The meeting commenced at 6:30 P.M.

1. ROLL CALL

There were thirteen (13) members present.

2. ADOPTION OF AGENDA

Moved by: Kevin George
Seconded by: Laura Turner

THAT the agenda BE ADOPTED, as circulated.
3. DECLARATION OF CONFLICT OF INTEREST

There were none.

4. DELEGATION / PRESENTATION

4.1. Rob McRae, Manager, Corporate Services

Bert Herfst, Budget Review Committee Chair, recognized the hard work by staff throughout the budget process.

- Presentation - Cataraqui Region Conservation Authority – 2019 Budget Review Committee Draft Budget 1 (Attachment #1)

Resolution: 098-18
Moved by: Bert Herfst
Seconded by: Al Hanes

THAT the presentation by Rob McRae, Manager, Corporate Services, on Cataraqui Region Conservation Authority 2019 Budget Review Committee Draft Budget 1, BE RECEIVED.

CARRIED

Items 9.1 and 9.2 were dealt with at this time.

9.1 Report from Budget Review Committee of October 17, 2018 (Report IR-106-18)

Resolution: 099-18
Moved by: Lisa Osanic
Seconded by: Laura Turner

THAT the report from the Budget Review Committee meetings of October 17, 2018 (IR-106-18) BE APPROVED.

CARRIED

Resolution: 100-18
Moved by: Laura Turner
Seconded by: Kevin George

THAT the report from the Budget Review Committee meetings of October 24, 2018 (IR-107-18) BE APPROVED.

CARRIED

The agenda was then returned back to original order.

5. APPROVAL OF PREVIOUS MINUTES

5.1. Minutes of September 26, 2018

Moved by: Gary Oosterhof
Seconded by: Claire Gunnewiek

THAT the minutes of the September 26, 2018 meeting of Cataraqui Region Conservation Authority, BE APPROVED.

CARRIED

6. BUSINESS ARISING

There was none.
7. ITEMS FOR CONSIDERATION

7.1. Outlet Boat Ramp – PR 00111, Outlet Boat Ramp Dock Replacement - Update (report IR-104-18)

Resolution: 101-18
Moved by: Al Barton
Seconded by: Lisa Osanic

THAT Report IR-104-18, PR00111 Outlet Boat Ramp Dock Replacement - Update, BE RECEIVED.

CARRIED

7.2. Proposed Governance Changes – Cataraqui Trail Management Board and Lemoine Point Advisory Committee (report IR-105-18)

Resolution: 102-18
Moved by: Lisa Osanic
Seconded by: Ross Sutherland

THAT Report IR-105-18, Proposed Governance Changes - Cataraqui Trail Management Board and Lemoine Point Advisory Committee, BE RECEIVED; and,

THAT Staff BE DIRECTED to convert the Cataraqui Trail Management Board to a friends group; and,

THAT the Lemoine Point Advisory Committee BE DISSOLVED.

CARRIED
8. MINUTES

8.1. Cataraqui Trail Management Board Minutes

Resolution: 103-18
Moved by: Bert Herfst
Seconded by: Garry Hewett

THAT Cataraqui Trail Management Board Minutes of August 23, 2018, BE RECEIVED.

CARRIED

9. COMMITTEE REPORTS

Items 9.1 and 9.2, Reports from Budget Review Committee meetings, were dealt with following presentation, item 4.1 on pages 2 and 3.

10. ANNOUNCEMENTS OR INQUIRIES/INFORMATION


Resolution: 104-18
Moved by: Al Hanes
Seconded by: Laura Turner

THAT the Report on Communications (IR-108-18) BE RECEIVED.

CARRIED
11. MOTIONS / NOTICES OF MOTIONS

There were none.

12. IN CAMERA SESSION

Resolution: 105-18
Moved by: Bert Herfst
Seconded by: Ross Sutherland

THAT the Full Authority MOVE IN CAMERA.

CARRIED

Resolution: 106-18
Moved by: Lisa Osanic
Seconded by: Bert Herfst

THAT the Full Authority MOVE OUT of IN CAMERA and report.

CARRIED

Resolution: 107-18
Moved by: Bert Herfst
Seconded by: Laura Turner

THAT Cataraqui Region Conservation Authority AUTHORIZE staff to pursue items of action as discussed at the IN CAMERA session on October 30, 2018.

CARRIED
13. ADJOURNMENT

The meeting adjourned at 7.25 P.M. on a motion by Kevin George, seconded by Ross Sutherland.

Geoff Rae, MBA, P.Eng.
General Manager

Alan Revill
Chair
Recommended CRCA 2019 Budget and Capital Forecast

Full Authority Board Meeting
October 30, 2018
Example initiatives supporting **Cataraqui to 2020** Goals:

A. **Safeguard water resources**
   Well and septic workshops

B. **Protect life and property from natural hazards**
   Buells and Butlers Creeks Floodplain Mapping Study

C. **Conserve natural heritage**
   Additions to Bayview Wetland and Little Cataraqui Creek CA
Providing Service to Local Communities (continued)

D. Protect natural resources
   Forests Ontario – 50 Million Tree Program

E. Provide learning opportunities
   Forest Therapy Program

F. Operate an efficient and effective organization
   Budget structure and presentation, consolidated fee schedule
## 2019 Budget Development (highlighting General Levy % change)

<table>
<thead>
<tr>
<th>Steps</th>
<th>June</th>
<th>July</th>
<th>August</th>
<th>September</th>
<th>October</th>
</tr>
</thead>
<tbody>
<tr>
<td>Preparation</td>
<td>●</td>
<td>●</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Draft (service level)</td>
<td></td>
<td></td>
<td>+19.0%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Proposed</td>
<td></td>
<td></td>
<td></td>
<td>+7.2%</td>
<td></td>
</tr>
<tr>
<td>BRC Draft 1</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>+3.9%</td>
</tr>
<tr>
<td>Recommended</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>+5.3%</td>
</tr>
</tbody>
</table>
Uncertain, diminishing Federal & Provincial funding

Cataraqui Conservation Foundation
- Past: $40,000 (+) annual support
- Present: $7,600 assumed for 2019

Uncontrollable expenses from external providers (e.g. insurance, utilities, contracted services)
Context - Internal Factors

• Reliance on reserve draws for regular operations:
  • 2017 = $221,000
  • 2018 = $24,500
  • 2019 = $55,500 (recommended)

• Compensation review – salary grid
CRCA 2019 Operating Revenue Sources ($5.2 M)

- Municipal ($2.5 M)
- Internal Recoveries ($1.4 M)
- Fees ($555k)
- Provincial ($283k)
- Forests Ontario ($250k)
- Other ($87k)
- Reserve Transfer ($89k)
- Federal ($8k)
Anticipated 2019 Fee Revenues ($555.5k)

- Development Review ($238k)
- Property Visitors ($121k)
- Education ($95k)
- Public Programs ($68k)
- Forestry, Native Plants ($32k)
- Information Technology ($1.5k)
Recommended CRCA 2019 Operating Budget

- Recommended $5.2 Million Operating budget
- Overall 3.8% year-over-year increase in expenses
- Addresses revenue challenges and uncontrollable expenses
- Incorporates a phased approach to staff compensation
- Maintains reserve transfers for capital projects
- Reflects efficiencies
- Limited flexibility, limited options for further reduction
Staff Compensation

- Compensation review salary grid (2017)
- Phased approach to manage increase:
  - No salary increases, January 1 – June 30, 2019
  - Cost-of-living increase of 1.5%, effective July 1, 2019
  - Compensation review grid, effective July 1, 2019
  - No step increases
Communication & Education

• Social media vs. paid advertising

• Education programs:
  • Cataraqui Conservation Foundation contribution
  • Reasonable fees

• Public programs:
  • Climate change impact – variable attendance
  • Scheduling efficiencies
• New Operating Budget structure for 2018 – enhanced clarity and function

• Restated 2018 Budget (June 2018)

• Enabling financial analysis and reporting tools (e.g. variance reports)

• Senior Management Team – enhanced capacity, proactive involvement in budgeting, oversight
Investments in technology drive efficiencies and effectiveness (e.g. accounting, bookings)

Challenges:

- **Software licenses and subscriptions:**
  - Average cost increase of 3% per year
  - Variable U.S. dollar

- **Hardware replacement cycle:**
  - Industry standard: 5 years
  - CRCA: 6.5 years average for staff computers
Conservation Lands

• Efficiencies:
  • Asset management
  • Property tax rebates

• Limited capacity for unforeseen costs
  (e.g. Maintenance & Repairs)
• Climate change impacts
  (e.g. ice storms, wind events)

• Fleet review:
  • Priority for 2019
  • Recommended contributions to Equipment and Vehicle reserves ($9,750 each)
Cataraqui Trail

- 104 kilometre recreational asset
- Annual operating costs
- High capital asset costs
- Mandatory structure inspections every 2 years (~$10k per round)
- Time-sensitive repairs to ensure continued operation of the trail
- Recommended capital forecast draws from Real Property Reserve ($204,000)
• Development Review:
  • Steady plan review and permit application volumes
  • Compliance and enforcement legal expenses

• Climate change impacts – flooding and drought

• Watershed monitoring:
  • Reinforces community connections
  • Builds knowledge and solutions

• Provincial transfer payments: uncertain, diminishing
Water Control Structures

• Operating experience – specific business units

• Condition assessment (2018):
  • 48 capital projects over 10 years ($3 Million overall)
  • Some projects are eligible for Provincial funding
  • Priority project: Operating manuals (2019)
  • Insufficient funds for implementation

• Recommended special levies – necessary work, due diligence
# Status of CRCA 2018 Capital Projects (at October 2018)

<table>
<thead>
<tr>
<th>Project Status</th>
<th>#</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Not Started</td>
<td>7</td>
<td>17</td>
</tr>
<tr>
<td>Underway</td>
<td>30</td>
<td>73</td>
</tr>
<tr>
<td>Closed</td>
<td>4</td>
<td>10</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>41</td>
<td>100</td>
</tr>
</tbody>
</table>
Recommended CRCA Capital Forecast for 2019 to 2028

- Fully funded forecast over ten years
- Primary revenue source is CRCA reserves
- Some projects depend on Federal and Provincial grants
- 140 projects proposed over 10 years ($2.8 M overall)
- Proposed for 2019:
  - 27 capital projects
  - $832,600 overall
## Budget Process: Percentage Change in Levies (from 2018)

<table>
<thead>
<tr>
<th>Levy</th>
<th>Service Level Draft Budget</th>
<th>Proposed Budget</th>
<th>BRC Draft 1 Budget</th>
<th>Recommended Budget</th>
<th>$ Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Levy</td>
<td>19.0</td>
<td>7.2</td>
<td>3.9</td>
<td>5.3</td>
<td>$112,261</td>
</tr>
<tr>
<td>Special Levies (properties)</td>
<td>3.7</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
<td>$0</td>
</tr>
<tr>
<td>Special Levies (water control structures)</td>
<td>282.9</td>
<td>165.5</td>
<td>101.9</td>
<td>101.9</td>
<td>$45,250</td>
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<tr>
<td>TOTAL LEVY</td>
<td>22.3</td>
<td>9.4</td>
<td>5.3</td>
<td>6.6</td>
<td>$157,511</td>
</tr>
</tbody>
</table>
# Municipal General & Special Levies 2019

<table>
<thead>
<tr>
<th>Member Municipality</th>
<th>General Levy</th>
<th>Properties</th>
<th>Water Control Structures</th>
<th>Total Levy</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2019</td>
<td>$ Change</td>
<td>% Change</td>
<td>2019</td>
</tr>
<tr>
<td>Township of Athens</td>
<td>19,276</td>
<td>764</td>
<td>4.1</td>
<td>n/a</td>
</tr>
<tr>
<td>City of Brockville</td>
<td>176,760</td>
<td>4,886</td>
<td>2.8</td>
<td>n/a</td>
</tr>
<tr>
<td>Township of Elizabethtown-Kitley</td>
<td>26,716</td>
<td>1,103</td>
<td>4.3</td>
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<tr>
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<tr>
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<td>53,650</td>
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</tbody>
</table>
Looking Ahead to Future Estimated CRCA Budgets

<table>
<thead>
<tr>
<th>Levy % Change</th>
<th>2019 Recommended</th>
<th>2020</th>
<th>2021</th>
<th>2022</th>
<th>2023</th>
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<tbody>
<tr>
<td>General Levy</td>
<td>5.3</td>
<td>6.1</td>
<td>6.0</td>
<td>5.0</td>
<td>3.7</td>
</tr>
<tr>
<td>Special Levies (properties)</td>
<td>0</td>
<td>1.5</td>
<td>1.5</td>
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<td>4.6</td>
<td>3.4</td>
</tr>
<tr>
<td>Step</td>
<td>October</td>
<td>November</td>
<td>December</td>
<td>January</td>
<td>February</td>
</tr>
<tr>
<td>-------------------------------------------</td>
<td>---------</td>
<td>----------</td>
<td>----------</td>
<td>---------</td>
<td>----------</td>
</tr>
<tr>
<td>Board consideration (circulation)</td>
<td>●</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Municipal review period</td>
<td></td>
<td>●</td>
<td>●</td>
<td>●</td>
<td></td>
</tr>
<tr>
<td>Municipal council presentations</td>
<td></td>
<td></td>
<td></td>
<td>●</td>
<td></td>
</tr>
<tr>
<td>Budget Review Committee revisions (if necessary)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>●</td>
</tr>
<tr>
<td>Board consideration (adoption)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>●</td>
</tr>
</tbody>
</table>
Thank you!