

Conservation Authority Funding Details

Conservation Authority budgets are comprised of a variety of sources including self-generated revenue, grants, and levies from participating municipalities.

According to the existing Ontario Regulation 670/00, the levy for the participating municipalities are based on the following formula Section 2 of the O. Reg. 670/00 "Conservation Authority Levies" which reads as follows:

- 1) In determining the levy payable by a participating municipality to an authority for maintenance costs pursuant to subsection 27 (2) of the Act, the authority shall apportion such costs to the participating municipalities on the basis of the benefit derived or to be derived by each participating municipality determined,
 - a. by agreement among the authority and the participating municipalities; or
 - b. by calculating the ratio that each participating municipality's modified assessment bears to the total authority's modified assessment. O.Reg. 670/00, s. 2 (1).
- 2) In determining the levy payable by a participating municipality to an authority for administration costs pursuant to subsection 27 (3) of the Act, the authority shall apportion such costs to the participating municipalities on the basis of the ratio that each participating municipality's modified assessment bears to the total authority's modified assessment. O. Reg. 670/00, s. 2 (2).

The key factor in the regulation formula is "the ratio that each participating municipality's modified assessment bears to the total authority's modified assessment". In effect, the larger the municipality's assessment, the greater would be the levy burden.

Levy charges are calculated by determining the ratio that each participating municipality's land assessment bears to the total conservation authority land assessment. This is done by:

1. Assessing the value of the municipality
2. Determining the percentage of the municipality which falls within the jurisdiction of the conservation authority
3. Dividing the total value of the municipality's lands by the percentage that falls within the jurisdiction, to find the value of that section of land.
4. Adding up the value of lands from each participating municipality to find the value of all the land within the jurisdiction.
5. Dividing the total land value, by the value lands associated with each municipality.
6. Charging levies against each municipality based on their ratio of land value to the total land value of the conservation authority.

For example:

1. The City of Hamilton was assessed at \$95,456,549,475

2. 26.8% of that land was within the Grand River Conservation Authority.
3. 26.8% of \$95,456,549,475 is \$25,534,626,985.
4. \$25,534,626,985 is added together with the other contributions from participating municipalities for a total land assessment of \$205,399,355,452.
5. \$25,534,625,985 is 12.4% of the total land assessment
6. City of Hamilton pays 12.4% of the levy for the conservation authority.

While this process is used to determine levies, it does not align with how board seats are apportioned. Board seats are determined by the number of people that live within the jurisdiction of the conservation authority, or by agreement of the participating municipalities.

When the City of Hamilton amalgamated, it made a significant impact on the assessed value of the land and increased the levy Hamilton paid to conservation boards.

In the case of the **Niagara Peninsula Conservation Authority**, an agreement was made to redress the overage which stood until 2014 when Niagara advised it would no longer honour the 2001 agreement. The City appealed this decision and lost.

Currently, Hamilton pays 21% of the levy for NPCA, Haldimand pays 1%, and Niagara Region pays the remaining portion – 78%. This may be the reason or their interest in increasing their board membership. However, the levy does not make up the entire budget and this should not be interpreted as Niagara paying 78% of the entire NPCA operation.

The **Grand River Conservation Authority** addresses the issue of unequal payments by weighting votes against the percentage of levy that is contributed to the budget. Since Hamilton pays 12.5% of the levy based on the assessed value of land within the Grand River Conservation Authority's jurisdiction, the votes associated with Hamilton are weighted at 12.5%.

Land assessments are completed annually to update levies to the conservation authorities. Changes to the levy burden from 2021 to 2022 are outlined below.

Conservation Authority (CA) Municipal Levy Budgeted for 2022				
SUMMARY NET BUDGET INFORMATION: Years 2021 and 2022 Per 2022 Tax Supported Operating Budget Report				
Board/Agency	2021 Budget Net	2022 Net FINAL budget \$	Change \$	Change%
	Per Regulation 670/00	Per Regulation 670/00		
Niagara Peninsula Conservation Authority	1,506,750	1,574,269	67,519	4.5%
NPCA – Binbrook Capital Improvements	91,790	91,790	0	0.0%
Grand River Conservation Authority	1,519,510	1,557,692	38,182	2.5%
Conservation Halton	749,720	776,249	26,529	3.5%
Hamilton Conservation Authority	3,978,000	4,060,000	82,000	2.1%
HCA: Westfield Heritage Village	614,000	624,000	10,000	1.6%
Total for ALL Conservation Authorities	8,459,770	8,684,000	224,230	2.7%