



FINANCE AND ADMINISTRATION ADVISORY COMMITTEE

MINUTES

October 11, 2022

MEMBERS PRESENT: C. Lowry, Chair
P. Sweetnam, Vice-Chair
J. Atkinson
J. Mason
B. King
P. Kehoe
A. Tennant

MEMBERS ABSENT: E. El-Chantiry

STAFF PRESENT: S. McIntyre, General Manager
S. Millard, Treasurer
M. Craig, Planning and Regulations Manager
S. Lawryk, Property Manager
A. Broadbent, Information and Communications Technology Manager
P. Tapley, Recording Secretary

C. Lowry called the meeting to order at 1:00 pm.

FAAC10/11/22-1

MOVED BY: P. Kehoe

SECONDED BY: B. King

Resolved, That the Agenda for the October 11, 2022 Finance & Administration Advisory Committee meeting be adopted as presented.

“CARRIED”

BUSINESS

1. Approval of Minutes from Finance & Administration Advisory Committee meeting held April 29, 2022.

FAAC10/11/22-2

MOVED BY: J. Mason

SECONDED BY: P. Sweetnam

Resolved, That the Minutes of the Finance & Administration Advisory Committee meeting held April 29, 2022 be received and approved as amended.

“CARRIED”

2. Operating Reserve Balance, Report 3245/22

S. McIntyre provided an overview on the current and projected state of the Operating Reserve to help support Board decision-making on subsequent agenda items including direction regarding drafting of the 2023 budget. Assuming continued phase-in of the Workforce Plan onto the Municipal Levy using the Operating Reserve in accordance with Board policy, the incremental burden on the 2023, 2024 and 2025 operating levies would be 3.5%, 3.5% and 3.7% respectively. The increases exclude all other budgetary pressures including cost of living increases and growth, and that wages will increase by some measure.

P. Kehoe raised concerns about the upcoming election and timing of new appointees. As the roles and Board members will be changing due to the Election he would be uncomfortable supporting this at these increases at this time.

P. Kehoe asked for clarification on the levy increase and asked if we are looking at an 11% increase over 3 years? S. McIntyre confirmed that is what is needed to transfer operating costs off of the Operating Reserve and onto the Operations Levy.

3. Job Evaluation Results and Implementation, Report 3246/22- IN CAMERA

4. Market Assessment of MVCA Jobs, Report 3247/22- IN CAMERA

FAAC10/11/22-3

MOVED BY: P. Kehoe

SECONDED BY: B. King

Resolved, That the committee move to in-camera session for discussion of the following matter:

- **Personal matters about an identifiable individual, including employees of the Authority**

“CARRIED”

FAAC10/11/22-4

MOVED BY: P. Kehoe

SECONDED BY: J. Atkinson

Resolved, That the committee move out of in-camera session for discussion.

“CARRIED”

5. Mill of Kintail Museum Roof, Report 3248 /22

S. Lawryk provided an update on the condition of the Mill of Kintail Roof and the need to repair sooner than planned. MCVA is engaging with Mississippi Mills Township to look at options for roof repair that also meet the *Ontario Heritage Act* as the building is a designated Heritage building and must conform to specific requirements.

Quotes have been received from contractors and are higher than \$50,000 assumed in the 10-year Capital Plan.

Next steps include meeting with the Township of Mississippi Mills and the Heritage Committee to discuss roof options; firming up all quotations from suppliers and to arrange for work to be completed in 2023. The Conservation Area and Museum Building & Art restricted reserves have funds available to carry out the work.

A. Tennant asked if MVCA is eligible for a heritage restoration grant at the municipal level. P. Kehoe commented that this type of roof should last at least 25 years and suggested reaching out to more contractors for quotes. S. Lawryk said that further quotations have been requested and staff will look further into the heritage grant.

C. Lowry asked if there is any risk of damage to contents in the museum. S. Lawryk reported that interim repairs mitigate the risk of water and snow causing further damage at this time and that further action will be taken if needed.

6. IT Network Review, Report 3249/22

A. Broadbent outlined three main pressures for an independent review of the Authority's IT system:

1. The need for capital renewal of the key assets including servers and Wi-Fi system
2. The need to accommodate large data sets and complex models, and
3. The Need to mitigate security breaches/risks and provide IT system resilience

He further explained that the current capital plan identifies \$90,000 for replacement of all network servers by 2025 and 40 staff computers by 2030 and it would be beneficial to understand options before making these investments.

P. Kehoe inquired into the state of the security now and do we need to do anything on that end. A. Broadbent replied the system has been updated over the years and that significant improvements were implemented after a ransomware attack in 2019. Updates are ongoing.

P. Sweetnam asked if our systems are reliable. A. Broadbent confirmed that the dedicated internet (Bell) is reliable but we must look at other Business Continuity measures to be prepared for outside Cyber security breaches and network resilience in the event of disaster.

FAAC10/11/22-5

MOVED BY: P. Kehoe

SECONDED BY: B. King

Resolved, That the Finance & Administration Advisory Committee recommend inclusion of an IT network review in the 2023 budget.

“CARRIED”

7. Corporate Needs Assessment Update, Report 3250/22

Committee members were asked to review the needs assessment and offer comment on priorities to help inform 2023 work planning. J. Mason recommended that this request be more explicit when the report is elevated to the Board.

8. Proposed 2023 Fee Schedule, Report 3251/22

The draft 2023 fee schedule was presented to the Board. Several but not all fees were increased by 2% increase to allow for inflation. A selection of fees were increased by 5% where reviews are more complex. Other key changes are the addition of a new category under “Fill Replacement”, and a new management fee in line with other Conservation Authorities.

P. Kehoe outlined that fees can be different by area and has there been any thought about setting up a fee structure in City of Ottawa versus another fee structure for smaller rural areas. M. Craig reported that minor applications are more common outside the city and different fees within the watershed had been previously discussed. S. McIntyre added that a fee study is planned for 2023 during which MVCA will consult with other CA’s and municipalities.

P. Kehoe had concerns on the fees and would like clarification on the actual cost of processing fee applications. M. Craig provided cost recovery information and indicated that the Authority is not yet at full cost recovery.

B. King suggested that fees are likely too low and current inflation rates should fee increases should not be limited to 3 or 4%.

P. Sweetnam agreed that the 2% increase is modest and reported that City of Ottawa fees are in some cases increasing by over 8%.

C. Lowry asked for clarification on consistency of increases across the CAs. M. Craig indicated that MVCA collaborates with Rideau Valley and South Nation CAs on Schedule A Fees.

FAAC10/11/22-6

MOVED BY: J. Atkinson

SECONDED BY: P. Sweetnam

Resolved, That the Finance & Administration Advisory Committee recommend that the Board approve the 2023 Fee Schedules as presented

“CARRIED”

9. 2023 Budget Assumptions, Report 3252/22

S. McIntyre explained that due to the upcoming election the City of Ottawa was delayed in providing direction to its staff and Boards such as MVCA. In lieu of firm direction, staff looked at past practice and made the following recommendations.

- An assumed growth in tax assessment of 1.5%. (based upon provincial data received)
- A municipal levy increase of 3.5% to the operating budget (half the August inflation rate)
- A municipal levy increase of 4.5% to the capital budget (as previously discussed with the Board to enable delivery of the Authority’s capital program)

J. Mason expressed concern regarding how the organization will adjust if the stated assumptions prove excessive. S. McIntyre responded that staff will prioritize work and how it will pivot to achieve lower targets.

P. Sweetnam asked for confirmation whether the total increase to the Operating Levy would be 5%? S. McIntyre confirmed, and clarified that this does not include phase-in of the workforce plan.

J. Mason commented that MVCA would be saving money due to the federal Kashwakamak Lake Dam grant. S. McIntyre stated that project costs have risen and that staff will be reviewing the 10-year Capital Plan and adjusting projected capital needs.

FAAC10/11/22-7

MOVED BY: P. Sweetnam

SECONDED BY: J. Mason

Resolved, That the Finance & Administration Advisory Committee recommend to the Board of Directors to direct staff to develop the 2023 Budget and related documents in accordance with the following parameters:

- 1. An assumed growth in tax assessment of 1.5%.**
- 2. A municipal levy increase of 3.5% to the operating budget**
- 3. A municipal levy increase of 4.5% to the capital budget**

“CARRIED”

ADJOURNMENT

The meeting was adjourned at 3:00 pm.

FAAC10/11/22-8

MOVED BY: P. Kehoe

SECONDED BY: J. Atkinson

Resolved, That the Finance and Administration Advisory Committee meeting be adjourned.

“CARRIED”

P. Tapley, Recording Secretary

C. Lowry, Chair