

BUDGET COMMITTEE

Thursday, October 10, 2024

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

DIRECTORS PRESENT

Ray Chartrand, Adrian Cornelissen, Jaden Hodgins, Dave Marsh, Marissa Vaughan

DIRECTORS ABSENT

Joey Groot, Steve Herold, Dave Jewitt, Wayne Shipley

STAFF PRESENT

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

CALL TO ORDER

Vice Chair Ray Chartrand called the meeting to order at 9:30 a.m., welcomed everyone in attendance. He reported that Chair Vaughan would be coming into the meeting late and that he will chair the entire meeting.

ADOPTION OF AGENDA

MOTION #BD 81/24

**Moved by Dave Marsh
Seconded by Jaden Hodgins**

“RESOLVED, THAT the agenda for the October 10, 2024 Board of Directors Budget Committee meeting be approved,”

Carried.

DISCLOSURE OF PECUNIARY INTEREST

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

DISCLOSURE OF INTENTION TO RECORD PROCEEDINGS

None.

PROPOSED 2025 BUDGET

General Manager Davin Heinbuck provided an overview of the 2025 budget preparation by staff, as well as the format for the information session. Each department will present the budget for their program and a summary of the individual projects that are proposed for 2025. This year the five-year forecast will also be presented with the draft budget. Staff prepared the budget with a 2.5% wage increase on the pay grid.

Vehicles and Equipment

Nathan Schoelier, Stewardship and Conservation Lands Manager, presented the vehicle and equipment motor pool budget. There is no operating levy required for the vehicle and equipment budget as the revenue received when charging mileage and equipment rates to the users' programs offsets expenses. Nathan noted that there is an increase on the mileage rate this year to align with Federal rates. Additionally, a 2.5 percent increase was used on all other equipment. In 2025, there are plans to purchase a tall grass prairie seeder, and the cost will be recovered through usage.

Private Land Stewardship

Nathan Schoelier reviewed the private land stewardship budget wherein staff provide one-on-one technical advice, site visits, and assistance with paperwork in connecting landowners with cost-share funding to maximize grants for their stewardship projects. ABCA staff aim to help complete at least 100 projects each year, and typically do more. Expenses in the stewardship program are offset with tree sales, providing tree planting plans, phragmites management spraying and forest management plans for clients. Pending funding, some of the cost share programs that may support projects include the Huron Clean Water Project, Canada Nature Fund, Forests Ontario, Perth County Stewardship Program, Nature Smart Climate Solutions and Carolinian Priority Place. Less than 10 percent of the department budget is from the operating levy. At present, there are no municipal or county funded grants available in Lambton for landowners to access a similar cost-share program to improve rural water quality, and it is unlikely that the program will run in Middlesex in 2025.

Recreation Services

Nathan Schoelier explained that the ABCA owns 8995 acres of land across the watershed, some of which are conservation areas that provide recreation areas for municipal residents and tourists. These properties are valued by the community and provide areas for exercise, education and increase property values of nearby properties. The routine maintenance of facilities at conservation areas is carried out by ABCA employees. Revenue is generated by gate fees at Rock Glen Conservation Area, which have remained elevated since the pandemic, hunting passes and community donations. Two projects are proposed for 2025. The first is a phased project that will update the conservation area management plans in accordance with the Conservation Lands Strategy. The second project is for conservation area major maintenance, including the replacement of three privy washrooms (Lucan Conservation Area, Bannockburn Conservation Area, and Clinton Conservation Area), as well as replacing the decking on a boardwalk at Rock Glen Conservation Area.

Property Management

Nathan Schoelier noted that in addition to the conservation areas, much of the land owned by the ABCA also includes management areas, conservation forests and agricultural land. These lands contribute to the health of the watershed by promoting forest cover, surface and groundwater protection, flood control, aquatic species and wildlife habitat and community well-being. Property management revenue is generated from timber harvests, farmland rental and the Parkhill CA campground lease, and offsets the cost of property taxes, insurance, risk management inspections and property maintenance. Most ABCA land is taxed at a reduced rate under the Managed Forest Tax Incentive Program, and taxes are not paid on a small portion of land that qualifies for the Conservation Land Tax Incentive Program (CLTIP). The phased invasive species management project is scheduled to continue in 2025. The funds for this project allow staff to continue managing species such as phragmites and giant hogweed, but also allow staff to manage several new invasive species populations annually.

Drinking Water Source Protection

Elizabeth Balfour, Drinking Water Source Protection Program Co-Supervisor, presented the Drinking Water Source Protection budget. There are no levy dollars allocated to the Drinking Water Source Protection budget. The Province funds ongoing mandatory implementation responsibilities for Source Protection Authorities. The implementation body for each source protection policy coordinates implementation costs. The current approved budget is in place until March 2027, at which time staff will submit another 3-year workplan and budget to the Ministry of Environment, Conservation and Parks.

By agreement, ABCA delivers Risk Management Services for eight municipalities. These agreements are in place until December 2026.

Marissa Vaughan joined the meeting at 10:15 a.m.

Environmental Monitoring

Mari Veliz, Healthy Watersheds Manager, Tracey McPherson, GIS/IT Supervisor, Davin Heinbuck, General Manager/Secretary-Treasurer and Geoff Cade, Water and Planning Manager, presented Environmental Monitoring and the Planning and Regulations program project factsheets and budgets. In some cases, funds are deferred to meet the funder's year end. Mari Veliz explained that some projects are fully funded through other partners, but that the project levy contribution often leverages other sources of funding, some substantial, to undertake environmental and monitoring projects. An example of one such program is the Ausable River Recovery project. There are no new projects proposed for 2025. Ongoing and phased projects include the C.A Maps Project, Core Dataset Update and Maintenance, Water Monitoring (including Provincial programs and local programs), Drain Review and Fisheries, Low Water Response, Spills Response, Healthy Watersheds projects and Ausable Bayfield River Stewardship. The GIS and IT related projects support all staff in the day-to-day work of the conservation authority.

Floodplain Management

Geoff Cade, Water and Planning Manager presented the four main components of the floodplain management program. They include the maintenance of 16 erosion control projects, 7 flood control projects, the flood forecasting and warning system and the Port Franks ice management project. Since 1996 the Ministry of Natural Resources and Forestry (MNRF) has provided a 50% grant toward three of the projects; however, for 2025 only a 17.9% funding grant is expected. In 2025, no new projects are proposed; however, the watershed hydrology model phased project is to continue. Staff will apply to a provincial grant to help cover the costs of this project and recommend implementing it over the course of three years. Ongoing projects include the annual monitoring of channel configuration in the Ausable River Cut, as well as the Armstrong West Erosion Control project.

Education

Cassie Greidanus, Conservation Education Coordinator, presented the Conservation Education budget. Revenue for providing effective and meaningful outdoor education experiences comes from the municipal levy, program fees, donations, foundations, and fundraising. Staff promote environmental awareness through classroom programs, field trips, day camps, the water safety awareness program, community presentations and special events. 2024 was a year of growth and transition, with staff continuing to adapt to new student and school needs, while also improving administration and communication. 2024 was a busy year for school programming, and four weeks of nature day camp were offered, with several extra single day camps rotating to different conservation areas. Planned highlights for 2025 include field trips to various conservation areas, classroom and schoolyard programs, five weeks of summer day camp programs offered at Morrison Dam Conservation Area, and the river safety program which is available to all grades throughout the school year.

Corporate Services

Davin Heinbuck presented the consolidated Corporate Services budget and provided an overview of the services provided by this department. Corporate Services provide assistance to all departments, the Board of Directors, the Foundation, Land Trust, municipalities and the general public. The new project planned for 2025 is the lighting upgrade in the ABCA workshop. This building is used for field services projects and equipment, and a portion of the building is also used for student and public education programs. While lighting upgrades are not a requirement to meet accessibility standards, it would be more efficient to coordinate this project at the same time as the accessibility work that is already being done through grant funding.

Operating Levy – Category 3

Davin Heinbuck presented the proposed operating levy for Category 3 projects for 2025 at \$172,616 as compared to \$163,974 in 2024. This includes ongoing, phased, and new projects proposed for 2025. The Operating Levy – Category 3 dollars will be leveraged with other sources of funding to undertake projects totaling \$902,423.

Operating Levy – Category 1

The Operating Levy for Category 1 programs proposed for 2025 total \$1,324,386 in comparison to \$1,276,648 in 2024.

Proposed 2024 Budget

Staff prepared the budget using a pay grid with an increase of 2.5% for cost of living. Davin Heinbuck also presented the fee schedule. As part of the Conservation Authorities Act Update, there is a freeze on fees related to permitting and regulations, so these remain the same as 2024 and 2023. The combined Operating Levies (Categories 1 and 3) total \$1,517,047 (5.31 per cent increase) as compared to \$1,440,662 in 2024. Davin reminded the directors that not every program area is sustained by levy dollars, and that levy dollars leverage further funding from other sources.

Davin also presented the five-year forecast, noting that in the five-year forecast the initial budget for 2025 was a 14.13 per cent increase over 2024, but through staff discussion, the increase was decreased to 5.31 per cent. In addition, the Capital Levy of \$20,045 accounts for 1.4 of the 5.31 increase.

Several of the Board members were comfortable with the 5.31 per cent increase over 2024; however, other Board members asked if staff could investigate reducing that number, without touching the Capital Levy or staff wages. They asked if staff could bring back several options, such as a 5 per cent, 4.5 per cent and 3.5 percent increase. They also asked staff to investigate using the interest from investments to cover these costs, rather than cutting projects.

MOTION #BD 82/24

“RESOLVED, THAT staff review the Proposed 2025 Budget and show options that will bring the overall budget increase to fall between 3.5% and 5%.”

Carried by Consensus.

Further direction and discussion will be held at the next Board meeting on October 24, 2024.

NEW BUSINESS

None

ADJOURNMENT

The meeting was adjourned at 12:50 p.m.

Ray Chartrand
Acting Chair

Abigail Gutteridge
Corporate Services Coordinator