



BOARD OF DIRECTORS

Thursday, March 17, 2022

**Ausable Bayfield Conservation Authority Administration Centre
Morrison Dam Conservation Area**

VIA VIDEO CONFERENCE

10:00 a.m.

AGENDA

1. Chair's Welcome and Call to Order
2. Land Acknowledgement Statement
3. Adoption of Agenda
4. Disclosure of Pecuniary Interest
5. Disclosure of intention to record this meeting by video and/or audio device
6. Adoption of Minutes from February 17, 2022
7. Business Out of the Minutes

8. **Presentation:** Audited 2021 Financial Statement – *Paul Seebach, Seebach & Company*

9. **Program Reports**
Report 1: (a) Development Review (O Reg147/06) – Daniel King
(b) Violations/Appeals Update – Geoff Cade/Daniel King
Report 2: Ontario Community Environment Fund – Angela Van Niekerk
Report 3: Stewardship Funding Project Review – Angela Van Niekerk
Report 4: Flood Emergency Planning Meeting – Davin Heinbuck

10. Committee Reports
11. Correspondence
12. New Business
13. Committee of the Whole
14. Adjournment

Source Protection Authority Meeting to follow

Upcoming Meetings and Events

April 21, 2022 – Board of Directors Meeting at 10:00 a.m.
May 19, 2022 – Board of Directors Meeting at 10:00 a.m.

BOARD OF DIRECTORS MEETING

Thursday, February 17, 2022

Ausable Bayfield Conservation Authority Boardroom
Morrison Dam Conservation Area

VIA VIDEO CONFERENCE

DIRECTORS PRESENT

Ray Chartrand, Doug Cook, Adrian Cornelissen, Bob Harvey, George Irvin, Dave Jewitt, Mike Tam, Marissa Vaughan,

DIRECTORS ABSENT

Alex Westman

STAFF PRESENT

Geoff Cade, Tina Crown, Abbie Gutteridge, Davin Heinbuck, Brian Horner, Denise Iszczuk, Ian Jean, Daniel King, Tommy Kokas, Mary Lynn MacDonald, Tracey McPherson, Kate Monk, Nathan Schoelier, Meghan Tydd-Hrynyk, Mari Veliz

OTHERS PRESENT

Leslie Myers, Peter Myers, Jacqueline Sheppard

CALL TO ORDER

Chair Doug Cook called the meeting to order at 10:00 a.m., welcomed everyone in attendance, both in person and virtually, and read the Land Acknowledgement Statement.

ADOPTION OF AGENDA

MOTION #BD 01/22

**Moved Ray Chartrand
Seconded by Mike Tam**

“RESOLVED, THAT the agenda for the February 17, 2022 Board of Directors 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

Chair Cook noted that this meeting was being recorded on Zoom for temporary posting online, and is not an official record. The official record of this meeting will be the approved minutes.

ADOPTION OF MINUTES

MOTION #BD 02/22

**Moved by George Irvin
Seconded by Bob Harvey**

“RESOLVED, THAT the minutes of the Board of Directors meeting held on December 16, 2021 and the motions therein be approved as circulated.”

Carried.

BUSINESS OUT OF THE MINUTES

None

STAFF UPDATE ON WATERSHED CONDITIONS

Davin Heinbuck gave the Board of Directors a brief update on current watershed conditions related to the rain and snowmelt. A watershed conditions statement was released was issued on February 16, 2022. Rivers and streams were reaching bank full conditions and exceeding bank full in some areas with 20-40 mm of rainfall. Floodplains are becoming inundated and there are some minor ice jams, but nothing yet to cause concern. Staff are were presently checking conditions in the Bayfield River watershed and, if warranted, would issue watch to the Municipality of Bluewater. However, initial conditions were such that it may not be necessary to issue the secondary flood message.

ELECTIONS

Chair Doug Cook asked for a motion to appoint a Chairperson for the elections.

MOTION #BD 03/22

**Moved by Dave Jewitt
Seconded by George Irvin**

“RESOLVED, THAT Brian Horner be appointed as chairperson for the election proceedings.”

Carried.

Doug Cook departed the Chair and Brian Horner outlined the procedures prior to conducting the elections.

Appointment of Scrutineers

MOTION #BD 04/22

**Moved by Dave Jewitt
Seconded by Ray Chartrand**

“RESOLVED, THAT Tracey McPherson and Abbie Gutteridge be appointed as scrutineers.”

Carried.

The positions of Chair and Vice Chair were declared vacant. Mr. Horner noted that Doug Cook could not be re-elected, as he has served as Chair for two consecutive years.

Election of Chair

Nominations were called for the position of Chair for 2022.

Ray Chartrand nominated George Irvin.

George Irvin nominated Dave Jewitt.

Mr. Irvin decline his nomination.

Mr. Horner called for nominations two more times.

MOTION #BD 05/22

Moved by Doug Cook

Seconded by Marissa Vaughan

“RESOLVED, THAT nominations for the position of Chair of the Ausable Bayfield Conservation Authority be closed.”

Carried.

Dave Jewitt accepted his nomination with thanks, and Mr. Horner declared Mr. Jewitt, representative for the Municipality of Central Huron, as the Chair of the Ausable Bayfield Conservation Authority for 2022.

Election of Vice Chair

Nominations were called for the position of Vice Chair for 2022. George Irvin nominated Marissa Vaughan for Vice Chair.

Mr. Horner called for nominations two more times.

MOTION #BD 06/22

Moved by George Irvin

Seconded by Adrian Cornelissen

“RESOLVED, THAT nominations for the position of Vice Chair of the Ausable Bayfield Conservation Authority be closed.”

Carried.

Marissa Vaughan accepted her nomination and Mr. Horner declared Ms. Vaughan, representative for the Municipality of South Huron, as Vice Chair of the Ausable Bayfield Conservation Authority for 2022.

Dave Jewitt thanked the directors for their support and assumed the Chair.

APPOINTMENTS

MOTION #BD 07/22

**Moved by George Irvin
Seconded by Marissa Vaughan**

“RESOLVED, THAT Seebach and Company Chartered Accountants, Clinton be appointed as the Ausable Bayfield Conservation Authority auditors for 2022.”

Carried.

MOTION #BD 08/22

**Moved by Adrian Cornelissen
Seconded by Ray Chartrand**

“RESOLVED, THAT the firms of Little, Masson & Reid, Exeter; Raymond & McLean, Exeter; Trudy Mauth, Woodstock and Grant Inglis of Scott Petrie LLP of London be appointed as the Ausable Bayfield Conservation Authority solicitors for 2022.”

Carried.

MOTION #BD 09/22

**Moved by Doug Cook
Seconded by Bob Harvey**

“RESOLVED, THAT the Bank of Montreal, Exeter be appointed as the Ausable Bayfield Conservation Authority financial institution for 2022.”

Carried.

PROGRAM REPORTS

1. (a) Development Review

Meghan Tydd-Hrynyk, Planning & Regulations Officer, presented the Development Review report pursuant to Ontario Regulation 147/06 *Development, Interference with Wetlands and Alterations to Shorelines and Watercourses*. Through the application process, proposed developments within regulated areas are protected from flooding and erosion hazards. Staff granted permission for 28 *Applications for Permission* and 11 *Minor Works Applications*.

MOTION #BD 10/22

**Moved by George Irvin
Seconded by Marissa Vaughan**

“RESOLVED, THAT the Board of Directors affirm the approval of applications as presented in Program Report # 1 – a) Development Review.”

Carried.

(b) Violations/Appeals Update

Daniel King, Regulations Coordinator, advised that staff are continuing to work on a number of violations. There are currently four matters before the courts; including two violations in the Municipality of Bluewater, one in the Municipality of Central Huron and one in the municipality of Lambton Shores.

MOTION #BD 11/22

**Moved by Marissa Vaughan
Seconded by Ray Chartrand**

“RESOLVED, THAT the Board of Directors receive the Violations and Appeals update as presented.”

Carried.

(c) Permit Approval

Geoff Cade, Water and Planning Manager, provided the Board of Directors with an update on permits for temporary shore protection at 9916, 9922 and 9926 Huron Drive in Lambton Shores. The original permit for temporary shore protection was granted at the October 15, 2020 Board of Directors Meeting. Since that time, the Board granted extension requests until October 15, 2021 and April 15, 2022. The intent of the extensions was to permit the landowners time to assess and apply for permanent shore protection works. In lieu of new permanent works, the landowners have now requested permission for the temporary works to remain in place permanently. Staff support this request as it meetings the intent of the revised shoreline policy.

MOTION #BD 12/22

**Moved by Doug Cook
Seconded by Marissa Vaughan**

“RESOLVED, THAT the Board of Directors approve permits MW2022-12, MW2022-13 and MW2022-14, to allow the temporary shoreline protection to remain in place permanently.”

Carried.

2. CA Act Update – Inventory of Programs and Services

Kate Monk, Projects Coordinator, provided an update on the Conservation Authorities Act Phase 2 Regulations. The Regulatory and Policy Proposal Consultation Guide has been posted to the Environmental Registry for comment until February 25, 2022. Kate presented each of the four components and how they will apply to the ABCA. These regulations are largely consistent with

what the ABCA already does; however some policies and practices will need to be revised and updated. Conservation Ontario will be coordinating Conservation Authority comments, but municipalities, stakeholders and citizens are also invited to provide comments.

MOTION #BD 13/22

**Moved by Bob Harvey
Seconded by Marissa Vaughan**

“RESOLVED, THAT the report on the Conservation Authorities Act Phase 2 Regulations be received as presented.”

Carried.

3. ABCA Integrated Accessibility Policy and Plan

Kate Monk presented the ABCA Integrated Accessibility Policy and Plan, which was developed to comply with Ontario Regulation 191/11: Integrated Accessibility Standards under the *Accessibility for Ontarians with Disabilities Act, 2005* (AODA). The ABCA develop a brief policy in 2011, and personnel regulations were added for customer service; however, the policy lack a fulsome accessibility plan with identified roles, responsibilities and actions. Staff developed the policy and plan to be consistent with local municipalities, and much of the document is based on the policy and plan for the Municipality of South Huron. The policy and plan has been reviewed by staff, and the Corporate Services Coordinator has been identified as the lead on accessibility matters.

MOTION #BD 14/22

**Moved by Ray Chartrand
Seconded by Doug Cook**

“RESOLVED, THAT the Ausable Bayfield Conservation Authority Integrated Accessibility Policy and Plan be approved as presented.”

Carried.

4. Stewardship Projects Update

Ian Jean, Forestry and Land Stewardship Specialist, presented an update on stewardship efforts and funding. At present, 12 tree planting projects and two cover crop projects have been approved for funding from the Canada Nature Fund.

MOTION #BD 15/22

**Moved by George Irvin
Seconded by Mike Tam**

“RESOLVED, THAT the Stewardship Project update report be received as presented.”

Carried.

5. Morrison Dam Concrete Repairs

Tommy Kokas, Water Resources Engineer, presented the tender results for concrete repairs to the Morrison Dam. Last fall, the Board approved retaining B.M Ross for engineering services for preparing a tender package for these repairs. Requests for quotes were sent in January, and three quotes were received from contractors who had previously expressed interest. In general, the tender prices were higher than expected. ABCA received WECl funding for this project, as well as matching funds from the municipality, totaling \$38,500. Approximately \$8,000 was quoted by B.M Ross for their services, leaving \$30,500 for the repair work. Total costs from the received quotes ranged from just over \$39,000 to just over \$121,000. Discussions with the municipality, engineer, and lowest bidder refined the cost to \$35,500, which leaves a shortfall of approximately \$5,000 plus any unclaimed HST. Staff recommend accepting the revised quote from the lowest bidder, Theo Vandenberg Construction Inc., and that the shortfall be taken from reserves and replaced in the 2023 budget. The construction company is local and was used for work at Parkhill Dam several years ago. The work is scheduled to begin March 1, and should be completed in 2-3 weeks.

MOTION #BD 16/22

Moved by Mike Tam

Seconded by Doug Cook

“RESOLVED, THAT the Board of Directors authorize hiring Vandenberg Construction and continue to seek, with the help of the municipality and design engineer, additional cost savings, where possible, and

“FURTHER, THAT the \$5,000 (plus any unclaimed HST) shortfall be taken from reserves and replaced in the 2023 budget.”

Carried.

6. Vehicle Tender Results

Nathan Schoelier presented the tender for the purchase of a four-wheel-drive pick-up truck for field staff to replace the 2010 Ford F-150 truck. This purchase was included in the 2022 ABCA budget. Requests for quotes were sent on February 1 to watershed vehicle dealers with a closing date of February 14. Quotes were received from Exeter Toyota, Exeter Chrysler, and Huron Motor Products. The 2022 motor pool budget included an anticipated \$3,000 for the sale of the Ford F-150, which will offset some of the new vehicle cost. Staff recommend accepting the low tender from Huron Motor Products for the purchase of a 2022 Chevrolet Silverado 2500.

MOTION #BD 17/22

Moved by Ray Chartrand

Seconded by Adrian Cornelissen

“RESOLVED, THAT the Ausable Bayfield Conservation Authority accept the low tender of \$49,649.01 plus taxes for the purchase of a 2022 Chevrolet Silverado 2500 from Huron Motor Products, Exeter.”

Carried.

7. Unaudited January to December Financial Statement

Brian Horner presented the unaudited statement of profit and loss from January 2021 through December 2021. The audited financial statements are anticipated to be ready in March.

MOTION #BD 18/22

**Moved by Doug Cook
Seconded by Marissa Vaughan**

“RESOLVED, THAT the unaudited profit and loss financial statement for 2021 be received as presented.”

Carried.

8. Watershed Champions Grant Update

Denise Iszczuk, Conservation Educator, provided the Board of Directors an update on the yearly Watershed Champions Grant, supported by NextEra Energy and Cordelio Power. Staff received and reviewed three applications in the Taking Action category from Huron Centennial Public School, Our Lady of Mount Carmel Catholic School, and Seaforth Public School. All three applications were approved, and staff will work with the schools to support their efforts.

MOTION #BD 19/22

**Moved by George Irvin
Seconded by Ray Chartrand**

“RESOLVED, THAT the update on the Watershed Champion Grant be received as presented.”

Carried.

COMMITTEE REPORTS

MOTION #BD 20/22

**Moved by Doug Cook
Seconded by Adrian Cornelissen**

“RESOLVED, THAT the minutes of the Source Protection Committee meeting held on November 24, 2021 and the motions therein be approved as circulated.”

Carried.

MOTION #BD 21/22

**Moved by George Irvin
Seconded by Bob Harvey**

“RESOLVED, THAT the minutes of the Joint Management Committee meeting held on December 20, 2021 and the motions therein be approved as circulated. “

Carried.

MOTION #BD 22/22

**Moved by Doug Cook
Seconded by Marissa Vaughan**

“RESOLVED, THAT the minutes from the Striking Committee Meeting held on January 20, 2022 and the motions therein be approved as circulated.”

Carried.

CORRESPONDANCE

- a) Reference: 2022 Approved Budget, Municipality of South Huron
File: F.6
Brief: A letter acknowledging that the South Huron Council received the 2022 draft ABCA budget at their November 15, 2021 meeting, as well as a delegation from the ABCA regarding the draft budget at their December 6, 2021 meeting.
- b) Reference: Resolution of Receipt – ABCA Transition Plan
File: A.39.1.1
Brief: A letter to confirm that the Council of the Municipality of Central Huron received the ABCA Transition Plan at their January 10, 2022 regular meeting.
- c) Reference: Advertised Positions – Public Appointments Secretariat
File: A.39.1.2
Brief: An email received from the Ministry of Conservation, Environment and Parks about posted job advertisements for the agricultural sector position for each of the thirty-six conservation authority memberships.
- d) Reference: Note of Thanks
File: A.5.1
Brief: A note of thanks from Doug Cook to the ABCA Staff and Board members for the words of condolences and donation of a memorial tree in honour of his son Jeremy Cook.

COMMITTEE OF THE WHOLE

MOTION #BD 23/22

**Moved by George Irvin
Seconded by Doug Cook**

“RESOLVED, THAT the Board of Directors go into Committee of the Whole at 11:45 a.m. to discuss a personnel matter for information purposes with Geoff Cade, Abbie Gutteridge, Brian Horner and Tracey McPherson remaining in attendance.”

Carried.

MOTION #BD 24/22

**Moved by Ray Chartrand
Seconded by Adrian Cornelissen**

“RESOLVED, THAT the Committee of the Whole rise and report at 11:55 a.m.”

Carried.

MOTION #BD 25/22

**Moved by Mike Tam
Seconded by Doug Cook**

“RESOLVED, THAT the information on the personnel matter be received as presented.”

Carried.

NEW BUSINESS

None

ADJOURNMENT

The meeting was adjourned at 11:57 a.m.

Dave Jewitt
Chair

Abigail Gutteridge
Corporate Services Coordinator

*Copies of program reports are available upon request.
Contact Abigail Gutteridge, Corporate Services Coordinator*

AUSABLE BAYFIELD CONSERVATION AUTHORITY
FINANCIAL STATEMENTS
DECEMBER 31, 2021

DRAFT

SEEBACH & COMPANY
Chartered Professional Accountants

INDEPENDENT AUDITOR'S REPORT

To the Members of Ausable Bayfield Conservation Authority

Opinion

We have audited the accompanying financial statements of Ausable Bayfield Conservation Authority ("the Authority"), which are comprised of the statement of financial position as at December 31, 2021 and the statements of operations, changes in net financial assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Authority as at December 31, 2021, and its financial performance and its cash flows for the year then ended in accordance with Canadian public sector accounting standards (PSAB).

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Authority in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with PSAB, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Authority's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Authority or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Authority's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

INDEPENDENT AUDITOR'S REPORT (continued)

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Authority's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Authority to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Seebach & Company

Chartered Professional Accountants
Licensed Public Accountants

Clinton, Ontario
March 17, 2022

AUSABLE BAYFIELD CONSERVATION AUTHORITY
STATEMENT OF FINANCIAL POSITION

| As at December 31 | 2021 | 2020 |
|--|----------------------|----------------------|
| FINANCIAL ASSETS | | |
| Cash | 1,847,873 | 1,479,181 |
| Marketable securities (note 2) | 7,308,691 | 6,942,366 |
| Accounts receivable | 375,205 | 551,055 |
| Due from related party (note 8) | 412 | 15,524 |
| | 9,532,181 | 8,988,126 |
| LIABILITIES | | |
| Accounts payable and accrued liabilities | 196,003 | 232,819 |
| Deferred revenue (note 4) | 1,367,944 | 1,142,888 |
| Promissory note payable (note 5) | - | 150,000 |
| | 1,563,947 | 1,525,707 |
| NET FINANCIAL ASSETS | 7,968,234 | 7,462,419 |
| NON-FINANCIAL ASSETS | | |
| Tangible capital assets, net (note 3) | 5,657,009 | 5,797,123 |
| Prepayments | 12,707 | 11,248 |
| | 5,669,716 | 5,808,371 |
| ACCUMULATED SURPLUS (note 6) | \$ 13,637,950 | \$ 13,270,790 |

On behalf of the Board:

The accompanying notes are an integral part of this financial statement

**AUSABLE BAYFIELD CONSERVATION AUTHORITY
STATEMENT OF OPERATIONS**

| For the year ended December 31 | 2021 Budget | 2021 Actual | 2020 Actual |
|--|-----------------------------|------------------------------------|-----------------------------|
| Revenue | | | |
| Deferred revenue - prior year (note 4) | 1,045,629 | 1,142,888 | 952,913 |
| General levy | 1,109,678 | 1,109,677 | 1,068,047 |
| Partnership contribution | 672,614 | 1,188,485 | 977,161 |
| User fees | 788,024 | 753,272 | 761,095 |
| Special levy | 418,964 | 350,854 | 354,882 |
| Provincial grant | 481,602 | 532,982 | 406,119 |
| Investment income | 16,000 | 186,351 | 218,725 |
| Rental | 67,200 | 66,007 | 61,951 |
| Capital levy | - | - | 28,599 |
| Donations | 500 | 6,993 | 118,099 |
| Unrealized gain (loss) on investments | - | 407,117 | 100,523 |
| Deferred revenue - current year (note 4) | (525,630) | (1,367,944) | (1,142,888) |
| | <u>4,074,581</u> | <u>4,376,682</u> | <u>3,905,226</u> |
| Expenditures (Schedule 1) | | | |
| Environmental monitoring | 1,493,685 | 1,644,859 | 1,423,081 |
| Corporate services | 878,905 | 866,228 | 771,340 |
| Floodplain management | 553,032 | 337,932 | 294,936 |
| Drinking water source protection | 355,195 | 295,549 | 320,295 |
| Stewardship | 324,517 | 320,326 | 306,888 |
| Recreation | 317,032 | 209,644 | 203,455 |
| Education | 183,634 | 142,414 | 103,010 |
| Property management | 147,847 | 109,681 | 126,802 |
| Vehicles and equipment | 120,899 | 82,889 | 83,810 |
| | <u>4,374,746</u> | <u>4,009,522</u> | <u>3,633,617</u> |
| Annual surplus (deficit) | (300,165) | 367,160 | 271,609 |
| Accumulated surplus, beginning of year | <u>13,270,790</u> | <u>13,270,790</u> | <u>12,999,181</u> |
| Accumulated surplus, end of year (note 6) | <u><u>\$ 12,970,625</u></u> | <u><u>\$ 13,637,950</u></u> | <u><u>\$ 13,270,790</u></u> |

The accompanying notes are an integral part of this financial statement

**AUSABLE BAYFIELD CONSERVATION AUTHORITY
STATEMENT OF CHANGE IN NET FINANCIAL ASSETS**

| For the year ended December 31 | 2021 Actual | 2020 Actual |
|---|---------------------|---------------------|
| Annual surplus (deficit) | 367,160 | 271,609 |
| Amortization of tangible capital assets | 181,703 | 186,077 |
| Net acquisition of tangible capital assets | (41,589) | (445,968) |
| Decrease (increase) in inventory and prepaid expenses | (1,459) | - |
| Increase (decrease) in net financial assets | 505,815 | 11,718 |
| Opening balance | 7,462,419 | 7,450,701 |
| Closing balance | \$ 7,968,234 | \$ 7,462,419 |

The accompanying notes are an integral part of this financial statement

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AUSABLE BAYFIELD CONSERVATION AUTHORITY
STATEMENT OF CASH FLOWS

| For the year ended December 31 | 2021 | 2020 |
|---|----------------------------|----------------------------|
| Operating activities | | |
| Annual surplus (deficit) | 367,160 | 271,609 |
| Amortization expense not requiring cash outlay | 181,703 | 186,077 |
| Unrealized (gain) loss on investments | (407,117) | (100,523) |
| Decrease (increase) in accounts receivable | 175,850 | 79,004 |
| Decrease (increase) in due to/from related parties | 15,112 | 7,327 |
| Increase (decrease) in accounts payable | (36,816) | (123,655) |
| Increase (decrease) in deferred revenue | 225,056 | 189,975 |
| Decrease (increase) in inventory and prepaid expenses | (1,459) | - |
| Cash provided by (used for) operating activities | <u>519,489</u> | <u>509,814</u> |
| Capital activities | | |
| Net disposals (purchases) of tangible capital assets | (41,589) | (445,968) |
| Cash provided by (used for) capital activities | <u>(41,589)</u> | <u>(445,968)</u> |
| Investing activities | | |
| Disposal (purchase) of marketable securities | 40,792 | 9,466 |
| Cash provided by (used for) investing activities | <u>40,792</u> | <u>9,466</u> |
| Financing activities | | |
| Proceeds from long-term debt issued | - | 150,000 |
| Principal repayments on long-term debt | (150,000) | - |
| Cash provided by (used for) financing activities | <u>(150,000)</u> | <u>150,000</u> |
| Increase (decrease) in cash position | 368,692 | 223,312 |
| Cash (overdraft) beginning of year | <u>1,479,181</u> | <u>1,255,869</u> |
| Cash (overdraft) end of year | <u>\$ 1,847,873</u> | <u>\$ 1,479,181</u> |

The accompanying notes are an integral part of this financial statement

AUSABLE BAYFIELD CONSERVATION AUTHORITY

NOTES TO FINANCIAL STATEMENTS

For the year ended December 31, 2021

The Ausable Bayfield Conservation Authority (“the Authority”) was created through an Order-in-Council that was approved by the Administrator of the Government of the Province of Ontario, dated July 30, 1946, under the authority of the Conservation Authorities Act 1946. The Act sets out that the objects of the Conservation Authority are to establish and undertake, in its area of jurisdiction, a program designed to further the conservation, restoration, development and management of natural resources.

The Ausable Bayfield Conservation Authority, as a non profit organization, is exempt from income taxes under the Income Tax Act of Canada.

1. Accounting policies

The financial statements have been prepared by the management of the Authority in accordance with generally accepted accounting principles for organizations operating in the local government sector as recommended by the Public Sector Accounting Board (PSAB) of the Chartered Professional Accountants of Canada.

Significant aspects of accounting policies adopted by the Authority are as follows:

a) Accrual basis of accounting

Revenues and expenses are reported on the accrual basis of accounting. The accrual basis of accounting recognizes revenues as they are earned and measurable, and recognizes expenditures as they are incurred and measurable as a result of receipt of goods or services and the creation of a legal obligation to pay.

b) Investments

The marketable securities (consisting of equities, bonds, mutual funds and cash) are recorded at their current market value. Realized and unrealized gains and losses, arising on the recognition of market value, are recorded in the year that they occur.

c) Inventory

Inventory representing items purchased for resale, is expensed to the respective program during the year.

d) Tangible capital assets

Tangible capital assets are recorded at cost. The cost of a contributed asset is considered to be equal to its fair market value at the date of contribution.

The cost of a tangible capital asset is charged directly to the project or program. For items recorded as a capital purchase, an internal charge rate is calculated which is designed to recover all operating costs plus replacement costs. Projects or programs are then assessed by the internal rate which is applied based on usage records for the item involved. On an annual basis, the net revenue and expenses that are reported determine the appropriation to or from the internally restricted surpluses (Note 8).

In addition, the cost of any equipment that was leased from the private sector was allocated to current projects or programs.

1. Accounting policies (continued)

d) Tangible capital assets (continued)

Amortization is provided over the estimated useful lives of the assets. The rates used are as follows:

| Category | Amortization Period |
|------------------------|--------------------------------|
| Land | not applicable |
| Land improvements | 50 - 75 years |
| Buildings | 50 - 75 years |
| Linear assets | 50 years |
| Equipment & machinery | 10 - 60 years |
| Furniture | 10 - 40 years |
| Vehicles | 8 - 10 years |
| Information technology | 5 - 8 years |

e) Contributed capital assets

Contributed capital assets are recognized as assets and revenue at fair value at the time they are received.

f) Deferred revenue

Revenue restricted by legislation, regulation or agreement and not available for Authority purposes is reported as deferred revenue on the statement of financial position. The revenue is reported on the statement of financial activities in the year in which it is used for the specified purpose.

g) Revenue recognition

Government funding including transfers, municipal capital and operating levies, grants, contract services and management fees are recognized in the financial statements when the payments are authorized and all eligibility criteria have been met, except when there is a stipulation that gives rise to an obligation that meets the definition of a liability. In that case, the funding is recorded as deferred revenue and recognized as revenue as the stipulations are met.

Authority generated revenues including property rental income, contract services, admissions and parking, permits, environmental assessments, programs, events, program and event sponsorships, product sales and membership fees are recognized as revenue in the period in which the related services are performed. Amounts collected for which the related services have not been performed are recorded as deferred revenue and recognized as revenue when the related services are performed. Unrestricted donations are recorded as revenue in the period they are received or receivable, when a reasonable estimate can be made of the amount involved. Externally restricted donations are deferred and recognized as revenue in the year in which the related expenses are recognized. Donated tangible capital assets are recorded at fair market value, when fair market value can be reasonably estimated.

h) Government transfers

Government transfers are recognized in the financial statements as revenues in the period in which events giving rise to the transfer occur, providing the transfers are authorized, any eligibility criteria have been met, and reasonable estimates can be made.

i) Accumulated surplus

Appropriations are made from operations to accumulated surplus for future expenditures and contingencies for such amounts as are deemed appropriate, upon approval of the Board of Directors.

1. Accounting policies (continued)

j) Use of estimates

The preparation of financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, the reported amounts of revenues and expenditures during the period, and the accompanying notes. Due to the inherent uncertainty in making estimates, actual results could differ from those estimates.

2. Marketable securities

The marketable securities, stated at fair value, consist of the following:

| | 2021 | 2020 |
|---------------------------|---------------------|---------------------|
| Cash and equivalents | 305,812 | 175,725 |
| Certificates of Deposit | 2,391,027 | 2,373,689 |
| Fixed Income Mutual Funds | 1,128,947 | 1,138,753 |
| Equity Mutual Funds | 3,482,905 | 3,254,199 |
| | <u>\$ 7,308,691</u> | <u>\$ 6,942,366</u> |

The marketable securities have a cost of \$6,453,143 (2020 : \$6,476,487) at year end.

3. Tangible capital assets

For additional information, see the Schedule of Tangible Capital Assets information on the tangible capital assets of the Authority by major class, as well as for accumulated amortization of the assets controlled.

4. Deferred revenue

Grants and other amounts that are received in advance of directly related expenses are deferred and recognized as revenue when the expenses are incurred. The amounts deferred in the current and prior year are as follows:

| | 2021 | 2020 |
|----------------------------------|---------------------|---------------------|
| Project grants | 1,015,895 | 817,520 |
| Part IV Enforcement | 87,121 | 114,764 |
| Special levy | 108,630 | 76,372 |
| Drinking Water Source Protection | 47,262 | 48,597 |
| Donations | 34,898 | 34,898 |
| User fees | 74,138 | 50,737 |
| | <u>\$ 1,367,944</u> | <u>\$ 1,142,888</u> |

5. Promissory note payable

| | 2021 | 2020 |
|--|------|------------|
| promissory note payable secured by real estate, 0% interest, due on March 15, 2021 | \$ - | \$ 150,000 |

Principal payments due during each of the next five years are approximately as follows:

| | |
|------|------|
| 2022 | \$ - |
|------|------|

6. Accumulated surplus

The accumulated surplus has been segregated into the following respective categories and are all internally restricted by either management or the Board of Directors.

The respective funds and the utilization of the said funds are described as follows:

- Property Management - Forest management, conservation area maintenance and capital improvements.
- Flood and Erosion Control Major Maintenance - To offset the costs of the dam erosions and control structure repairs.
- Vehicles and Equipment - Purchase of the fleet's vehicles, a tractor and other work machinery as well as computers, scientific equipment and monitoring stations.
- Barrier Free Trails - Capital purchases, or improvements to create barrier free trails on conservation lands or lands where a partnership exists.
- Outdoor Education - Staff's time and capital items that support education programs.
- Administration IT - Information technology improvements to the Morrison Dam office and buildings.
- Stewardship Endowment - Securement of property, implementation and maintenance of stewardship practices. Additional funds were transferred in 2014, the majority of which related to the capital gain realized on the sale of properties during the year.
- Administration Building - Capital improvements to the Morrison Dam office and buildings.
- Operating Reserve - Internally restricted surpluses, relating to specific departments, to be used for future expenditures.

For additional information, see the Schedule of Continuity of Accumulated Surplus.

7. Lessor commitment

The Authority has a lease contract with Great Canadian Hideaway Inc. for approximately 230 acres of land at the Parkhill Campground. The lease term expires in 2038. Basic rental revenue over the subsequent years is follows:

| | |
|--------------------------|-------------------|
| | 2021 |
| 2022 | \$ 18,550 |
| 2023 | 18,920 |
| 2024 | 19,300 |
| 2025 | 19,680 |
| 2026 | 20,080 |
| Thereafter (2027 - 2038) | <u>274,685</u> |
| | <u>\$ 371,215</u> |

In addition to the rental revenue noted above, the Authority includes in its rental revenue the appropriate annual costs for taxes and insurance.

In addition, to the campground rent noted above, the Authority collects a percentage rent on an annual basis. The percentage rent is 5% of gross revenue in excess of \$250,000. In the current year \$9,496 (2020 : \$6,003) was received for percentage rent.

8. Related entity

Letters Patent incorporating the Ausable Bayfield Conservation Foundation under the Canada Corporations Act were granted on June 1, 1974. The Ausable Bayfield Conservation Foundation is a registered charity under the Income Tax Act. The Ausable Bayfield Conservation Authority exercises significant influence over the Foundation as it approves the appointment or reappointment of members to the Foundation. The Foundation aids the Conservation Authority in the cultivation and advancement of conservation in the Province of Ontario by providing funding for conservation projects that would otherwise not be undertaken by the Conservation Authority.

The Ausable Bayfield Conservation Foundation's financial information has not been consolidated in the Ausable Bayfield Conservation Authority's financial statements. The financial position of the Foundation is as follows:

| | 2021 | 2020 |
|---|---------------------|-------------------|
| Financial Position | | |
| Total assets | \$ 3,718,908 | \$ 1,681,120 |
| Total liabilities | <u>1,234,119</u> | <u>804,045</u> |
| Total net assets | <u>\$ 2,484,789</u> | <u>\$ 877,075</u> |
| Results of Operations | | |
| Total revenues | \$ 249,661 | \$ 146,085 |
| Total expenses | <u>100,447</u> | <u>122,611</u> |
| Excess (deficiency) of revenues over expenses | <u>\$ 149,214</u> | <u>\$ 23,474</u> |

The total liabilities include an amount payable to Ausable Bayfield Conservation Authority in the amount of \$412 (2020 : \$15,524) for items purchased by the Authority, as well as contributions for education and barrier-free trails and facilities.

During the year, the Foundation received a donation of lands in the amount of \$1,458,500 (2020 : \$0) that were recorded as a direct increase in Net Assets.

The total expenses include contributions of \$24,654 (2020 : \$20,617) to the Ausable Bayfield Conservation Authority. There were also \$5,966 (2020 : \$57,036) in amounts that were received by the Ausable Bayfield Conservation Foundation, which were donated to the Ausable Bayfield Conservation Authority.

9. Financial instrument risk management

Credit risk

The Authority is exposed to credit risk through its cash, trade and other receivables, and short-term investments. There is the possibility of non-collection of its trade and other receivables. The majority of the Authority's receivables are from users and government entities. For trade and other receivables, the Authority measures impairment based on how long the amounts have been outstanding. For amounts outstanding considered doubtful or uncollectible, an impairment allowance is setup.

Liquidity risk

Liquidity risk is the risk that the Authority will not be able to meet its financial obligations as they fall due. The Authority has a planning and a budgeting process in place to help determine the funds required to support the Authority's normal operating requirements on an ongoing basis. The Authority ensures that there are sufficient funds to meet its short-term requirements, taking into account its anticipated cash flows from operations and its holdings of cash and cash equivalents. To achieve this aim, it seeks to maintain an available line of credit balance as approved by the Board, at a minimum, expected requirements.

Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates or interest rates will affect the Authority's income or the value of its holdings of financial instruments. The objective of market risk management is to control market risk exposures within acceptable parameters while optimizing return on investments.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Authority is exposed to interest rate risk arising from the possibility that changes in interest rates will affect the variable rate of temporary borrowings and long-term liabilities and the value of fixed rate long-term liabilities.

There has been no significant changes from the previous year in the exposure to risk or policies, procedures and methods used to measure risks.

10. Budget amounts

Under Canadian public sector accounting standards, budget amounts are to be reported on the statement of operations for comparative purposes. The 2021 budget amounts for the Ausable Bayfield Conservation Authority approved by the Board are unaudited and have been restated to conform to the basis of presentation of the revenues and expenditures on the consolidated statement of activities.

11. Financial impact of COVID-19 pandemic

On March 11, 2020 the World Health Organization declared COVID-19 a global pandemic. Subsequently, the Province of Ontario issued a state of emergency limiting the number of people in a gathering and requiring rolling closures and lockdowns of non-essential business for an indeterminate period of time. The dynamic nature of the COVID-19 crisis makes it impossible to predict the impact this will have on the organization's operations, cash flows and financial position. The Membership and management will continue to monitor the situation and reflect the impact in the financial statements as appropriate.

AUSABLE BAYFIELD CONSERVATION AUTHORITY
Schedule of Continuity of Accumulated Surplus
For the Year Ended December 31, 2021

| | Balance, beginning of year | Appropriations From Operations | Appropriations To Operations | Balance, end of year |
|--------------------------------------|----------------------------------|--------------------------------------|------------------------------------|-----------------------------|
| Internally restricted surplus | | | | |
| Property Management | 331,958 | 69,079 | (5,191) | 395,846 |
| Flood and Erosion Control | | | | |
| Major Maintenance | 720,533 | 111,724 | (35,000) | 797,257 |
| Vehicles and Equipment | 155,347 | 16,263 | (22,500) | 149,110 |
| Barrier-Free Trails, Facilities | 113,068 | 9,244 | (5,000) | 117,312 |
| Outdoor Education | 191,560 | 6,296 | (4,500) | 193,356 |
| Administration IT | 98,221 | 11,808 | (5,230) | 104,799 |
| Stewardship Endowment | 5,373,517 | 432,898 | (60,204) | 5,746,211 |
| Administration Building | 129,247 | 16,994 | (17,500) | 128,741 |
| Operating Reserve | 215,396 | - | - | 215,396 |
| | <u>7,328,847</u> | <u>674,306</u> | <u>(155,125)</u> | <u>7,848,028</u> |
| Tangible capital assets | 5,797,122 | 41,588 | (181,703) | 5,657,007 |
| Working capital | 144,821 | - | (11,906) | 132,915 |
| | <u>\$ 13,270,790</u> | <u>715,894</u> | <u>(348,734)</u> | <u>\$ 13,637,950</u> |

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AUSABLE BAYFIELD CONSERVATION AUTHORITY
Schedule of Tangible Capital Assets
For the Year Ended December 31, 2021

| | Land | Land Improvements | Buildings | Motor Vehicles | Computer Equipment | Equipment | Furniture and Fixtures | Flood and Erosion Control Structures & Trails | TOTAL Net Book Value 2021 | TOTAL Net Book Value 2020 |
|--|------------------|-------------------|------------------|----------------|--------------------|----------------|------------------------|---|----------------------------------|---------------------------|
| Cost | | | | | | | | | | |
| Balance, beginning of year | 2,622,094 | 273,620 | 2,059,288 | 228,496 | 378,337 | 260,268 | 102,686 | 6,642,527 | 12,567,316 | 12,143,695 |
| Add: Additions during the year | | 2,291 | | 32,594 | 6,704 | | | | 41,589 | 445,968 |
| Less: Disposals during the year | | | | (61,819) | | | | | (61,819) | (22,347) |
| Balance, end of year | <u>2,622,094</u> | <u>275,911</u> | <u>2,059,288</u> | <u>199,271</u> | <u>385,041</u> | <u>260,268</u> | <u>102,686</u> | <u>6,642,527</u> | <u>12,547,086</u> | <u>12,567,316</u> |
| Accumulated Amortization | | | | | | | | | | |
| Balance, beginning of year | | 241,678 | 978,211 | 191,514 | 339,810 | 160,373 | 91,868 | 4,766,739 | 6,770,193 | 6,606,463 |
| Add: Amortization during the year | | 4,585 | 38,713 | 21,526 | 16,411 | 16,120 | 2,374 | 81,974 | 181,703 | 186,077 |
| Less: Accumulated amortization on disposals | | | | (61,819) | | | | | (61,819) | (22,347) |
| Balance, end of year | <u>-</u> | <u>246,263</u> | <u>1,016,924</u> | <u>151,221</u> | <u>356,221</u> | <u>176,493</u> | <u>94,242</u> | <u>4,848,713</u> | <u>6,890,077</u> | <u>6,770,193</u> |
| Net Book Value of Tangible Capital Assets | <u>2,622,094</u> | <u>29,648</u> | <u>1,042,364</u> | <u>48,050</u> | <u>28,820</u> | <u>83,775</u> | <u>8,444</u> | <u>1,793,814</u> | <u>\$ 5,657,009</u> | <u>\$ 5,797,123</u> |

**AUSABLE BAYFIELD CONSERVATION AUTHORITY
EXPENDITURES BY TYPE**

Schedule 1

| For the year ended December 31 | 2021 Budget | 2021 Actual | 2020 Actual |
|---|--------------------|-------------------------|--------------------|
| Wages and benefits | 2,493,656 | 2,464,584 | 2,381,278 |
| Technical fees | 288,846 | 325,553 | 249,573 |
| Amortization of tangible capital assets | 182,478 | 181,703 | 186,077 |
| Program supplies | 149,880 | 191,695 | 197,496 |
| Partnership commitments | 352,632 | 496,027 | 302,577 |
| Repairs and maintenance | 297,618 | 70,463 | 45,370 |
| Memberships, dues, and fees | 56,497 | 56,058 | 53,890 |
| Property taxes | 62,096 | 46,987 | 54,792 |
| Insurance | 60,021 | 69,114 | 58,253 |
| Office | 134,136 | 24,748 | 23,882 |
| Utilities | 41,534 | 33,682 | 35,236 |
| Board of Directors | 22,150 | 20,108 | 20,096 |
| Travel | 17,416 | 6,597 | 7,597 |
| Training | 17,811 | 9,100 | 6,352 |
| Advertising and promotion | 9,133 | 7,690 | 5,407 |
| Rental | 11,013 | 4,622 | 5,454 |
| Interest and bank charges | 3,716 | 791 | 287 |
| Transfer to reserve | 82,513 | - | - |
| Capital asset additions | 91,600 | - | - |
| | <u>4,374,746</u> | <u>4,009,522</u> | <u>3,633,617</u> |

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**AUSABLE BAYFIELD CONSERVATION AUTHORITY
DRINKING WATER SOURCE PROTECTION PROGRAM
FINANCIAL STATEMENTS
DECEMBER 31, 2021**

DRAFT

SEEBACH & COMPANY
Chartered Professional Accountants

INDEPENDENT AUDITOR'S REPORT

To the Members of Drinking Water Source Protection Program

Opinion

We have audited the accompanying statement of revenue and expenditures (the "statement") for the Drinking Water Source Protection Program (the "Program") for the year then ended December 31, 2021. The statement of revenue and expenditures has been prepared by management of Ausable Bayfield Conservation Authority.

In our opinion, the financial information in the statement of revenues and expenditures of the Drinking Water Source Protection Program for the year ended December 31, 2021, is prepared, in all material respects, in accordance with Canadian public sector accounting standards (PSAB).

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Program in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Basis of Accounting and Restrictions on Use

The statement is prepared for the purpose of providing information to the Maitland Valley Conservation Authority. As a result, the statement may not be suitable for another purpose. Our report is intended solely for Ausable Bayfield Conservation Authority and the Maitland Valley Conservation Authority and should not be distributed to or used by parties other than Ausable Bayfield Conservation Authority or the Maitland Valley Conservation Authority.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with PSAB, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Authority's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Authority or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Authority's financial reporting process.

INDEPENDENT AUDITOR'S REPORT (continued)

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Seebach & Company

Chartered Professional Accountants
Licensed Public Accountants

Clinton, Ontario
March 17, 2022

**AUSABLE BAYFIELD CONSERVATION AUTHORITY
DRINKING WATER SOURCE PROTECTION PROGRAM
STATEMENT OF REVENUES AND EXPENDITURES**

| For the year ended December 31 | 2021 Budget | 2021 Actual | 2020 Actual |
|---|--------------------|-----------------------|--------------------|
| Revenue | | | |
| Provincial grant | 215,000 | 232,467 | 230,460 |
| Deferred revenue - prior year | 61,324 | 48,597 | 70,626 |
| Interest income | 1,000 | 570 | 918 |
| Deferred revenue - current year | (14,752) | (47,261) | (48,597) |
| | <u>262,572</u> | <u>234,373</u> | <u>253,407</u> |
| Expenditures | | | |
| Wages and benefits | 197,422 | 181,397 | 195,930 |
| Technical fees | 22,000 | 22,826 | 29,157 |
| Board of Directors | 10,250 | 6,456 | 6,490 |
| Office | 20,200 | 14,780 | 12,252 |
| Rental | 7,150 | 6,949 | 7,039 |
| Insurance | 1,000 | - | 105 |
| Utilities | 2,300 | 1,380 | 1,397 |
| Travel | 500 | 183 | 426 |
| Vehicles and field equipment | 1,000 | 119 | 90 |
| Advertising and promotion | 100 | - | - |
| Memberships, dues and fees | - | - | 288 |
| Program supplies | - | - | 135 |
| Uniforms | 350 | 283 | 67 |
| Training | 300 | - | 31 |
| | <u>262,572</u> | <u>234,373</u> | <u>253,407</u> |
| Excess of Revenues over Expenditures | <u>-</u> | <u>-</u> | <u>-</u> |

** OMIT ** The accompanying notes are an integral part of this financial statement

ABCA Program Report

To: Board of Directors
Date: March 17, 2022
From: Daniel King, Regulations Coordinator
Subject: Development Review Ontario Regulation 147/06
- Development, Interference with Wetlands and Alteration to
Shorelines and Watercourses

Applications for Permission

The following *Applications for Permission* have been submitted to our Authority for permission to construct works within areas regulated by our Authority.

* A Coastal Assessment was required as part of the application

** Work commenced without a permit

- (1) OkeWoodsmith Building Systems (#2022-09) - Municipality of Lambton Shores (former Township of Bosanquet) - permission to construct a new dwelling in a regulated area was granted by Authority Staff on February 1, 2022.
Completed Application Received: January 24, 2022
- (2) Municipality of Huron East c/o Barry Mills (#2022-10) - Municipality of Huron East (former Township of Tuckersmith) - permission to install a utility service in a regulated area was granted by Authority Staff on February 4, 2022.
Completed Application Received: December 23, 2021
- (3) David & Susan Bender (#2022-11) - Municipality of Bluewater (former Township of Goderich) - permission to construct a new garage, addition and replace deck in a regulated area was granted by Authority Staff on February 8, 2022.
Completed Application Received: February 2, 2022
- (4) Haris Basic (#2022-15) - Municipality of Bluewater (former Township of Hay) - permission to construct an addition in a regulated area was granted by Authority Staff on February 9, 2022.
Completed Application Received: January 31, 2022

- (5) County of Huron c/o Cameron Harper (#2021-124) - Municipality of Bluewater (former Township of Hay) - permission to replace an existing culvert in a regulated area was granted by Authority Staff on February 11, 2022.
Completed Application Received: December 22, 2021
- (6) Municipality of Bluewater c/o Dave Kester (#2022-16) - Municipality of Bluewater (former Township of Hay) - permission to install a watermain utility in a regulated area was granted by Authority Staff on February 11, 2022.
Completed Application Received: January 7, 2022
- (7) John MacArthur (#2022-20) - Municipality of Lambton Shores (former Township of Bosanquet) - permission to construct a garage in a regulated area was granted by Authority Staff on February 24, 2022.
Completed Application Received: January 31, 2022
- (8) Municipality of Lambton Shores (#2020-135A) - Municipality of Lambton Shores (former Township of Stephen) - permission to replace an existing stormwater outlet in a regulated area was renewed by Authority Staff on March 4, 2022.
- (9) David Soontiens (#2022-18) – Municipality of Central Huron (former Township of Goderich) – permission to construct a detached accessory building (garage) in a regulated area was granted by Authority Staff on February 25, 2022.
Completed Application Received : February 23, 2022.
- (10) Chris and Karen Potter (#2022-17) – Municipality of Bluewater (Bayfield) – permission to undertake building renovations in a regulated area was granted by Authority Staff on February 25, 2022.
Completed Application Received: February 22, 2022.

Minor Works Permits

- (1) Joris Masschelein (#2022-10) - Municipality of Bluewater (former township of Hay) - permission to directionally drill down lake bank to allow for drainage outlet in a regulated area was granted by Authority Staff on February 9, 2022.
Completed Application Received: February 9, 2022
- (2) Seven Winds Marina (#2022-11) - Municipality of Lambton Shores (former township of Bosanquet) - permission to spot dredge in the Ausable River was granted by Authority Staff on February 16, 2022.
Completed Application Received: February 11, 2022
- (3) John McAlister & Daun Fletcher (#2021-112) - Municipality of Bluewater (former township of Stanley) - permission to construct an addition and porch on an existing dwelling was granted by Authority Staff on February 25, 2022.
Completed Application Received: January 30, 2022
- (4) Grant Meagher (#2022-12) - Municipality of Bluewater (former township of Hay) - permission to construct a roof over deck within a regulated area was granted by Authority Staff on March 3, 2022.
Completed Application Received: February 16, 2022
- (5) 7 Stars Home (Hassan Ellaw) – Municipality of South Huron (Stephen) – permission to construct a new residence in a regulated area was granted by Authority Staff on March 2, 2022. Completed Application Received: February 28, 2022.
- (6) 7 Stars Home (Hassan Ellaw) – Municipality of South Huron (Stephen) – permission to construct a new residence in a regulated area was granted by Authority Staff on March 2, 2022. Completed Application Received: February 28, 2022.
- (7) George Barnes (#2022-18) - Municipality of Lambton Shores (former township of Bosanquet) - permission to construct an agricultural access crossing within a regulated area was granted by Authority Staff on March 7, 2022.
Completed Application Received: March 7, 2022

ABCA Program Report

To: Board of Directors
From: Angela Van Niekerk, Wetland Specialist
Re: Ontario Community Environment Fund
Enhancing rural green infrastructure in the Ausable and Bayfield Watersheds
Date: March 17, 2022

Background

The Ontario Community Environment Fund is collected from environmental penalties and used for local restoration projects in areas impacted by effects of pollution. The goal of the “Enhancing Rural Green Infrastructure in the Ausable and Bayfield Watersheds” project is to collaborate with community partners and participating landowners to do the following:

- 1) Restore or enhance up to 21 wetlands within the Ausable Bayfield watersheds,
- 2) Enhance upland habitat with the planting of 20, 000 trees to provide buffers and filtration for downstream waterways,
- 3) Increase awareness about the importance of rural green infrastructure through two media releases, 20 social media posts, and three educational programs and/or planting events.

These projects will be completed over two years to improve the quality of water for rare animals and protect local communities from flooding and erosion.

Trees and wetlands provide a multitude of benefits to our communities and the natural world. These benefits include water quality improvements, wildlife and fish habitat, flood mitigation, erosion reduction, groundwater recharge, climate change mitigation and recreation opportunities. In 2018, local watershed report cards indicated that tree and wetland land cover is at 14 and two per cent, respectively. With objectives for healthy landscapes from 20 to 30 per cent tree cover and wetlands comprising 20 per cent of the pre-settlement landscape, there is considerable requirement for more natural cover in the Ausable and Bayfield watersheds. In the past two years, we have seen an overwhelming response from our local communities for more natural areas.

This fund will help leverage other funds and provide capacity to do more projects. We were successful for \$82.575 over two years.

Recommendation:

That the Board of Directors authorize the Ausable Bayfield Conservation Authority to enter into the Grant Funding Agreement with the Province of Ontario for the Ontario Community Environment Fund *Enhancing Rural Green Infrastructure in the Ausable and Bayfield Watersheds*.

ABCA Program Report

To: Board of Directors
From: Nathan Schoelier, Stewardship & Conservation Lands Manager
Angela Van Niekerk, Wetland Specialist
Ian Jean, Forestry Specialist
Re: Canada Nature Fund Projects
Restoration and mitigation for Ausable River Species at Risk (SAR) in Ontario
Date: March 17, 2022

Background

The draft Ausable River Recovery Action Plan (2018) has reconfirmed that the two main threats to aquatic species at risk (SAR) in the Ausable River are nutrient enrichment and sediment deposition. The primary goal of this multi-year project is to improve aquatic habitat in the Ausable River for SAR freshwater mussels and fishes.

Fisheries and Oceans Canada (DFO) is providing \$213,000 in funding for the 2021-2022 project year. Stewardship activities will include working with watershed residents for up to five wetland restorations; up to 17 tree planting sites; up to 12,000 acres of cover crops; and up to five sediment and nutrient reduction activities (fencing out livestock and WASCOS). As well as monitoring SAR fish and the SAR mussel fish hosts at six long term index stations and education and outreach in the Ausable River watersheds.

Funding rate is 50% of project costs. However, where projects meet the eligibility requirements of both programs the federal and provincial funding can be stacked to recover up to 100% of project costs.

The following are the project categories and grant ceilings per project.

| Project type | Grant rate | Maximum grant per person |
|--|-------------------|---------------------------------|
| Fragile Land Retirement | 50% | \$4,000 |
| Wetland Restoration | 50% | \$5,000 |
| Sediment and Nutrient Reduction Activities | 50% | \$5,000 |
| Livestock Access Restriction | 50% | \$4,000 |
| Cover Crops | \$15/acre | \$1,500 |

Applications for funding: WETLAND RESTORATION

The following applications for funding have been received and approved by ABCA staff.

| CANADA NATURE FUND | | | | |
|--------------------|------|----------|---------|-------|
| File # | Name | Location | Details | Grant |
| NONE | AT | THIS | MEETING | |

Total Canada Nature Fund: \$18,171 of \$18,200 approved (Fisheries and Oceans Canada)

Applications for funding: SEDIMENT AND NUTRIENT REDUCTION ACTIVITIES

The following applications for funding have been received and approved by ABCA staff.

| CANADA NATURE FUND | | | | |
|--------------------|------|----------|---------|-------|
| File # | Name | Location | Details | Grant |
| NONE | AT | THIS | MEETING | |

Total Canada Nature Fund: \$15,235 of \$23,000 approved (Fisheries and Oceans Canada)

Applications for funding: FRAGILE LAND RETIREMENT

The following applications for funding have been received and approved by ABCA staff.

| CANADA NATURE FUND | | | | |
|--------------------|----------------|---|---|---|
| File # | Name | Location | Details | Grant |
| AB-3138 | Dietrich, Paul | Lot 6, Con 7, Usborne, South Huron <i>Little Ausable subwatershed</i> | Watercourse buffer and field windbreaks. Single row of white cedar along south side of Pym Drain Branch and north field boundary. Total of 1400m and 550 seedlings. ABCA to plant trees, and provide follow up herbicide. | \$940 CNF (Matching Huron Clean Water) |
| AB- | Barker, Grant | Lot 15, Con 4, Biddulph, Lucan Biddulph <i>Little Ausable subwatershed</i> | Field Windbreak between cropped fields. Single row of white cedar, total of 870 m and 350 seedlings. ABCA to plant trees, and provide follow up herbicide. | \$992.50 CNF |

| | | | | |
|---------|--------------------|--|---|--------------|
| AB- | Barker, Grant | Lot 25, Con 6, Biddulph, Lucan Biddulph <i>Little Ausable subwatershed</i> | Field Windbreak between cropped fields. Single row of white cedar, total of 860 m and 350 seedlings. ABCA to plant trees, and provide follow up herbicide. | \$992.50 CNF |
| AB-3181 | Catanzariti, Betty | <i>Middle Ausable sub-watershed</i> | Field Windbreak between cropped fields, both sides of farm. Single row of white cedar, total of 1560 m and 630 seedlings. ABCA to plant trees, and provide follow up herbicide. | \$2239 CNF |
| AB-3182 | Greig, John | Lot 11, Con 9 McGillivray, North Middlesex <i>Upper Ausable sub-watershed</i> | Establish vegetated buffer and windbreak along field boundary. 180m and 70 cedar trees, 2 ft trees. Landowner plant trees and provide wood chip mulch and watering. | \$595 CNF |

Total Canada Nature Fund: \$5,759.00 approved (Fisheries and Oceans Canada)

Applications for funding: COVER CROPS

The following applications for funding have been received and approved by ABCA staff.

| CANADA NATURE FUND | | | | |
|--------------------|------|----------|---------|-------|
| File # | Name | Location | Details | Grant |
| | | | | |

Total Canada Nature Fund: \$25,500.00 of \$20,000 approved (Fisheries and Oceans Canada)

CANADA NATURE FUND: YEAR to DATE SUMMARY (April 2021- March 2022)

| Project Type | Available Funding | Approved Projects | Approved Funding | Remaining Funds |
|--|-------------------|-------------------|------------------|-----------------|
| Sediment & Nutrient Reduction Activities | \$15,000 | 4 | \$11,325 | \$3,675 |
| Watercourse Fencing | \$4,000 | 1 | \$4,000 | \$0 |
| Fragile Land Retirement | \$46,000 | 15 | \$19,426 | \$26,574 |
| Wetland Restoration | \$18,200 | 4 | \$18,171 | \$29 |
| Cover Crops | \$20,000 | 27 | \$25,500 | -\$5,500 |
| TOTAL | \$103,200 | 51 | \$78,422 | \$24,778 |

ABCA Program Report

To: Board of Directors
From: Angela Van Niekerk, Wetland Specialist
Re: EcoAction Projects
Investing in Lake Huron: Green infrastructure to control storm water
Date: March 17, 2022

Background

ABCF seeks to create wetlands or water retention areas located in, or at the edge of fields, floodplains and near existing wetlands, bio-retention demonstration site in the village of Bayfield and planting riparian habitats with native trees and plants within the Lake Huron watershed (Middlesex, Huron and Lambton Counties). Restoring at least 25 acres (2020 to 2023) will provide water quality improvements for Lake Huron.

Environment Canada and Climate Changes is providing \$39,276 in funding for the 2021-2022 project year. This is the second year of a three-year grant for this project. Stewardship activities will include working with watershed residents to create and enhance water storage and water filtration on the landscape, and plant native trees and shrubs.

Funding rate is 50% of project costs. However, where projects meet the eligibility requirements of both programs the federal and provincial funding can be stacked to recover up to 100% of project costs.

The following are the project categories and grant ceilings per project.

| Project type | Grant rate | Maximum grant per person |
|-------------------------|------------|--------------------------|
| Fragile Land Retirement | 50% | \$5,000 |
| Wetland Restoration | 50% | \$6,500 |

Applications for funding: WETLAND RESTORATION

The following applications for funding have been received and approved by ABCA staff.

| ECOACTION PROGRAM | | | | |
|-------------------|------|----------|--------------|-------|
| File # | Name | Location | Details | Grant |
| | No | Projects | This meeting | |
| | | | | |

Total EcoAction Fund: \$17,389 approved

(Environment and Climate Change Canada)

Applications for funding: FRAGILE LAND RETIREMENT

The following applications for funding have been received and approved by ABCA staff.

| EcoACTION | | | | |
|------------------|-------------|-----------------|----------------|--------------|
| File # | Name | Location | Details | Grant |
| | | | | |
| | | | | |

Total EcoAction Fund: \$4,590 approved (Environment and Climate Change Canada)

Investing in Lake Huron: Green infrastructure to control storm water

ECOACTION PROGRAM: YEAR to DATE SUMMARY (April 2021- March 2022)

| Project Type | Available Funding | Approved Projects | Approved Funding | Remaining Funds |
|-------------------------|--------------------------|--------------------------|-------------------------|------------------------|
| Fragile Land Retirement | \$13,551 | 3 | \$4,590 | \$8,961 |
| Wetland Restoration | \$18,226 | 3 | \$17,389 | \$837 |
| TOTAL | \$31,777 | 6 | \$21,979 | \$9,798 |

ABCA Program Report

To: Board of Directors
From: Angela Van Niekerk, Wetland Specialist
Re: Conservation Ontario ECCC Fund
Ausable River Recovery Strategy - Land Stewardship
Date: March 17, 2022

Background

ABCF seeks to restore the Ausable and Bayfield watershed area by working with the community to implement restoration projects such as riparian buffers, wetlands and prairie habitat and adopting best management practices such as cover crops, grassed waterways and permanent vegetation cover.

Environment Canada and Climate Changes is providing \$5,000 in funding for the 2021-2022 project year. This is the first year of a two-year grant for this project. Stewardship activities will include working with watershed residents to create and enhance water storage and water filtration on the landscape, and plant native trees and shrubs.

Funding rate is 50% of project costs. However, where projects meet the eligibility requirements of both programs the federal and provincial funding can be stacked to recover up to 100% of project costs.

The following are the project categories and grant ceilings per project.

| Project type | Grant rate | Maximum grant per person |
|-------------------------|------------|--------------------------|
| Fragile Land Retirement | 50% | \$5,000 |
| Wetland Restoration | 50% | \$5,000 |

Conservation Ontario ECCC Fund

ENVIRONMENT CANADA AND CLIMATE CHANGE: YEAR to DATE SUMMARY (April 2021- March 2022)

| Project Type | Available Funding | Approved Projects | Approved Funding | Remaining Funds |
|---------------------|-------------------|-------------------|------------------|-----------------|
| Wetland Restoration | \$5,000 | 1 | \$5,000 | \$0 |
| TOTAL | \$5,000 | 1 | \$5,000 | \$0 |

ABCA Program Report

To: Board of Directors
Date: March 17, 2022
From: Davin Heinbuck, Water Resources Coordinator
Subject: Flood Emergency Planning Meeting

BACKGROUND

The 2022 annual Flood Emergency Planning meeting was held virtually once again on February 22, 2022. ABCA Member Municipalities and various stakeholders were invited to attend and participate in the meeting. The 31 attendees included reps from 8 watershed municipalities as well as staff and/or CEMC from all 4 counties, Huron OPP and 2 neighbouring Conservation Authorities.

ABCA staff members presented or led discussion on the following agenda items:

- Welcome and Opening Remarks by Geoff Cade - ABCA
- Roles and Responsibilities in Flood Emergencies - Davin Heinbuck, ABCA
- Parkhill Dam and Flood Management - Ross Wilson, ABCA
- Flood Events and Response – 2021: A Year in Review - Tommy Kokas, ABCA
- Watershed Conditions Update and Flood Outlook -Davin Heinbuck
- Closing remarks – Geoff Cade

Discussion Highlights:

- The question goes out annually to those in attendance, and it was agreed that it was worthwhile to have the ABCA organize this type of meeting annually.
- From the comments, there was interest in the operations of Parkhill Dam, but also on the municipal/county inventory of infrastructure affected by flooding and life-cycle/repair/replacement considerations.

The meeting notes and attendees are attached for your information.

Flood Emergency Planning Meeting
February 22, 2022, 1:30 pm, ZOOM Meeting
Meeting Notes

AGENDA

1) Opening Remarks, Geoff Cade, Manager of Water and Planning - 1:30 pm

Geoff welcomed everyone to the meeting and briefly discussed the purpose of the meeting. He introduced the topics and speakers for the afternoon, and after a brief introduction from everyone in attendance, he turned the meeting over to Davin Heinbuck, Water Resources Coordinator, ABCA.

2) Roles and Responsibilities and ABCA Flood Emergency Plan, Davin Heinbuck, Water Resources Coordinator, ABCA

Davin outlined the key players (the province (MNR), the municipalities, Conservation Authorities) and their respective roles in the comprehensive flood forecasting and warning program. The contents of the 2022 Flood Emergency Plan were presented, specifically the roles and responsibilities of each partner in a flood emergency. Additional items presented included a watershed overview, flood messages and messaging protocols.

In addition to the contents of the Flood Emergency Plan, he provided photographic examples from both recent and past flooding events throughout the watershed. He explained that the three most common types of flood events that we see are heavy rains, rain and snowmelt, and ice jams. With lake levels being near or exceeding record highs in previous years, there were examples of lake and coastal flooding.

3) Parkhill Dam and Flood Management, Ross Wilson, ABCA Water and Soils Resource Coordinator

Ross provided a detailed overview of the history, design and operations of the Parkhill Dam. The Parkhill Dam is an integral part of the flood management on the Parkhill Creek. Approximately one third of the Parkhill Creek watershed (35,000 of 100,000 acres) has been protected by the Parkhill Dam since 1969. Due to its unique design features, the Parkhill Dam is able to attenuate rapid flood runoff and protect the infrastructure downstream from destructive floods. The ABCA plays an active role in the operation, maintenance, repair and monitoring of the dam structures which are responsible for the flood attenuation capabilities.

4) Flood Events and Response – 2021 - A Year in Review, Tommy Kokas, ABCA Water Resources Engineer

Tommy Kokas provided an overview of the main flooding event within the watershed during 2021, the September heavy rainfall event. According to Kokas, 2021 was relatively quiet for the Ausable Bayfield Conservation Authority in regards to flood forecasting and messaging, with the exception of a significant rain event that occurred in late September. A large and slow-moving low-pressure system drew in warm moisture from the Gulf of Mexico, bringing heavy rains to our region in a short period

Flood Emergency Planning Meeting
February 22, 2022, 1:30 pm, ZOOM Meeting
Meeting Notes

of time. Precipitation totals averaged between 90 and 130 millimetres in a 24-hour period. The heavy and intense rains, coupled with saturated soil conditions, caused flash flooding of fields and washouts on rural roads. Riverine flooding resulted in numerous road closures, along with the Parkhill Dam being in operation for roughly 6 days. The ABCA watershed experienced some of the highest rainfall amounts and intensities, specifically hitting record flows in the Parkhill area.

6) ABCA Watershed Conditions, Davin Heinbuck

Davin provided an overview of the current watershed conditions with respect to:

- A currently ongoing melt – low to moderate risk of nuisance flooding
- River ice – has broken up in most areas, but weakened sheet ice remains at river mouths and some sections of the Ausable
- Ice jams – very low to low risk
- Snow pack – approximately 5-15 cm depth, and a snow water equivalent of 15-35mm. These values are about 50% of what we would expect for this time of year.

Based on forecasts and watershed conditions, both the short and long-term forecasts show a low risk for flooding. The largest current flood risk would be heavy snow accumulation, followed by a significant warm-up, with heavy rain. Later in the spring, 50mm of rain on saturated ground is likely to cause some flooding issues.

Questions/Comments:

1. From David Clarke (Perth County): Does ABCA have any data that would help guide the county/municipalities about the structural integrity of infrastructure, or that could help predict when infrastructure might need to be replaced?
 - a. Geoff Cade answered that while the ABCA is continually upgrading and refining their modelling, anything regarding infrastructure would be anecdotal and there have been no real studies surrounding this issue.
2. From John Dony via Zoom Chat (UTRCA): Has ABCA considered implementing automatic gate operations at the dam (e.g. using a PLC)?
 - a. Ross Wilson answered that we have not considered automatic gate operations. Traditionally, we have had a greater confidence in having constant eyes/hands on site, rather than relying on automatic.

Closing Remarks, Geoff Cade

Geoff provided a brief summary of the presentations and thanked each of the presenters for their contributions. Wrap up comments included the importance of keeping development away from hazardous areas, working cooperatively with our municipal partners and keeping the lines of communication open.

Flood Emergency Planning Meeting
February 22, 2022, 1:30 pm, ZOOM Meeting
Meeting Notes

The meeting adjourned at approximately 3:00 pm.

Attendees

| <u>Name</u> | <u>Affiliation</u> |
|--------------------|------------------------------|
| Jay Vanklinken | Lambton County |
| Lawrence Swift | Lambton Shores |
| Sean Smith | Lambton Shores |
| David Clarke | Perth County CEMC |
| Mike Barnier | Adelaide Metcalfe |
| Dave Renner | Central Huron |
| Kerri Ann O'Rourke | Central Huron |
| Brad McRoberts | Huron East |
| George Finch | South Huron |
| Ken Bettles | Perth South |
| Paul Klopp | Bluewater |
| Dave Kester | Bluewater |
| Andrew Powell | Middlesex London Health Unit |
| Amanda Harvey | Middlesex London Health Unit |
| John Elston | Middlesex County |
| Jarett Hoglund | Middlesex County |
| Andrew Maver | Warwick |
| Dale Lyttle | Huron Perth Public Health |
| John Dony | UTRCA |
| Mark Helsten | UTRCA |
| Jessica Penz | UTRCA |
| Emily De Cloet | SCRCA |
| Daniel Jang | MNDMNR |
| Andrew MacIsaac | Huron OPP |

ABCA Staff:

Davin Heinbuck
Tommy Kokas
Geoff Cade
Ross Wilson
Sharon Pavkeje
Abbie Gutteridge
Reese Thompson



Ausable Bayfield Conservation Authority
Source Protection Authority Meeting

Thursday, March 17, 2022

11:30 a.m.

Administration Centre Boardroom
Morrison Dam Conservation Area
VIA VIDEO CONFERENCE

Agenda

1. Call to Order
2. Adoption of Agenda for March 17, 2022
3. Declaration of Pecuniary Interest
4. Adoption of Minutes from December 16, 2021
5. Business Out of the Minutes
6. Program Report - Mary Lynn MacDonald
 - Program Update
 - 2022-2024 Maitland Valley and Ausable Bayfield Partnership Agreement
7. New Business
8. Adjournment



SOURCE PROTECTION AUTHORITY

December 16, 2021

**Ausable Bayfield Conservation Authority Administration Centre
Morrison Dam Conservation Area**

VIA VIDEO CONFERENCE

DIRECTORS PRESENT

Adrian Cornelissen, Bob Harvey, George Irvin, Dave Jewitt, Mike Tam, Marissa Vaughan

DIRECTORS ABSENT

Ray Chartrand, Doug Cook, Alex Westman

STAFF PRESENT

Geoff Cade, Abbie Gutteridge, Brian Horner, Mary Lynn MacDonald, Tracey McPherson

CALL TO ORDER

Chair Doug Cook called the meeting to order at 4:04 p.m.

DECLARATION OF PECUNIARY INTEREST

None

ADOPTION OF AGENDA

MOTION #SPA 10/21

**Moved by George Irvin
Seconded by Bob Harvey**

“RESOLVED, THAT the agenda for the December 16, 2021 Source Protection Authority meeting be approved.”

Carried.

ADOPTION OF MINUTES

MOTION #SPA 11/21

**Moved by Adrian Cornelissen
Seconded by Marissa Vaughan**

“RESOLVED, THAT the minutes of the Source Protection Authority meeting held on June 17, 2021 and the motions therein be approved as circulated.”

Carried.

BUSINESS OUT OF THE MINUTES

None

PROGRAM REPORT

1. Program Update

Mary Lynn MacDonald, Drinking Water Source Protection Co-Supervisor, reported that the province posted their changes to the Director’s Technical Rules on December 3, after a 2-year review and approval process. There are a number of changes in the rules, which will require revision of several policies in the source Protection Plans. Some changes include waste oil deemed a threat only in underground storage, several changes to salt application and storage rules, as well as fuel storage quantity changes. The SPC plans to meet on January 26, 2022 to begin revisions.

The most recent SPC meeting was held on November 24, 2021 and was an in-person meeting at the White Carnation in Holmesville, ON. Those unable to attend in person attended via Zoom. The SPC moved forward with some draft policy changes in preparation for the new Director’s Technical Rules.

Conservation Ontario’s social media campaign has continued through the summer and fall, with the ABMV Region continuing to participate. Staff also assisted Conservation Ontario with a DWSP Zone Signage video. The ABMV outreach videos continue to be well received, with close to 20,000 views to date. The most recent video included SPC members Mary Ellen Foran and Bert Dykstra, as well as members from Royal Le Page Heartland Realty and Agrisolve, with a focus on on-line mapping tools. Additionally, staff gave presentations about the video campaign at the provincial source Protection Communications meeting, the Okanogan Basin Water Board Source Protection webinar, as well as the provincial Source Protection Chairs meeting.

2. 2022-2024 Work Plan and Budget

Mary Lynn MacDonald reported that the province is permitting regions to plan a two year budget, and released the application forms in November. The budget will go before the Joint Management Committee for approval, prior to being submitted by the end of 2021. Year one will focus on the s. 36 Source Protection Plan Review, and year two will focus on developing best practices for drinking water systems not included under Source Protection Plans, as well as implementation of the s.36 Review. Staff is proposing to request the same Full Time Equivalents (1.95), and estimating \$475,000 for the 2-year budget.

MOTION #SPA 12/21

**Moved by Marissa Vaughan
Seconded by Adrian Cornelissen**

“RESOLVED, THAT the Ausable Bayfield Source Protection Authority receive the Drinking Water Source Protection Program Report as presented.”

Carried.

NEW BUSINESS

None

ADJOURNMENT

The meeting was adjourned at 4:29 p.m.

Dave Jewitt
Vice Chair

Abigail Gutteridge
Corporate Services Coordinator

To: Ausable Bayfield Source Protection Authority (ABSPA)
From: Donna Clarkson and Mary Lynn MacDonald, DWSP Co-Supervisors
Date: March 17, 2022
Subject: Program Update

1. 2021-2022 Work Plan and Budget

The Draft Final Report for the 2021 -2022 DWSP workplan and budget for the ABMV Region was submitted to the Ministry of Environment Conservation and Parks (MECP). Expenditures and workplan tasks are on track with some savings in travel and rental costs due to some meetings being held by Zoom.

2. 2022-2024 Work Plan and Budget

This year, for the first time since the program inception, MECP offered a 2 year funding option for Source Protection regions. This was welcomed to provide more stable funding for the program. The MECP has been in correspondence with staff regarding our submitted workplan and budget proposal for 2022-2024. There appeared to be no major concerns from the Conservation and Source Protection Branch on what was requested only clarification and some minor workplan adjustments. The staffing equivalent of 1.95 FTE and total budget of \$502,818 for 2 years were similar to last year's request on a per annum basis.

3. Source Protection Committee (SPC)

The next SPC meeting will be in person at the White Carnation, Holmesville on March 30th at 9:00.

4. Phase II Directors Technical Rules Guidance (DTR)

MECP has released the guidance to assist Source Protection Committees with any adjustments to their current Source Protection Plan policies to align with new Directors Technical Rules. These will be discussed and policies revised at the March SPC meeting.

5. Source Protection Plan Amendment

The Source Protection Committee has been working diligently over the last year towards a Source Protection Plan Amendment including:

- a) Addressing implementation challenges with the local Source Protection Plans by revising some policies.

- b) A major update of the Assessment Report to remove triplicate, update text and reduce number of maps.
- c) Including municipal water system changes and corresponding Wellhead Protection Area adjustments.
- d) Policy changes to incorporate the Phase II Directors Technical Rules.

It is planned that the amendment package will be finalized at the March SPC meeting and then sent to the Conservation and Source Protection Branch for Early Engagement in April. Through the summer, Pre-Consultation with municipalities will take place and Public Consultation in the fall. If consultation goes smoothly, the Amendment will be ready for submission to the province at the end of the year.

5. Best Practices

In February, MECP released its Best Practices for Source Water Protection. Designed for Non-Municipal system owners, it gives options of how to manage risks and identify actions that they can take to protect their drinking water source. Assessment of these systems, a promotion plan, as well as education and outreach is included in the upcoming workplan. This work will be mainly concentrated in the second year of funding after the s.36 Amendment has been submitted.

6. Municipal Updates

Staff have completed annual update meetings by Zoom with all municipalities who are required to implement policies in the Ausable Bayfield and Maitland Valley Source Protection Plans. This is always an excellent opportunity to exchange information and find out about municipal plans for water systems and future development. There has been significant turnover of municipal staff this past year and training in Source Protection was offered.

7. Winter Wednesdays

ABMV Source Protection has participated in the #WinterWednesday campaign from Conservation Ontario promoting smart salt use in winter to protect our water resources.

To: Ausable Bayfield Source Protection Authority (ABSPA)
From: Donna Clarkson and Mary Lynn MacDonald, DWSP Co-Supervisors
Date: March 17th, 2022 meeting
Subject: 2022-2024 Maitland Valley and Ausable Bayfield Partnership Agreement

Ausable Bayfield and Maitland Valley Partnership Agreement

Under the Clean Water Act, the Maitland Valley and Ausable Bayfield Source Protection Authorities (SPAs) are partners forming one Source Protection Region. To implement their legislative responsibilities, the two SPAs have entered into agreements which set out governance of the partnership and the SPAs' responsibilities. These agreements have been amended over time to reflect the changing status of the Source Protection Plans and the shift to an implementation phase.

The SPA agreements have previously been one year in length, to align with one-year Ministry of Environment Conservation and Parks (MECP) funding. As MECP is now supporting a two-year funding agreement for 2022-2024, staff propose that the SPA agreement be increased to two years as well. This agreement is attached for review and approval.

Ausable Bayfield SPA Responsibilities

The Ausable Bayfield SPA is the lead SPA for the region responsible for negotiating workplans and budgets with the province and submitting all legislative requirements for the region.

For 2022 – 2024, the ABSPA will receive regular program updates and review any reports from the Joint Management Committee. The ABSPA will review the updated Joint Partnership Agreement with the Maitland Valley SPA. The SPAs will also review the annual progress reports in April, prior to submission to the Province by May 1st and ABSPA will submit these reports to the province. The ABSPA will review Technical Team recommendations to determine if any amendments to the Source Protection Plans are appropriate or required.

A work plan and budget for 2022 - 2024 for the ABMV Region has been prepared by ABCA staff and submitted to the Province. To date no approvals for that work plan and budget have been received from the province.

Recommendation:

It is recommended that the Ausable Bayfield Source Protection Authority enter into the attached management agreement with the Maitland Valley Source Protection Authority.

Ausable Bayfield Maitland Valley Source Protection Authorities Amended Partnership Agreement – 2022-2024

Context:

The Ausable Bayfield and Maitland Valley Source Protection Authorities (ABSPA and MVSPA) are joined as partners under the *Clean Water Act* (herein after referred to as “the Act”) to make up one Source Protection Region, and are legislatively required to carry out specific actions set out in the *Act*. The Joint Management Committee, made up of representatives from both Conservation Authorities was formed in 2007 to oversee the Drinking Water Source Protection (DWSP) partnership project until the completion of the Source Protection Plans. The Plans were approved by the Province in 2015 and implementation is well underway. The Source Protection Authorities expect to enter into a new agreement with the Province of Ontario that spans 24 months.

Source Protection Authorities (SPAs) will continue to have a key role as the program progress through implementation. SPAs will continue to work with source protection partners to implement source protection plans, and manage the watershed science and source protection committees. To ensure continuous improvement, Source Protection Plans will be reviewed, updated and amended where deemed necessary. As the local source protection experts, SPAs help to inform local discussions and decision-making around policy implementation, and in some cases, leverage their existing partnerships and relationships to facilitate collaboration within and across watersheds.

Based on these facts, the Ausable Bayfield and Maitland Valley Source Protection Authorities wish to rely on any provincial implementation support to carry out their legislative requirements under a partnership agreement that is based on the following three principals:

- Equal Partners – staff from both conservation authorities are involved in program delivery.
- Common Approaches – both conservation authorities will deliver the program the same way.
- Local Delivery – staff from both conservation authorities have the opportunity to deliver DWSP activities within their respective watersheds.

This will allow the SPA’s to maximize efficiency by integrating drinking water source protection obligations into other conservation authority programs and business.

The expected funding agreement with the Province sets out specific activities the Source Protection Authorities will undertake over the next 24 months (a summary of the proposed work plan activities can be found in Appendix A). As such, a joint agreement is required to define the roles and responsibilities of the Source Protection Authorities and the Joint Management Committee.

Length of Agreement:

24 months (April 01, 2022 to March 31, 2024)

Governance:

The ABCA and MVCA will work as partners to carry out the responsibilities set out in the approved 2022-2024 work plan.

- a. As per the CWA the lead Authority will be responsible for submitting any and all correspondence, budgets, work plans, interim reports, or communication to the Province.

- b. The parties agree to maintain a watershed region management committee (herein after called the Joint Management Committee) which will function as an executive committee to the two SPAs.
- c. The parties agree to maintain a watershed region technical team (herein after called the Technical Team) which will function as an advisory committee.
- d. Each Source Protection Authority will have equal representation on the Joint Management Committee. Composition of the committee will include:
 - the Chairs of each Conservation Authority **or alternates**;
 - the Vice-Chairs of each Conservation Authority **or alternates**;
 - the General Managers of each Source Protection Authority (non-voting);
 - The Chair of the Source Protection Committee (ex officio member).
- e. The chair of the ABCA shall serve as the chair of the Joint Management Committee and the chair of the MVCA shall serve as the vice-chair of this Committee. Either Source Protection Authority may name another sitting Source Protection Authority Board member as a representative in lieu of the Chair or Vice Chair (the “alternate”) as the principal voting member on the Joint Management Committee.
- f. Responsibilities of the Joint Management Committee include:
 - Review, oversee, and approve the priorities, tasks, human resources, budget, and progress of the 2022-2024 work plan;
 - Review and consider any recommendations made by the Technical Team;
 - Undertake the process to replace members of the Source Protection Committee as required by the legislation.
- g. Joint Management Committee meetings will be coordinated, and meeting materials will be prepared and reported on by the DWSP Program Supervisor.
- h. The Joint Management Committee will make decisions based on motions with a mover, seconder and a call for a vote on the motion. The voting procedures will be as set out in the Administrative Polices of the ABCA with Bourinot’s Rules of Order used to resolve any issues.
- i. For the terms and conditions of the Technical Team, please refer to the Technical Team Terms of Reference in Appendix B.

Responsibilities of Each Source Protection Authority:

As per the *Clean Water Act*, each Conservation Authority Board constitutes a Source Protection Authority for their respective watersheds. The responsibilities of each Source Protection Authority in the region include:

- a) provide support and resources to the Source Protection Committee, in regards to matters concerning its jurisdiction, as part of any updates to the Source Protection Plans and the Assessment Reports;
- b) ABSPA and MVSPA will cooperate and consult with other Source Protection Authorities regarding issues that relate to fulfillment of work plan activities;
- c) ABSPA and MVSPA will collaborate and work cooperatively with each other and with other CA’s, agencies and committees in the fulfillment of work plan activities;
- d) Provide support and resources to watershed municipalities and other implementing bodies as they continue implementation;
- e) Each Conservation Authority will be responsible to confirm the membership of the Source Protection Authority;
- f) Through the Joint Management Committee, discuss and agree on the governance model and other operational matters as required for the Source Protection Authority.

- g) The SPA, or its delegate, will review technical work for the purpose of identifying anticipated amendments to the source protection plan as per O. Reg. 287/07 S. 48(1.1)(b); and issue a notice as per O. Reg. 287/07 S. 48(1.1)(b) to the drinking water system owner.

Responsibilities of the Lead Source Protection Authority

The lead SPA administers the source protection program under the overall direction of the Joint Management Committee.

The Minister of Environment in Regulation 284/07 under the CWA has named the ABCA as the lead SPA for the purposes of the *Act* and this agreement. In addition to the responsibilities set out above for each SPA, the lead Source Protection Authority shall have the following additional responsibilities:

- a) Administers and retains consultants as required including tendering and contractual arrangements;
- b) Submits any required documentation to the Minister; financial submissions are circulated to JMC members;
- c) Serves as a liaison between the Ministry of the Environment, Conservation and Parks, the ABCA and MVCA and Conservation Ontario;
- d) Assists the Source Protection Committee in exercising and performing that Committee's powers and duties under the *Act* for each of the source protection areas in the source protection region.

OTHER MATTERS AGREED UPON BY THE JOINT MANAGEMENT COMMITTEE:

In addition to the other conditions in this agreement, the following items have been discussed and agreed to by the Joint Management Committee and their respective SPAs:

- a) That draft minutes of the Joint Management Committee (JMC), may be sent to the respective Boards of Directors/Members prior to approval by the JMC in order to maintain timely information sharing. When sensitive issues arise they will be sent to both Boards of Directors/Members by way of a resolution from the JMC
- b) The time and expenses of General Managers and other CA staff spent doing source protection work will be charged to the source protection program based on the employees' normal rate of pay plus actual out-of-pocket expenses.
- c) Voting procedures: the four Board members of the Joint Management Committee have equal voting privileges. Where the voting procedure results in a tie the vote is lost and the Joint Management Committee can choose to use the conflict resolution procedure.
- d) Conflict prevention and conflict resolution procedures will be as set out in Appendix C.
- e) Meetings and/or resolutions will take place face-to-face, as necessary, or electronically by conference call, e-mail, webinar, etc. and normal meeting quorum requirements apply.
- f) A quorum would be, within reason, full attendance, however when full attendance is not achievable a quorum will consist of not less than two representatives from each CA (including non-voting members).
- g) Each CA will select one alternate member. The alternate member will be welcome to attend any or all meetings but would only have a say and a vote when one of the regular members was absent.
- h) Per diem and mileage for Joint Management Committee member attendance at source protection meetings will be covered by each respective Conservation Authority, except

where Joint Management Committee members are undertaking the process of replacing members on the Source Protection Committee as per the legislation. In that case, per diem and mileage of Joint Management Committee members will be covered by the source protection program.

- i) Staff directly supporting the Source Protection Planning process will be hired as appropriate.
- j) ABCA will be responsible to the Province for all financial reporting requirements.
- k) Payment for financial services provided by the Lead CA will be for actual out of pocket expenses (labour, materials, computers etc.).
- l) ABCA's existing forms will be used for recording the expenses of their voting reps and MVCA will use their forms for recording the expenses for their voting reps.; for example - expense claims, and codes.
- m) Consultation and development of accounting records will be the responsibility of Lead SPA.
- n) Payment of bills will be as authorized by requests to purchase and as per guidelines of the Lead SPA.
- o) The JMC will receive financial updates at their meeting
- p) Frequency of financial reporting to the Province will depend on the requirements of the Province.
- q) MVCA and ABCA staff who work full time or part time on the source protection program can remain on their respective CA payroll to ensure consistency of their benefits and pension programs. The MVCA will invoice ABCA for these agreed upon costs.
- r) There will be branded joint letterhead for source protection program use.

Duration

- a) This Memorandum of Agreement shall extend until the completion of the 2022-2024 work plan.
- b) Changes and/or modifications to the scope or terms of this Agreement may be made through an exchange of letters between the ABSPA and MVSPA outlining the changes/modifications and acceptance and agreement to the new terms and conditions.
- c) This Agreement may be cancelled and/or terminated upon the mutual consent of both parties. The process will be initiated by way of correspondence from one SPA Board of Directors to the other. The Joint Management Committee will attempt to resolve the issues for the request to terminate the agreement. If unsuccessful then the request to terminate will follow the conflict resolution process attached as an appendix to this agreement. The decision of the conflict resolution process will go to both SPA Boards of Directors for ratification.

Dave Jewitt , Chair
Ausable Bayfield Source Protection Authority

Date: _____

Matt Duncan , Chair
Maitland Valley Source Protection Authority

Date: _____

Marissa Vaughan , Vice Chair
Ausable Bayfield Source Protection Authority

Date: _____

Ed McGugan , Vice Chair
Maitland Valley Source Protection Authority

Date: _____

Brian Horner, General Manager
Ausable Bayfield Source Protection Authority

Date: _____

Phil Beard, General Manager
Maitland Valley Source Protection Authority

Date: _____

Appendix A – Work Plan Summary

| Workplan Task | Detailed Activity (proposed) |
|--|--|
| SP Program Management – administration, budgeting, staffing, reporting as required | Program administration and staffing. |
| | Support management committee meetings between SPAs |
| | Participation in MECP and CO coordinated meetings, and working groups. |
| | Maintain source protection data and records |
| Source Protection Committee (SPC) support and administration | Host and facilitate SPC meetings. Provide reports and updates to support the local source protection planning process |
| Support awareness of source protection planning process and efforts | Communication of local source protection process through website, social media, events and meetings. |
| | Maintain SPR's source water protection website. |
| | Coordinate municipal meetings and working groups to support Source Protection program |
| | Provide advice and support to enable local uptake of the new Best Practices for source protection, for drinking water systems not included in approved source protection plans |
| Monitor and report on source protection plan implementation progress | Provide guidance to local municipalities and provincial implementing bodies in relation to SPP policy implementation. |
| | Coordinate submission of annual reporting requirements from Implementing Bodies. Submit source protection annual progress report as directed by the Ministry. |
| Source protection considerations as it relates to local planning decisions | Provide comment as it relates to approval of local applications and decisions around vulnerable areas. |
| | Provide comment in regards to updating official plans and zoning bylaws, and notification of transport pathways. |
| Amendment to the Source Protection Plans (SPP) and associated Assessment Reports (AR) | A workplan to review and update the SPP and AR (as per Section 36 of CWA) was approved by the Province in 2019. This includes: - incorporation of new or altered water supply systems - incorporate new or revised policies as determined by SPC - address changes to regulations - Director's Technical Rules An amendment per CWA Section 36 is underway for 2022-23 |
| | Smaller amendment under section 34 or Section 51 to address changes to well systems will be initiated as needed |
| Issuance of confirmation notices to municipalities under O. Reg. 287/07 (New regulation) | Assist municipal partners regarding new requirements under O. Reg 205/18 and 287/07 (water system changes) Review technical work for the purpose of identifying anticipated amendments to the source protection plan as per O. Reg. 287/07 S. 48(1.1)(b) and issue Notices under O Reg 287 as needed. |

Appendix B – Technical Team Terms of Reference

| | |
|---|---|
| <p>Membership and Voting</p> | <p>The Technical Team is comprised of staff from each of the Ausable Bayfield and Maitland Valley Conservation Authorities plus the Drinking Water Source Protection Program Supervisor. The members of the Technical Team are listed below:</p> <ul style="list-style-type: none"> • ABCA Water Resources E.I.T. • ABCA GIS/IT Coordinator • ABCA Water and Planning Manager • MVCA Water Resources EIT • MVCA Communications Coordinator • MVCA Planning and Regulations Supervisor • DWSP Program Supervisor (non-voting member) <p>Other CA staff may attend meetings, or as designate for regular members listed above, as required. Any decisions by the Technical Team will be made by consensus. If consensus cannot be reached, the issue will be forwarded to the Joint Management Committee.</p> |
| <p>Frequency of meetings</p> | <p>The Technical Team shall meet as needed during the DWSP funding agreement. Meetings may be held in person or via teleconference and/or web conference as determined by the Technical Team.</p> |
| <p>Coordination</p> | <p>The DWSP Co-Program Supervisors will coordinate meetings and prepare meeting materials. All other members can request specific agenda items for inclusion at each meeting. Following each meeting, a meeting summary report will be prepared by the Co-Program Supervisors and circulated to all Technical Team members. When requested, the report and any recommendations will be sent to the Joint Management Committee.</p> |
| <p>Functions & delegated authority</p> | <p>The roles of the DWSP Technical Team are:</p> <ul style="list-style-type: none"> • To oversee the DWSP program activities and ensure that the work plan is being followed under the guiding principles of the Joint Management Committee. The guiding principles are: <ul style="list-style-type: none"> ○ Equal Partners – staff from both conservation authorities are equally involved in program delivery. ○ Common Approach – both conservation authorities will deliver the program the same way. ○ Local Delivery – Staff from both conservation authorities have the opportunity to deliver DWSP activities within their respective watersheds. • To facilitate the partnership between the two conservation authorities, increase knowledge capacity in both offices, and ensure consistent messaging is communicated. • To make recommendations to the Joint Management Committee on program, financial and personnel matters as requested by the Joint Management Committee. The Joint Management Committee is responsible for all final decisions. • To review technical work for the purpose of identifying anticipated amendments to the source protection plan and providing Notice as per O. Reg. 287/07 S. 48(1.1)(b) |

Appendix C – Dispute Prevention and Resolution

Source Water Protection Initiative

Anytime an outside party determines that two historically independent bodies must work together on an initiative, where the two parties did not volunteer to do so, some difficulties in working together should be anticipated, despite the best intentions of both parties.

To illustrate this point, we have seen numerous examples of voluntary and involuntary municipal amalgamations across Ontario. The result is that invariably, the more choice there was involved in the merger, the less difficulty there is in dealing with the tasks at hand. However, there are still municipalities in Ontario that are trying to “demerge”, to use the term that has been applied in Quebec, where the parties felt they had little or no choice.

Different issues may warrant different dispute resolution techniques. The first attempts at resolution should always be at the staff level (General Managers). If this is not successful, then a facilitator should meet with the staff parties to attempt to find an agreement. If one cannot be found, then the Board members of the Joint Management Committee should participate in the discussion of the problem. The facilitator should also be present when the issue is before them and be prepared to provide a recommended solution to the Joint Management Committee if non-staff members cannot reach an agreement.

Should this process result in an impasse, then a neutral outside party should be brought in to arbitrate. The arbitrator would hear the issues as presented by the staff and render a decision, although the opportunity to agree would still exist up to the point of the decision being rendered. The decision would be binding.