



Board of Directors

Addendum

July 2, 2026 at 6:00 p.m.

This meeting will be hybrid; in-person and virtually via Webex Platform

**All hybrid meetings can be viewed live on HCA's You Tube Channel:
<https://www.youtube.com/user/HamiltonConservation>**

5. Consent Items for Applications, Minutes and Correspondence

- 5.4 Letter from Ministry of the Environment, Conservation and Parks regarding Minister's Direction with respect to budget and apportionment matters.

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357-2026-1745

June 26, 2026

TO: Conservation Authorities Chairs, GMs/CAOs, and municipalities

SUBJECT: Minister's direction under section 1.14 of the *Conservation Authorities Act* with respect to budget and apportionment matters

I am writing with regards to the transition of Ontario's conservation authority system to a consolidated regional model. Pursuant to my authority under section 1.14 of the *Conservation Authorities Act* (CAA), I am issuing a direction ("Direction") to conservation authorities on budget and apportionment matters leading up to the transition date – please see attached Direction.

The purpose of this Direction, effective from June 26, 2026 to the transition date under the CAA (i.e., February 1, 2027, or such later date as may be prescribed by the regulations), is to require conservation authorities to complete the budgetary process for the 2027 calendar year budget before the transition date, and in accordance with the CAA and applicable budget and apportionment regulations.

This Direction establishes deadlines for key budget process milestones, including the holding of meetings to approve apportionment amounts and final budgets, and the sending of notices of apportionment to participating municipalities. Conservation authorities are also required to notify the Ministry of the Environment, Conservation and Parks and the Ontario Provincial Conservation Agency (OPCA) as certain steps of the budget process are completed. This Direction applies to all conservation authorities listed in Appendix A, with additional guidance set out in Appendix B of the attachment.

The Direction is intended to ensure that the transition to consolidation is successful with minimal disruptions to conservation authorities' governance, programs and services.

If you have any questions regarding this Direction, please contact the Conservation Authorities Section of the Ministry of the Environment, Conservation and Parks at ca.office@ontario.ca.

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Conservation Authorities Chairs, GMs/CAOs, and municipalities
Page 2.

Sincerely,

A handwritten signature in blue ink, appearing to read "Todd McCarthy", with a long horizontal flourish extending to the left.

Todd McCarthy
Minister of the Environment, Conservation and Parks

Enclosures

c: The Honorable Rob Flack, Minister of Municipal Affairs and Housing

ATTACHMENT A

Minister's Direction Issued Pursuant to Section 1.14 of the *Conservation Authorities Act* (this "Direction")

Section 1.14 of the *Conservation Authorities Act* (CAA) provides the Minister with the authority to issue a direction to a conservation authority in relation to various matters for the purpose of facilitating the transition to a regional watershed-based framework for conservation authorities. The types of directions that can be issued by the Minister are set out in clauses 1.14(1)(a) to (d):

- (a) prohibiting the authority from making a decision in relation to its exercise of any of its powers under this Act or any other Act in the circumstances specified in the direction and subject to any specified conditions;
- (b) requiring the authority to give notice, in accordance with the direction, of a decision that it has made;
- (c) requiring the authority to send notices under subsection 25 (2), 27 (3) or 27.2 (3) by the date specified in the direction;
- (d) governing budgetary and apportionment matters relating to the authority that are otherwise addressed in a regulation made under clause 40 (1) (c), (e) or (f) or clause 40 (3) (k).

Section 1.14 further provides that an authority that receives such a direction shall comply with the direction within the time specified in the direction.

Pursuant to the authority of the Minister of the Environment, Conservation and Parks under clauses 1.14(1)(c) and (d), the conservation authorities set out under Appendix "A" of this Direction (the "**authorities**" or each, an "**authority**") are hereby directed as follows:

1. Each authority shall take all necessary steps to develop and approve its budget for the 2027 calendar year, in accordance with the CAA, to ensure that the authority complies with paragraphs 2 and 3 of this Direction.
2. No later than thirty (30) calendar days prior to the transition date, each authority shall:
 - i. Hold a meeting to approve apportionment amounts for its participating and specified municipalities as required by section 16 of O. Reg. 402/22.
 - ii. Hold a meeting to approve a final budget as required by section 22 of O. Reg. 402/22.
3. Prior to the transition date, each authority shall:
 - i. Provide a copy of its final budget to the Minister and each of its participating and specified municipalities in accordance with section 24 of O. Reg. 402/22, and in addition, provide a copy of the approved final budget to the Ontario Provincial Conservation Agency (OPCA).
 - ii. Send notices to the authority's participating and specified municipalities in accordance with subsections 25(2) (notices of apportionment of capital

costs), 27(3) (notices of apportionment of operating expenses) and 27.2(3) (notices of amounts owed by specified municipalities) of the CAA.

4. Upon completion of each of the following steps, each authority shall provide written notice of the completion of the step to the Ministry of the Environment, Conservation, and Parks and the OPCA:
 - i. Approval of a draft budget for consultation purposes in accordance with section 14 of O. Reg. 402/22.
 - ii. Approval of apportionment amounts for participating and specified municipalities in accordance with section 18 of O. Reg. 402/22.
 - iii. Approval of a final budget in accordance with section 23 of O. Reg. 402/22.
 - iv. Sending of notices to participating and specified municipalities in accordance with subsections 25 (2), 27(3) and 27.2(3) of the CAA.

General

5. This Direction applies to the authorities listed in Appendix “A” to this Direction.
6. This Direction is effective from the date of its issuance to the transition date, within the meaning of the CAA (i.e., February 1, 2027 or such later date as may be prescribed by the regulations).
7. This Direction may be amended in writing from time to time at the sole discretion of the Minister.



Todd McCarthy
Minister of the Environment, Conservation and Parks
[June 26, 2026]

APPENDIX A

LIST OF CONSERVATION AUTHORITIES TO WHICH THE DIRECTION APPLIES

Ausable Bayfield CA	Lower Trent Region CA
Cataraqui Region CA	Maitland Valley CA
Catfish Creek CA	Mattagami Region CA
Central Lake Ontario CA	Mississippi Valley CA
Credit Valley CA	Niagara Peninsula CA
Crowe Valley CA	Nickel District CA
Essex Region CA	North Bay-Mattawa CA
Ganaraska Region CA	Nottawasaga Valley CA
Grand River CA	Otonabee Region CA
Grey Sauble CA	Quinte Region CA
Halton Region CA	Raisin Region CA
Hamilton Region CA	Rideau Valley CA
Kawartha Region CA	Saugeen Valley CA
Kettle Creek CA	Sault Ste. Marie Region CA
Lake Simcoe Region CA	South Nation River CA
Long Point Region CA	St. Clair Region CA
Lower Thames Valley CA	Toronto and Region CA
	Upper Thames River CA

APPENDIX B

Guidance document for the Minister's Direction issued under section 1.14 of the CAA with respect to budget and apportionment matters

The Minister's Direction issued June 26, 2026 under s.1.14 of the CAA aims to preserve operational and budget process continuity through the transition to a regional governance model for conservation authorities.

While Ontario Regulation 402/22 (Budget and Apportionment) does not set out specific dates or deadlines for the completion of the various phases of the budget and apportionment process, this Direction sets the following timing requirements and additional notification requirements:

Item/Task	Deadline
i. Holding of meeting to approve apportionment amounts for participating and specified municipalities (s. 16 of O. Reg. 402/22)	No later than 30 calendar days
ii. Holding of meeting to approve final budget (s. 22 of O. Reg. 402/22)	before the transition date
i. Providing copies of the approved final budget (s. 24 of O. Reg. 402/22)	Prior to the transition date
ii. Sending of notices to participating and specified municipalities (s. 25(2), 27(3), and 27.2(3) of the CAA)	
i. Providing a notice to the Ministry of the Environment Conservation and Parks (MECP) and Ontario Provincial Conservation Agency (OPCA) when each of the following steps is completed: a. Approval of a draft budget for consultation purposes b. Approval of apportionment amounts c. Approval of the final budget d. Sending of notices to participating and specified municipalities	Upon completion of each step

With respect to any documents and notice required to be given to the MECP and OPCA (e.g., approved final budget and notice of completion of various steps), please send those documents and notices to MECP at ca.office@ontario.ca and OPCA at CCEO@ontario.ca.

2027 Annual Budget

Conservation authorities will carry out the 2027 calendar year budget process in accordance with Ministers Directions, the CAA and its regulations. The determination of revenue, expenses and costs under Section 5 of O. Reg. 402/22 and determination of reduced amounts to be apportioned under Section 6 of O. Reg. 402/22 should reflect continuity of normal operations of an authority according to current organization's

governance, financial structures, and programs and services. Any anticipated impacts from regional consolidation should not be considered or incorporated into the preparation of the budget for the 2027 calendar year under this direction.

Municipal Consultation

Current participating and specified municipalities are to be consulted on the draft budget for the 2027 calendar year, in accordance with existing legislative/regulatory requirements.

Voting

Budget-related votes are conducted using current authority membership and existing governance rules and in accordance with regulations, where that is set out.

Final Approval and Posting

Authorities approve, post, and provide copies of the final budget for the 2027 calendar year in accordance with existing requirements and the Minister's Direction.

Municipal Apportionment

The approach to municipal apportionment will not change for 2027 calendar year budgets and will follow the existing methods set out in O. Reg. 402/22 and O. Reg. 401/22 (Determination of Amounts Under Subsection 27.2 (2) of the Act) and apply to the current participating and specified municipalities of each authority per the apportionment percentages distributed by the Ministry of the Environment Conservation and Parks.

Once apportioned amounts are determined and approved by authorities, notices of apportionment are sent to each participating municipality and notices setting out amounts owing are sent to each specified municipality. Each municipality shall be required to pay the amount apportioned to it even after the transition date under the CAA, at which point the payment will be due to the regional conservation authority.

Future Annual Budget

Budget alignment across regional conservation authorities will occur following the transition date.

The ministry will assess whether any changes need to be made to the budgeting process as set out in the budget and apportionment regulations as a result of the regional consolidation of authorities and will consider amendments to those regulations in Fall 2026, where appropriate.

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