MINUTES

BUDGET COMMITTEE

Thursday, October 9, 2025

Ausable Bayfield Conservation Authority Boardroom
Morrison Dam Conservation Area

DIRECTORS PRESENT
Ray Chartrand, Adrian Cornelissen, Steve Herold, Jaden Hodgins, Dave Jewitt, Dave Marsh, Wayne Shipley, Marissa Vaughan

DIRECTORS ABSENT
Joey Groot

STAFF PRESENT
Andrew Bicknell, Donna Clarkson, Tina Crown, Cassie Greidanus, Abbie Gutteridge, Davin Heinbuck, Brian Horner, Tracey McPherson, Nathan Schoelier

CALL TO ORDER
Chair Ray Chartrand called the meeting to order at 9:30 a.m., welcomed everyone in attendance and read the Land Acknowledgement Statement.

ADOPTION OF AGENDA

MOTION #BD 66/25 **Moved by Steve Herold**
Seconded by Jaden Hodgins

"RESOLVED, THAT the agenda for the October 9, 2025 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 2026 BUDGET

General Manager Davin Heinbuck provided an overview of the 2026 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 2026. 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.

Corporate Services

Davin Heinbuck presented the consolidated Corporate Services budget and provided an overview of the services provided by this department. Corporate Services provides assistance to all departments, the Board of Directors, the Foundation, Land Trust, municipalities and the general public. Two new projects are proposed for 2026. The first is to replace the current underground fuel tanks by the Ausable Bayfield Conservation Authority (ABCA) workshop. At present, these fuel tanks are not leaking, but considering their age and construction, it is recommended that they be replaced with above ground fuel tanks. The second project is to find an IT partner/vendor who will provide managed IT services including networking support, monitoring, and a remote backup with disaster recovery planning. The project will also allow for an assessment of cabling, equipment and internet services to determine the feasibility of a Voice over IP phone system for the future.

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. 2025 saw the addition of a part-time educator, Julie Stellingwerff, which has helped tremendously for school programming. There were also increased day camps, which allowed for more revenue generated. Staff plan to continue with increased day camps in 2026. Staff also will continue to apply for various grant opportunities, which will help subsidize programming.

Floodplain Management

Andrew Bicknell, Water and Planning Manager, with help from Davin Heinbuck, 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 (MNR) has provided a 50% grant toward three of the projects; however, for 2026 the MNR funding will only cover 17.6% of the actual program cost. In 2026, staff propose that a Dam Safety Assessment should be completed for both Parkhill Dam and Morrison Dam. Staff will apply to the MNR for a grant under the WECI program, which would cover 50% of the project. The remaining 50 % would come from the Category 1 Operating Levy, as well as the Special Benefitting Levy. 2026 will also see the completion of the Watershed Hydrology Model, which was a phased project over three years.

Other ongoing projects include the annual monitoring of channel configuration in the Ausable River Cut, as well as the Armstrong West Erosion Control project.

Drinking Water Source Protection

Andrew Bicknell 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.

Environmental Monitoring

Davin Heinbuck, Andrew Bicknell, Tracey McPherson, GIS/IT Supervisor, and Nathan Schoelier, Stewardship, Conservation Lands and Education 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. Nathan Schoelier 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 2026. 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.

Property Management

Nathan Schoelier, Stewardship, Conservation Lands and Education, noted that the ABCA owns 3667 hectares of land across and includes management areas, conservation forests, agricultural land, as well as conservation areas. 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. In 2026, a phased project, updating ABCA Managed Forest plans, is slated to begin in 2026 and carry into 2027. 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). Periodically, these Managed Forest plans need to be updated and resubmitted. The phased invasive species management project is scheduled to continue in 2026. 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.

Recreation Services

Nathan Schoelier explained that some ABCA owned properties 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 2026. The first is a phased project that will update the conservation area management plans in accordance with the Conservation Lands Strategy. In 2026 staff plan to update the management plans for Bannockburn Conservation Area and Clinton Conservation Area. The second project is for conservation area major maintenance, including the replacement of a boardwalk at Morrison Dam Conservation Area, the rehabilitation of an accessible trail at Rock Glen Conservation area, as well as the replacement of several hydro line poles at Rock Glen Conservation area, which supply power to the gatehouse, museum and washroom.

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, Forests Canada, Lambton County Stewardship Program, Perth County Stewardship Program, the Habitat Stewardship Program and Resilient Agricultural Landscapes. At present, it is unlikely that a stewardship program program will run in Middlesex in 2026, but staff are glad to see the addition of both the Perth and Lambton programs. Less than 10 percent of the department budget is from the operating levy.

Vehicles and Equipment

Nathan Schoelier 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 reminded the Directors that at the September 18, 2025 Board of Directors meeting, a policy was passed that ties ABCA's mileage rate to the Federal rate. Additionally, a 2.5 percent increase was used on all other equipment. The tall grass prairie seeder that was to be purchased in 2025 had to be delayed due to unforeseen circumstances; however, the funds were deferred to make the purchase in 2026. The 2026 budget also includes the capital purchase of a pickup truck to replace a truck that is currently in the motor pool fleet.

Operating Levy – Category 3
Davin Heinbuck presented the proposed operating levy for Category 3 projects for 2026 at $168,057 as compared to $172,616 in 2025. This includes ongoing, phased, and new projects proposed for 2026. The Operating Levy – Category 3 dollars will be leveraged with other sources of funding to undertake projects totaling $1,148,149.

Operating Levy – Category 1
The Operating Levy for Category 1 programs proposed for 2026 total $1,383,516 in comparison to $1,304,605 in 2025.

Proposed 2026 Budget
Staff prepared the budget using a pay grid with an increase of 2.5% for cost of living. There was some discussion about developing a future policy for the cost of living increase. Davin Heinbuck also presented the fee schedule. As part of the Conservation Authorities Act Update, there is still a freeze on fees related to permitting and regulations, so these remain the same as 2025, 2024 and 2023. The combined Operating Levies (Categories 1 and 3) and Capital Levy total $1,591,667 (6.30 per cent increase) as compared to $1,497,226 in 2025. 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 2026 was a 19.70 per cent increase over 2025, but through staff discussion, the increase was decreased to 6.30 per cent. In addition, the Capital Levy of $40,095 accounts for just under a 1.26 per cent increase within the total combined levy.

There was general consensus that Board members would be more comfortable with a budget increase in 2026 closer to 4.00 per cent over 2025, and asked if staff could investigate some ways to bring the budget down to that percentage increase.

MOTION #BD 67/25

"RESOLVED, THAT staff review the Proposed 2025 Budget and investigate options to bring the overall budget increase to approximately 4%.

Carried by Consensus.

Further direction and discussion will be held at the next Board meeting on October 23, 2025.

NEW BUSINESS
None

ADJOURNMENT
The meeting was adjourned by Wayne Shipley at 12:50 p.m.

___________________________	_________________________________
Ray Chartrand	Abigail Gutteridge
Acting Chair	Corporate Services Coordinator