

**CROWE VALLEY CONSERVATION AUTHORITY**

**FULL AUTHORITY**

**21 June 2012**

**MINUTES**

**MEMBERS PRESENT:**

Sandy Fraser	Municipality of Marmora and Lake
Brent Goodwin	Wollaston Township
Sharon Carson	Limerick Township
Suzanne Partridge	Municipality of Highlands East
Barry Rand	North Kawartha
Robert Stiles	Stirling-Rawdon Township
Ron Gerow	Havelock-Belmont-Methuen Townships
Hector Macmillan	Municipality of Trent Hills
Gerald Phillips	Tudor & Cashel Township
Dennis Purcell	Faraday Township

**MEMBERS ABSENT:**

None.

**ALSO PRESENT:**

Judy Backus, EMC  
Mark Hoult, Community Press  
Terry Clemens, Municipality of Marmora and Lake  
Ron Chittick, Municipality of Marmora and Lake  
Bonnie Danes, Municipality of Marmora and Lake  
Wayne Alexander, Belmont Lake Cottage Association  
Ritch Smith, Crowe Lake Waterway  
Tim Pidduck, General Manager/Secretary Treasurer, CVCA  
Shannon McCracken, Regulations Officer  
Caroline Anshan, Recording Secretary, CVCA

**CALL TO ORDER:**

The Chair, Robert Stiles, called the meeting to order at 10:05am.

**ITEMS TO BE ADDED TO AGENDA:**

Barry Rand requested an In Camera session prior to the budget discussion.

**APPROVAL OF AGENDA:**

**FA Motion G 48/12**

Moved by: Suzanne Partridge

Seconded by: Gerald Phillips

That the agenda be approved as amended.

Motion Carried.

**DECLARATION OF PECUNIARY INTEREST:**

There were no conflicts to declare.

**WELCOME:**

Robert Stiles welcomed everyone and to the meeting. He also welcomed Caroline Anshan, Amanda Donald's maternity leave replacement.

**REVIEW OF THE MINUTES OF THE PREVIOUS MEETING:**

**FA Motion G 49/12**

Moved by: Barry Rand

Seconded by: Suzanne Partridge

That the minutes and motions of the Full Authority Meeting, 3 May 2012, be approved as circulated.

Motion Carried.

**BUSINESS ARISING FROM MINUTES:**

None.

**GENERIC REGULATIONS REPORT:**

Shannon McCracken requested approval for the applications that have been processed since the last meeting in May. She informed the Board that the total number of applications was already 35 more than last year's total.

**FA Motion G 50/12**

Moved by: Brent Goodwin

Seconded by: Gerald Phillips

That the Generic Regulations report be approved as presented.

Motion Carried.

**FA Motion G 51/12**

Moved by: Sandy Fraser

Seconded by Dennis Purcell

That the Board Meeting move into In Camera session.

Motion Carried.

**FA Motion G 52/12**

Moved by: Brent Goodwin

Seconded by: Suzanne Partridge

That the Board Meeting move into Open Session.

Motion Carried.

**2012 BUDGET:**

Tim Pidduck stated the budget is crucial for the organization to move forward with 2012. Its production has been a lengthy process and he thanked the staff and the Board as we take these steps.

Tim Pidduck said that the Budget has raised many concerns and issues. He felt that the health of organization needed to come first and that to ensure this we need to access assistance from whatever source necessary.

Recent information and review of the Budget includes an increase in Revenues to reflect all Revenues from Shaman Power which had previously been netted against Wage Reimbursement. There was also an increase in Permit Application Revenues which are currently 35 ahead of last year.

The inclusion of Deferred Revenue, a Wage Subsidy and confirmation of SWP Revenue has also had a significant impact on Revenues.

The expenditure side of the Budget has been hit by a reduction in Subdivision Fees. The net result of adjustment allows for a 2% Municipal Levy, 2% Staff Wage increase and a contribution to the Capital Reserves.

Tim Pidduck said that the Budget still wasn't perfect as we have not received confirmation or funding from MNR. He said he would be attending a Conservation Authority Meeting which will hopefully provide further insight regarding the Transfer Payment.

There was some discussion regarding the Operational Analysis Plan by the Board.

Tim Pidduck said we have a budget before us but we still need to go through the voting procedure even though written and verbal confirmation has been received that the proposed 3.89% increase is not acceptable to a couple of the Municipalities.

Copies of a revised Budget were distributed and the Manager reviewed changes with the Board – highlights included.

Overall wages were reduced to reflect the reduced pressure due to flood emergencies.

Suzanne Partridge asked Tim Pidduck why Profession Development and Travel was included in this section of the Budget. She felt it was an important section to track and requested that it be broken out in future Budgets.

Hector noted that the Water Operations Budget did not contain a number for computer and hardware repairs, that there were no stop log provisions and that the admin building was crumbling. We are expecting our staff to do their job without the proper tools and with no funds to correct this.

The Land Operations Portion of the Budget had no changes.

The Regulations Budget portion included a slight increase to the Levy. The Manager recommended that it would be prudent to change the Technical Review revenue estimate to 2011 actuals. Applications have increased by \$8,800.00. There is a slight change to Severance Applications which have increased to \$4,600.

Suzanne Partridge asked where the Vehicle and Travel and Professional Development amounts are tracked.

Sharon Carson asked for an explanation of the Conservation maintenance line item in the Land Operations Budget. Tim Pidduck explained that this was generally for minor repairs in Conservation Areas.

Barry Rand asked if there was a vehicle dedicated to Generic Regulations. Tim Pidduck responded that the SUV was for the most part dedicated to Generic Regulations. The Versa was dedicated to Administration and the truck for Operations.

Barry Rand said that with a five year plan the Board could review all Capital Assets required to be added to the Budget. Tim Pidduck was in agreement.

Sandy Carson asked what year, make and model was the truck. Tim Pidduck responded that the truck was purchased six years ago, the SUV was purchased in 2002 and the Versa in 2008.

Hector asked if we were talking about the replacement costs for vehicles. He expressed the need to include all assets. Robert Stiles agreed. Hector identified the need to move forward with the Asset Management Plan. He felt that to justify buying assets you need to be able to have the capacity to replace them. Barry Rand responded that the 5 year Capital Plan was intended for this purpose. Hector Macmillan responded that 5 years was too short and that a more realistic number would be 20 to 50 years for infrastructure.

Barry Rand proposed that the Capital portion of budget Levy be transferred to a Capital Reserve at the end of year.

Barry Rand mentioned that the Auditors' Report on amortization suggested that a Capital Forecast Plan should be in place already.

Suzanne Partridge explained to Sharon Carson that in the May 3 2012 minutes Tim had explained that in 2000 the Authorities' unrestricted reserves were \$9,000 now they are over \$300,000. The reason for this was that by 2001 reserves had been depleted in response to the 1995 MNR payments cuts. The Board had decided that they would use the Reserve Fund and not increase Municipal Levies. Suzanne explained that when she joined the Board they made a conscious effort to increase the Reserve Fund and the increased Municipal funding helped make this possible. The percentage paid by the MNR used to be 85% against Municipalities of 15%, but now those figures have been reversed.

Sharon Carson asked whether the Board felt that all Conservation Authorities had been affected by the Walkerton Crisis. She felt that the Government had backed out of conservation funding and increased funding to Source Water Protection. She mentioned that files were still open in the Walkerton enquiry and that the Government had had to pay out a considerable amount of money in settlements. She felt that this is why we see a reduction in funding.

Tim Pidduck responded that one of the arguments given by MNR for not increasing funding is that Conservation Authorities now receive additional funding for Source Water Protection which assists authorities.

Barry Rand explained that the Total Reserve was \$360,000 which sounds like a lot of money. The Municipal Levies are payable in June, the MNR tend to pay in June or later. Shaman Power represents a small income the SWP funding is split between earlier and later in the year. The bottom line is our current position. CVCA has to fund their Operations for 4 months which represents \$240,000 last year and \$120,000 for all other items. He felt that cash flow could be improved by delaying payment of items such of insurance to July which would give protection to CVCA for unexpected eventualities. Ron Gerow responded that if you look at the broad picture the Reserve Account has unrestricted reserves for thinks that crop up. He felt that these items were miniscule when you consider the statement in February 2012 that 1.929m was required to address safety issues on dams. He felt that there was a major concern regarding health and safety issues which the Municipalities need to deal with going forward. The Budget shows a very small amount allotted to health and safety issues and he looked forward to fixing this problem. He requested that the MNR need to become a partner in this issue and presented a motion asking Tim to develop a proposal requesting funding from the MNR for Health and Safety issues to be presented no later than 1 March 2013.

**Motion G 53/12**

Moved by: Sharon Carson

Seconded by: Suzanne Partridge

Sharon Carson moved that that the amount of Salary Reserves be reduced by \$10,000.00 and reallocated for IT requirements.

Ron Gerow expressed his concern that the Board needs to consider the whole picture in order to understand capital asset spending requirements moving forward. He felt that a piecemeal approach was unsatisfactory and that a business plan needed to be put in place for all capital assets required unless Tim Pidduck expresses a specific need right now for IT spending.

Suzanne Partridge agreed with Ron Gerow that the Board need to look at the whole picture but as spring has passed there is no need for overtime in the budget. She felt that it would make sense to add this amount to the contingency budget.

Motion Carried.

**Motion G 54/12**

Moved by: Suzanne Partridge

Seconded by: Hector Macmillan

Suzanne Partridge moved that the changes to the 2012 budget dated 20 June be considered minor and as amended by Sharon Carson’s motion to reallocate the sum of \$10,000 to a Contingency line item in the Water Operations portion of the Budget.

Barry Rand requested a Recorded Vote:

Sharon Carson	Yes	Suzanne Partridge	Yes
Ron Gerow	Yes	Gerald Phillips	Yes
Brent Goodwin	Yes	Dennis Purcell	Yes
Sandy Fraser	Yes	Barry Rand	Yes
Hector Macmillan	Yes	Robert Stiles	Yes

Motion Carried.

Tim Pidduck explained to the Board the weighted vote procedure. The Water Operation Budget Vote could be split in two, the first vote being a one to one vote representing the portion of the Municipal Levy that matched the MNR grant and the second vote would be a weighted vote which would represent the amount of Municipal Levy paid over and above the MNR grant.

Tim Pidduck explained that the Board needs to decide how they wanted to. He went on to further explain that the Board could follow past voting procedures vote and use a one for one vote for the Water Operations section of the Budget or make changes to the voting procedure to conform explicitly to the MNR regulation.

Ron Gerow appreciated the explanation but said it was a bit complicated and he suggested that as the Board had the final choice they apply the weighted vote to the entire Budget. The Board agreed to proceed in that manner.

**Motion G 55/12**

Moved by: Barry Rand  
Seconded by: Ron Gerow

That the Board waives the right to a weighted vote on this portion of the budget on a one time basis only.

Motion Defeated.

Suzanne Partridge expressed her concern regarding the legality of this position. Either the voting needs to be all weighted or not.

**Motion G 56/12**

Moved by: Suzanne Partridge  
Seconded by: Sandy Fraser

That the entire Budget package be voted on using a weighted vote.

Motion Carried.

**Motion G 57/12**

Moved by: Barry Rand  
Seconded by: Suzanne Partridge

That the Board approve the proposed budget, dated June 20 2012, in the amount of \$761,049.28 representing a 2% increase over the 2011 Municipal Levy. The total Municipal Levy will be \$361,087.28.

Barry Rand requested a Recorded Vote:

Sharon Carson	Yes	Suzanne Partridge	Yes
Ron Gerow	Yes	Gerald Phillips	Yes
Brent Goodwin	Yes	Dennis Purcell	Yes
Sandy Fraser	Yes	Barry Rand	Yes
Hector Macmillan	Yes	Robert Stiles	Yes

Motion Carried.

Hector Macmillan expressed his concern that the Board had been distracted from their responsibilities by the Budget Action Plan process. He felt that this kind of approach by the Board to the CVCA's concerns was why they were facing a dilemma. He further expressed the need for all Board Members to assume responsibility for the CVCA moving forward next year and to accept the fact that Budget increases were inevitable.

Barry Rand requested that the Budget be sent to Board Members and their Municipalities.

#### **NORTH KAWARTHA - PROPOSED MOTIONS:**

##### **Motion G 58/12**

Moved by: Barry Rand

Seconded: Sandy Fraser

Whereas MNR matching grant programs require submissions to be filed in advance of actual spending, and

Whereas lead times for capital projects (design, equipment delivery) can be longer than a budget period, and

Whereas Municipal approval of levies for operating budgets can extend into the budget year,

Now therefore, be it resolved that Tim Pidduck direct the staff of the CVCA to prepare a process for pre-approval of key capital spending, to be presented to the CVCA Board before 1 October, 2012, for review and approval.

Motion carried.

##### **Motion G 59/12**

Moved by: Barry Rand

Seconded by: Suzanne Partridge

Whereas, the CVCA Board approved a motion (May 3, 2012) to proceed with the development of the "Operating Analysis",

And whereas, it is critical to address potential liabilities due to Health & Safety claims and adverse water events (flood, low level),

And whereas, it is critical that CVCA develop broad support from Municipalities in addressing these potential liabilities,

And whereas, limited resources demand that future actions be directed at the highest priority issues,

Now therefore, be it resolved that a sub-committee of the CVCA Board be formed to develop a 5 year Operating and Capital Plan, building on the Operating



Analysis which has been prepared, and using any other relevant research or information,

And further, that this sub-committee be composed of all ten Board Members, with the General Manager as a resource, with costs for travel and necessary outside resources (to a maximum of \$5,000) to be funded from reserves,

And further, that the sub-committee deliver The 5 year Operating and Capital Plan to the Board by October 1, 2012, for review and approval by the Board,

And further, that the Board nominate and elect the Chair of the sub-committee immediately upon passing this motion.

That the Board creates a Sub-Committee comprised of all Board Members and Tim Pidduck, as a resource, to develop an 5 year Operating Analysis Plan to be completed by October 1 2012 and added a clause that a Chair for this Sub-Committee be elected immediately.

A discussion by the Board addressed some of the details of the committee timelines and structure.

Barry Rand requested a recorded vote:

Sharon Carson	Yes	Suzanne Partridge	Yes
Ron Gerow	Yes	Gerald Phillips	Yes
Brent Goodwin	Yes	Dennis Purcell	Yes
Sandy Fraser	Yes	Barry Rand	Yes
Hector Macmillan	Yes	Robert Stiles	Yes

Motion Carried.

**Motion G 60/12**

Moved by: Suzanne Partridge

Seconded by: Gerald Phillips

That Barry Rand be appointed as Chair for the Sub-Committee

Motion Carried.

Barry Rand set a meeting time for the Sub-Committee of July 4, 2012 at 10:00am.

**GENERAL MANAGER'S REPORT:**

Tim Pidduck informed the Board that the Foundation had received a \$10,000 grant from Shell Fuelling Change and that they had just missed another grant of \$25,000 due to a lack of votes.

Tim Pidduck explained that he had a potential new source of Revenue as he had been approached by a company interested in establishing a Hydro Plant on the Crowe River. He said they would like to make a presentation to the Board as they had identified a spot in the watershed that they see as an ideal location. He felt that September would be a good time for this presentation.

Tim said that water levels have settled into the traditional pattern for this time of year. Neil McConkey has made some changes this week and the general lake levels are 8-10cm higher which is good for this time of year.

**LOW WATER RESPONSE TEAM:**

Tim Pidduck had nothing further to add to his report at this time.

**SOURCE PROTECTION AUTHORITY:**

No meeting was scheduled for Source Water Protection. The agenda package covered everything. Tim Pidduck distributed a copy of a letter to the Board he had received from The Minister of the Environment, Jim Bradley, for their review.

**OTHER BUSINESS:**

**Motion G 61/12**

Moved By: Ron Gerow

Seconded By: Sandy Fraser

That the Board, through Tim Pidduck, request that the MNR facilitate the CVCA by ensuring grants be received no later than March 31 each year.

Motion Carried.

**MEDIA SESSION:**

Mark Hoult and Judy Backus requested copies of the new budget, a copy of the letter from Jim Bradley and the North Kawartha Motions.

**NEXT SCHEDULED MEETING:**

The next scheduled meeting of the Full Authority Board will be 20 September 2012 at 10:00am.

**ADJOURNMENT:**

The meeting was adjourned at 1:10pm.

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Caroline Anshan  
Recording Secretary

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Robert Stiles  
Chair