

October 2021

Changes to Conservation Authorities: Transition Plan & Timelines

Over the past few years, consultations, legislative amendments, and now regulations have been developed to create a more transparent and accountable relationship between conservation authorities (CAs) and municipal governments. The time has now come to implement these changes.

As illustrated below, the timelines are ambitious and will have implications on the municipal budget cycle. As a result, **AMO recommends that municipal governments contact your CA(s) to advise them about the municipal budgeting process goals and timelines as soon as possible.** This will ensure that CAs create a time-sensitive workplan on which to consult.

Key Dates:

1. December 31, 2021 – Transition “Work” Plan (Section 3 of O.Reg 687/21)

The Conservation Authority is to deliver a Transition Plan to participating municipal governments on how they propose to work with municipalities to meet the requirements of the Act and regulations. The plan must include timelines for developing required inventories and agreements. The plan will then be sent to participating municipalities, the Ministry of the Environment, Conservation and Parks (MECP) and posted on the CA website. This plan can be as simple as creating a table or chart.

2. February 28, 2022 – Inventory of Programs and Services (Section 5-6 of O.Reg 687/21)

Each CA is to develop an inventory of services and programs they currently offer, broken into three categories (see below). The inventory is to show sources of funding and an average amount of spending that has been used to deliver these programs and services. If an average does not make sense, the CA will use some other methodology with explanation.

- **Category 1:** Mandatory Programs and Services provided under section 21.1 of the *Conservation Authorities Act* (These services must comply with provincial regulations or standards. They are **NOT** subject to a municipal agreement).
- **Category 2:** Municipal Programs and Services provided under section 21.1.1 of the Act. These programs and services are provided at the direction of participating municipalities. These services require an agreement between a municipal government (located in whole or in part of the watershed) and a Conservation Authority. Alternatively, an individual municipality may request and agree to a service limited to its municipal boundaries.
- **Category 3:** Other Programs and Services provided under section 21.1.2 of the Act that the Conservation Authority finds important to deliver in order to best meet the overall direction of the *Conservation Authorities Act*. This is subject to a cost apportioning agreement where general municipal levy/funding is proposed to be used.

This inventory also includes a list of programs that the CA intends to provide into the future and could identify new programs as well.

3. As soon as Inventory is Received (deadline is February 28, 2022) to December 31, 2023 – Consultation on Inventory (Section 6-7 of O.Reg 687/21)

Municipalities are to offer feedback, seek clarifications, and refinements on the inventory during this phase. Upon agreement to the inventory, municipal governments will need to enter into formal Cost Appointment Agreements/Service Agreements/Memoranda of Understanding and integrate these into the municipal budget for Category 2 and 3 programs and services where municipal levy/funding is proposed to be used.

Category 1 programs and services are mandatory and will not require an agreement. However, the costs will need to be integrated into the municipal budget as well. Given the collaborative nature of this work, conversations with your local CA(s) should be begin as soon as the inventory is received (e.g. earlier than the deadline of February 28, 2022).

During this two-year transition period, municipal governments and CAs will be working toward a new regime. Some CAs may complete this transition earlier and some later in this timeframe. Within CAs, some aspects may be completed before other aspects of the transition happen. If your municipal Council uses a multi-year budgeting process, please notify your CA that this may impact their timelines.

4. July 1, 2022 to October 1, 2023 – Six Progress Reports due to MECP (Section 7 of O.Reg 687/21)

CAs are required to submit six quarterly progress reports to MECP starting July 1, 2022. As a best practice for transparency, these should be shared with municipalities and publically posted. Each progress report should contain information set out in subsection (3) and (4) of the Regulation. This includes providing an update on the progress of negotiations between CAs and participating municipalities on the inventory and the Cost-Appportioning Agreements for Category 3 programs and services. Although it is not required, it would also be beneficial to include the status of progress on Category 2 agreements.

5. By December 31, 2023 – Negotiations and Agreements to be Signed and Costs Embedded in 2024 Municipal Budgets (Section 8 of O.Reg 687/21)

By the end of 2023, negotiations will need to be concluded, agreements signed, and costs embedded into the 2024 municipal budget cycle. By January 30, 2024 the CA shall submit the final version of the inventory to the participating municipalities and the Ministry. The inventory should confirm that the CA has entered into all necessary agreements with the participating municipalities.

NOTES:

- Section 10 of O.Reg 687/21 stipulates that a CA may be granted an extension of time beyond the transition date under specific circumstances. An extension must be requested on or before October 1, 2023. To help inform the Minister's decision whether to grant an extension, the progress reports should signal where progress is slow and the barriers to progress.
- Section 26 (Review of Apportionment of Capital Costs) and Section 27 (Recovery of Operating Expenses) of the *Conservation Authorities Act* allows for a review of the apportionment of costs by the Ontario Land Tribunal where costs collected as levy are disputed.

Contact: Amber Crawford, Senior Advisor, Acrawford@amo.on.ca; 416-971-9856 Ext. 353.