

# Grand River Conservation Authority

**Report number:** GM-10-23-81

**Date:** October 27, 2023

**To:** Members of the Grand River Conservation Authority

**Subject:** Budget 2024 – Draft #1 – Municipal Apportionment

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## **Recommendation:**

THAT Report Number GM-10-23-81 – Budget 2024 – Draft #1 – Municipal Apportionment be received as information.

## **Summary:**

The distribution of the proposed 2024 Municipal Apportionment to participating municipalities is attached, based on the first draft of the 2024 Budget.

## **Report:**

*Ontario Regulation 402/22: Budget and Apportionment*, which came into effect July 1, 2023, details the Conservation Authority (CA) budget process and municipal apportionment methods and requirements. This regulation replaced O.Reg.139/96 Municipal Levies and O.Reg.670/0 Conservation Authority Levies.

Different apportionment methodologies are available depending on the category of expense. General operating expenses are to be apportioned using Modified Current Value Assessment (MCVA). General capital expenses may be apportioned using MCVA or by agreement. Category 1 operating and capital expenses may be apportioned using MCVA or by benefit-based apportionment agreements. Category 2 operating and capital costs are to be apportioned based on the methodology agreed to in the Memorandum of Understanding (MOU). Where Category 3 operating and capital costs are apportioned to municipalities, that calculation may be determined by MCVA, MOU, or benefit-based apportionment agreement.

At the Grand River Conservation Authority, municipal apportionment is allocated to participating municipalities based on Modified Current Value Assessment information in the watershed, which the Ministry of Natural Resources and Forestry (MNRF) provided.

Using the 2023 assessment information provided, the resulting allocation of the proposed 2024 Municipal Apportionment based on the first draft of the 2024 budget is attached. The expenses are categorized separately as General Operating Expenses, Category 1 Operating Expenses, and Category 2 Operating Expenses. Although not all participating municipalities have signed the Category 2 MOU at this point, the MCVA allocation for Category 2 reflects an assumption of agreement by all participating municipalities.

## **Financial Implications:**

The first draft of the 2024 Budget proposes a total municipal apportionment amount of \$13,292,000, representing an increase of \$324,000, or 2.5%, over 2023. After allocating this amount in accordance with O.Reg. 402/22, individual municipalities will experience increases ranging from 1.3% to 7.4% compared to 2023.

## **Other Department Considerations:**

Not Applicable

## **Prepared by:**

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## **Approved by:**

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