

BUDGET COMMITTEE

Thursday, October 12, 2023

**Ausable Bayfield Conservation Authority Boardroom
Morrison Dam Conservation Area**

DIRECTORS PRESENT

Ray Chartrand, Adrian Cornelissen, Steve Herold, Jaden Hodgins, Dave Jewitt, Greg Lamport, Dave Marsh, Wayne Shipley, Marissa Vaughan (via teleconference)

STAFF PRESENT

Geoff Cade, Tina Crown, Cassie Greidanus, Abbie Gutteridge, Davin Heinbuck, Brian Horner, Tracey McPherson, Nathan Schoelier, Mari Veliz

CALL TO ORDER

Vice Chair Ray Chartrand called the meeting to order at 9:30 a.m., welcomed everyone in attendance. He noted that Chair Vaughan was attending via teleconference and asked him to step in as Acting Chair for this meeting.

ADOPTION OF AGENDA

MOTION #BD 92/23

**Moved by Greg Lamport
Seconded by Dave Jewitt**

“RESOLVED, THAT the agenda for the October 12, 2023 Board of Directors Budget Committee meeting be approved,”

Carried.

DISCLOSURE OF PECUNIARY INTEREST

There were no disclosures of pecuniary interest at this meeting or from the previous meeting.

DISCLOSURE OF INTENTION TO RECORD PROCEEDINGS

None.

PROPOSED 2024 BUDGET

General Manager Brian Horner provided an overview of the 2024 budget preparation by staff, as well as the format for the information session. Each department will present the budget for their program and a summary of the individual projects that are proposed for 2024. He noted the

proposed 2024 budget is less than what was originally presented in the five-year forecast. Staff prepared the budget with a 2% wage increase on the pay grid.

Vehicles and Equipment

Nathan Schoelier, Stewardship and Conservation Lands Manager, presented the vehicle and equipment motor pool budget. There is no operating levy required for the vehicle and equipment budget as the revenue received when charging mileage and equipment rates to the users' programs offsets expenses. In 2024, the ABCA will need to replace the 2008 Trekker Utility Vehicle (UTV). This vehicle is used for site preparation and tending for reforestation projects, day-to-day operations, and education programs. The new vehicle will need to have the capacity to carry program supplies, support a cargo-cox mounted sprayer, as well as operate a tow-behind mower.

Private Land Stewardship

Nathan Schoelier reviewed the private land stewardship budget wherein staff provide one-on-one technical advice, site visits, and assistance with paperwork in connecting landowners with cost-share funding to maximize grants for their stewardship projects. ABCA staff aim to help complete at least 100 projects each year. Expenses in the stewardship program are offset with tree sales, providing tree planting plans, phragmites management spraying and forest management plans for clients. Pending funding, some of the cost share programs that may support projects include the Huron Clean Water Project, Canada Nature Fund, Forests Ontario, Perth County Stewardship Program, nature Smart Climate Solutions and Carolinian Priority Place. Less than 10 percent of the department budget is from the operating levy. There are no municipally funded grants available in Lambton for landowners to access a similar cost-share program to improve rural water quality, and it seems unlikely that the program will run in Middlesex in 2024.

Recreation Services

Nathan Schoelier explained that the ABCA provides essential recreation areas for municipal residents and tourists. These properties provide areas for exercise, education and increase property values of nearby properties. The routine maintenance of facilities at conservation areas is carried out by ABCA employees. Revenue is generated by gate fees at Rock Glen Conservation Area, hunting passes and community donations. Proposed new projects for 2024 include the replacement of several components of the bridge at Morrison Dam Conservation Area, as recommended in the bridge inspection report. In addition, the privy at Ausable Cut Conservation Area is due to be replaced.

Property Management

Nathan Schoelier noted that more than 9000 acres owned by the ABCA contribute to the health of the watershed by promoting forest cover, surface and groundwater protection, flood control, aquatic species and wildlife habitat and community well-being. Property management revenue is generated from timber harvests, farm land rental and the Parkhill CA campground lease and offsets the cost of property taxes, insurance, risk management inspections and property maintenance. Most ABCA land is taxed at a reduced rate under the Managed Forest Tax Incentive Program, and taxes are not paid on a small portion of land that qualifies for the Conservation Land Tax incentive Program (CLTIP). The phased invasive species management project is scheduled to continue in 2024

with ongoing efforts in Port Franks and Hay Swamp to treat dog strangling vine, giant hogweed and phragmites.

Drinking Water Source Protection

Geoff Cade, Water and Planning Manager, presented the Drinking Water Source Protection budget. There are no levy dollars allocated to the Drinking Water Source Protection budget. The Province funds ongoing mandatory implementation responsibilities for Source Protection Authorities. The implementation body for each source protection policy coordinates implementation costs. The current approved budget is in place until March 2024, at which time staff will submit another 2-year workplan and budget to the Ministry of Environment, Conservation and Parks. Earlier in 2023, public consultation on the Section 36 Source Protection Plan Amendment concluded, and the Amendment was submitted to the Province.

By agreement, ABCA delivers Risk Management Services for eight municipalities. These agreements are in place until December 2023. Another 3-year agreement is in development.

Environmental Monitoring

Mari Veliz, Healthy Watersheds Manager, Tracey McPherson, GIS/IT Coordinator, and Davin Heinbuck, Water Resources Coordinator and Geoff Cade presented Environmental Monitoring and the Planning and Regulations program project factsheets and budgets. In some cases, funds are deferred to meet the funder's year end. Mari Veliz explained that some projects are fully funded through other partners, but that the project levy contribution often leverages other sources of funding, some substantial, to undertake environmental and monitoring projects, one example of which is the Ausable River Recovery project. There are no new projects proposed for 2024. Ongoing and phased projects include the C.A Maps Project, Core Dataset Update and Maintenance, Water Monitoring (including Provincial programs and local programs), Drain Review and Fisheries, Low Water Response, Spills Response, and Ausable Bayfield River Stewardship. The GIS and IT related projects support all staff in the day-to-day work of the conservation authority.

Floodplain Management

Geoff Cade, Water and Planning Manager presented the four main components of the floodplain management program. They include the maintenance of 16 erosion control projects, 7 flood control projects, the flood forecasting and warning system and the Port Franks ice management project. Since 1996 the Ministry of Natural Resources and Forestry (MNRF) has provided a 50% grant toward three of the projects; however, for 2024 only an 18.4% funding grant is expected. In 2024, a new project is proposed to update the watershed hydrology model to the HEC-HMS, which was developed by the US Army Corps of Engineers, and will be updated to make it a viable model for use in the Ausable Bayfield Watershed. Staff will apply to a provincial grant to help cover the costs of this project and recommend implementing it over the course of two years. Ongoing projects include the annual monitoring of channel configuration in the Ausable River Cut, as well as the Armstrong West Erosion Control project.

Education

Cassie Greidanus, Conservation Education Coordinator, presented the Conservation Education budget. Revenue for providing effective and meaningful outdoor education experiences comes from the municipal levy, program fees, donations, foundations, and fundraising. Staff promote environmental awareness through classroom programs, field trips, day camps, the water safety awareness program, community presentations and special events. 2023 was a transition year with department staff changes and reorganization. However, this fall staff have more than 70 programs booked, which will reach at least 1500 students. Nature based summer day camps were also held in 2023, running successfully for five weeks. Planned highlights for 2024 include field trips to various conservation areas, classroom and schoolyard programs, four weeks of summer day camp programs occurring at both Morrison Dam Conservation Area and Rock Glen Conservation Area, and the river safety program which is available to all grades throughout the school year. Cassie hopes to encourage more programming over the winter months, which typically has had less programming.

Corporate Services

Brian Horner presented the consolidated Corporate Services budget and provided an overview of the services provided by this department. In 2024, the only phased project is the Conservation Authorities Act Update. All legislation and regulatory changes will be implemented by December 2024. Phase 1 was the development of the Transition Plan and Inventory of Programs and Services, which ended in February 2022. Phase 2 began in March 2022 and continues until January 31, 2024. Projects that need to be completed by December 31, 2024 include developing the final inventory of programs and services which will be provided to municipalities, providing all agreements and inventory to the Province, posting information on the ABCA website and completing a number of documents such as the Watershed-Based Resource Management Strategy and Operational Plan.

Operating Levy – Category 3

Brian Horner presented the proposed operating levy for Category 3 projects for 2024 at \$163,974 as compared to \$181,331 in 2023. This includes ongoing, phased, and new projects proposed for 2024. The Operating Levy – Category 3 dollars will be leveraged with other sources of funding to undertake projects totaling \$915,812.

Operating Levy – Category 1

The Operating Levy for Category 1 programs proposed for 2024 total \$1,290,273 in comparison to \$1,198,373 in 2023.

Proposed 2024 Budget

Staff prepared the budget using a pay grid with an increase of 2% for cost of living. Brian Horner also presented the fee schedule. As part of the Conservation Authorities Act Update, there is a freeze on fees related to permitting and regulations, so these remain the same as 2023. The combined Operating Levies (Categories 1 and 3) total \$1,454,247 (3.67 per cent increase) as compared to \$1,402,702 in 2023. Brian Horner reminded the directors that not every program area is sustained by levy dollars, and that levy dollars leverage further funding from other sources.

The Board indicated that they would like to better understand the Special Levies for the four Municipalities who receive them. This could come as a report at the next Board of Directors meeting. It was also suggested that in the future, the Fact Sheets provided for each program could be labeled as Category 1 or 3 to help provide clarification.

In general, the Board would like staff to come back to the Board meeting with some reductions and would like to bring the percent increase to land between 2.5% and 3%, and made the following motion.

MOTION #BD 93/23

**Moved by Adrian Cornelissen
Seconded by Wayne Shipley**

“RESOLVED, THAT staff review the Proposed 2024 Budget and show options that will bring the overall budget increase to fall between 2.5% and 3%.”

Carried.

Further direction and discussion will be held at the next Board meeting on October 19, 2023.

NEW BUSINESS

None

ADJOURNMENT

The meeting was adjourned at 12:46 p.m.

Ray Chartrand
Acting Chair

Abigail Gutteridge
Corporate Services Coordinator