents contain effective hazard management policies ➤ Update/simplify Planning and Regulation Policy and Procedural Document |
| 3 | Improve understanding of natural hazards and to inform risk management actions | <ul style="list-style-type: none"> ➤ In partnership with stakeholders, undertake studies to identify and inform risk management actions ➤ Maintain accurate and up to date hazard mapping |
| 4 | Mitigate potential risk to people and property from natural hazards through regulation, administration, and compliance | <ul style="list-style-type: none"> ➤ Work with partners to implement mitigation measures identified in technical reports ➤ Continue to administer O-Reg 42/06 (section 28 permitting) to ensure natural hazard risks are addressed for development proposals |
| 5 | Improve flood event warning systems and communication | <ul style="list-style-type: none"> ➤ Investigate and implement actions to enhance notification of flood warnings |
| <p>Goal: Remain Dedicated to The Protection, Management, and Safety of Conservation Areas</p> <p>Key Objective: Keep it Safe</p> | | |
| 1 | Continue to implement a land protection and acquisition strategy | <ul style="list-style-type: none"> ➤ Engage landowners in priority land acquisition areas as identified in CLOCA land securement strategy ➤ Continue to seek funding sources and enhance existing sources to assist in land acquisition efforts |

Strategic Plan Goals, Key Objectives and Supporting Actions

| | | |
|---|---|---|
| 2 | Identify appropriate opportunities for enhanced use/revitalization/optimal use of Conservation Areas and facilities | <ul style="list-style-type: none"> ➤ Continued preparation of Conservation Area Master Plan |
| 3 | Enhance ecological integrity of Conservation Areas | <ul style="list-style-type: none"> ➤ Enhance Restoration & Stewardship services program with a focus on implementation of WSP and CA management plan recommendations and actions ➤ Seek funding opportunities for restoration opportunities |
| 4 | Provide high-quality, positive, and safe experiences in our Conservation Areas | <ul style="list-style-type: none"> ➤ Implement Board approved Conservation Areas Inspection Policy ➤ Support Conservation Area Trail volunteer Stewards Program ➤ Continue to improve messaging to conservation area visitors related to rules, permitted uses and etiquette |
| 5 | Design, implement, and manage Conservation Area infrastructure that respects natural heritage features | <ul style="list-style-type: none"> ➤ Update existing CA management plans and continue to develop CA management plans for CA areas with strong public use ➤ Continue to implement the recommendations identified in conservation area management plans and other conservation area management/planning documents |

Goal: Create a More Knowledgeable and Connected Watershed Community Through Engagement and Education

Key Objectives

| | | |
|---|--|--|
| 1 | Connect people with nature, culture, and greenspace to promote environmental awareness, appreciation, and action | <ul style="list-style-type: none"> ➤ Continue to offer community engagement events and festivals ➤ Review current curriculum objectives and survey participating teachers and program partners for input to improve program delivery ➤ Program enhancements focusing on local Indigenous art installations, outreach events, and visual signage that will incorporate interactive technology to enrich the visitor experience |
| 2 | Increase school participation in environmental education and stewardship | <ul style="list-style-type: none"> ➤ Collaborating with schools, teachers, and School Boards to identify and act on opportunities to integrate watershed-based education into a variety of curricula |
| 3 | Provide programs that respond to and reflect a diverse community | <ul style="list-style-type: none"> ➤ Continue to assess how changing watershed demographics impact education and program needs ➤ Improving the use of social media to build a broader base of support and to reach a diverse audience |

Strategic Plan Goals, Key Objectives and Supporting Actions

| | | |
|---|---|--|
| 4 | Communicate a recognized brand that reflects our corporate culture, our goals, and strategic actions to our watershed audiences | <ul style="list-style-type: none"> ➤ Ensure consistent messaging to create awareness of CLOCA ➤ Message CLOCA's value to healthy living and community livelihood |
| <p>Goal: Demonstrate Business Excellence Through Effective Customer Service, Engaged Employees, and Innovation</p> <p>Key Objectives:</p> | | |
| 1 | Foster provision of efficient, effective, and client-focused programs and services | <ul style="list-style-type: none"> ➤ Delivery of Annual Strategic Plan Implementation Report ➤ Service delivery performance measures completed through staff performance review and strategic plan objectives |
| 2 | Engage employees with measurable continuous improvement outcomes | <ul style="list-style-type: none"> ➤ Continuous improvements to be considered through staff performance reviews and strategic plan objectives |
| 3 | Establish a strong culture of collaboration | <ul style="list-style-type: none"> ➤ Enhance online platform to support staff communication ➤ Foster honest and open communication |
| 4 | Improve corporate sustainability outcomes through operation, procurement, and business practice improvements | <ul style="list-style-type: none"> ➤ Establish and maintain a fee schedule aimed at improving cost recovery for corporate festivals (MSF, GWF) ➤ Position CLOCA for carbon footprint offsets with Conservation Area projects |
| 5 | Continue to strive for diversity, equity, and inclusiveness | <ul style="list-style-type: none"> ➤ Implement staff training and learning opportunities |
| 6 | Continue to modernize data and mapping management resources and services to support stakeholder and corporate priorities | <ul style="list-style-type: none"> ➤ Leverage Information Management System (IMS) to improve efficiency of permit administration |