

Minutes: Finance and Administration Advisory Committee Meeting

November 28, 2024

Hybrid Meeting Via Zoom and at MVCA Office

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| MEMBERS PRESENT | Janet Mason, Chair Roy Huetl, Vice Chair Allan Hubley (Virtual) Cathy Curry (Virtual) Jeannie Kelso Mary Lou Souter Paul Kehoe Richard Kidd (Virtual 11:00am) |
| MEMBERS ABSENT | Jeff Atkinson |
| STAFF PRESENT | Sally McIntyre General Manager Stacy Millard, Treasurer Juraj Cunderlik, Director of Engineering Matt Craig, Manager of Planning & Regulations Alex Broadbent, Manager of I&CT Scott Lawryk, Properties Manager Elizabeth Clifflen Gallant, Finance Assistant Kelly Hollington, Recording Secretary |
| GUESTS | Joanne Glaser, Cornerstones Kellie Howe, Cornerstones |

J. Mason called the meeting to order at 10:01 a.m.

J. Mason welcomed the new Board representative from Lanark Highlands, Councillor Jeannie Kelso, to the Finance and Administration Advisory Committee.

Declarations of Interest (Written)

Members were asked to declare any conflicts of interest and informed that they may declare a conflict at any time during the session. No declarations were received.

Agenda Review

J. Mason noted that agenda was re-ordered to have the in-camera items first.

FAAC24/11/28 - 1

MOVED BY: P. Kehoe

SECONDED BY: R. Huetl

Resolved, that the agenda for the November 28, 2024 Finance and Administration Advisory Committee meeting be adopted as amended.

“CARRIED”

MAIN BUSINESS

1. Approval of Minutes: Finance and Administration Advisory Committee Meeting, September 30, 2024

J. Mason noted no comments or amendments to the minutes.

FAAC24/11/28 - 2

MOVED BY: M. Souter

SECONDED BY: P. Kehoe

Resolved, that the minutes of the Finance and Administration Advisory Committee Meeting held on September 30, 2024 be received and approved as presented.

“CARRIED”

2. Management Salary Review, Report 3456/24, Paul Kehoe & Sally McIntyre

3. Overtime Compensation, Report 3457/24, Sally McIntyre

4. Employee Merit Increases and Bonuses, Report 3458/24, Sally McIntyre

Items 2, 3 and 4 were all discussed in-camera.

FAAC24/11/28 - 3

MOVED BY: P. Kehoe

SECONDED BY: M. Souter

Resolved, That the Finance and Administration Advisory Committee move to in-camera session for discussion of the following matter:

- Labour relations or employee negotiations

And further resolved, that Sally McIntyre, Kellie Howe and Joanne Glaser from Cornerstones Management Solutions Limited be allowed in the room.

And further resolved, That Sally McIntyre leave the room before the final discussions regarding labour relations/employee negotiations.

“CARRIED”

FAAC24/11/28 - 4

MOVED BY: M. Souter

SECONDED BY: P. Kehoe

Resolved, That the Finance and Administration Advisory Committee move out of in-camera discussions.

“CARRIED”

FAAC24/11/28 - 5

MOVED BY: C. Curry

SECONDED BY: P. Kehoe

Resolved, That the Finance and Administration Advisory Committee recommend that the Board of Directors approve updates to the Management Salary Scales and the 2024/2025 compensation for the General Manager as recommended by the Executive Committee and the General Manager.

“CARRIED”

FAAC24/11/28 - 6

MOVED BY: R. Huetl

SECONDED BY: M. Souter

Resolved, That the Finance and Administration Advisory Committee recommend that the Board of Directors approve update of section: 2.3.2. Overtime of MVCA’s Employee Manual as set out herein, and to implement the new program effective January 1, 2025.

“CARRIED”

FAAC24/11/28 - 7

MOVED BY: J. Kelso

SECONDED BY: P. Kehoe

Resolved, That the Finance and Administration Advisory Committee recommend that the Executive Committee examine the matter of staff merit increases and bonuses and return to the Finance and Administration committee with a recommendation.

“CARRIED”

5. Financial Update – YTD September 30, 2024 Report 3453/23, Stacy Millard

S. Millard presented the Financial Update. She highlighted that the 2024 budget is on track. She explained that Q3 actuals include adjustments in dollar allocations based upon an analysis of staff time from January to October; and to align with the structure that is being forwarded for the 2025 budget to ease year over year comparative analysis. She noted that MVCA continues to earn good interest and that a report will be tabled with the Finance and Administration Committee in 2025 to determine how best to optimize interest earnings. She also explained that the category of *Watershed Management Technical Studies* has been divided into *Flood Erosion and Control* and *Technical Studies*, and that *Technical Studies* has been further separated into, *Hazard Mapping Technical Studies* and *Other Technical Studies*.

6. Draft 2025 Budget, Report 3454/24., Sally McIntyre & Stacy Millard

S. McIntyre summarized the annual budget process. She reviewed the operating budget summary and associated projects. She explained that the bi-lateral agreements between MVCA and member municipalities provided for up to 14% of the levy to be allocated to Category 2 and 3 programs. S. Millard noted that in 2024 only 11% was allocated to Category 2 and 3 programs, and that in 2025 only 7% is projected to be used. S. McIntyre highlighted that MVCA is working toward total cost-recovery of Category 3 programs.

J. Mason asked for clarification on the programs and services that are considered Category 3. S. McIntyre noted that Category 3 programs and services include education, stewardship and visitor services.

S. McIntyre reviewed the operating summary for Category 1 and Corporate and for Categories 2 and 3 with a focus on the draft proposed 2025 revenue items. She noted that the proposed 2025 budget assumes a continuation of the provincial freeze on planning and regulations permit fees. She highlighted that the allocation from the

province for flood forecasting and warning has been frozen for the past 20 years, which does not provide for aging dam infrastructure, increased needs in operations and maintenance, consequently, these pressures are being placed on the municipal levy. She noted the significant increase in proposed fee for service revenues for Category 3 programming.

M. Souter asked for a review of the other revenue category. S. McIntyre responded that historically other revenue items include small grants and foundation donations. S. Millard explained that other revenue items include revenues for completing technical studies and earned interest. She noted that other revenue also includes a large donation that was received from the Danby foundation for stewardship programs.

S. McIntyre reviewed the Capital Budget, associated projects and the draft proposed revenues for 2025. She highlighted the Category 3 item of a requirement to undertake a condition assessment of the Mill of Kintail.

J. Mason asked the committee if there are any further questions or comments. No questions or comments were received.

FAAC24/11/28 – 8

MOVED BY: M. Souter

SECONDED BY: R. Huetl

Resolved, That the Finance and Administrative Advisory Committee recommend the Draft 2025 Budget be tabled with the Board of Directors for consideration and circulated to member municipalities for comment.

“CARRIED”

7. **10-Year Capital Plan Update, Report 3455/24, Sally McIntyre & Stacy Millard.**

S. McIntyre provided the 10-Year Capital Plan Update. She stated that MVCA takes a pay-as-you-go approach to investment in infrastructure, with target reserve balances for WECl infrastructure set at 50% of the approved 8-year capital program, up to a maximum of \$500,000 per project. WECl projects valued greater than \$500,000 are considered inter-generational investments and are eligible for debt financing. She reviewed the targeted versus projected reserve balances for 2029 and 2034. S.

McIntyre expressed her thanks to the generosity and commitment from the member municipalities in the support of capital levy increases to afford the capital program.

R. Huetl asked what the asterisks beside Farm Lake Dam and Pine Lake Dam under Water and Erosion Control Structures and Monitoring are referring to. S. McIntyre responded that those sites are not eligible for WECl funding.

R. Kidd asked where the interest on reserve balances is allocated. S. Millard responded that it currently feeds the operating reserve. She noted that discussions regarding the allocation of interest can be incorporated in discussions when the investment strategy that will be tabled with the committee in early 2025. R. Kidd expressed his support in the interest being rolled back into a capital reserve.

J. Mason expressed her thanks to S. McIntyre and MVCA staff who developed the 10-year capital plan, for getting MVCA on-track with Capital renewal. She commented that the 10-Year Capital Plan update is reflective of a healthy plan for MVCA to face future obligations.

FAAC24/11/28 - 9

MOVED BY: P. Kehoe

SECONDED BY: R. Huetl

Resolved, That the Finance and Administrative Advisory Committee recommend that the Board of Directors approve the 10-Year Capital Plan update and schedule of capital levy increases presented herein.

“CARRIED”

ADJOURNMENT

FAAC24/11/28 - 10

MOVED BY: M. Souter

SECONDED BY: J. Kelso

Resolved, That the Committee meeting be adjourned.

“CARRIED”

The meeting adjourned at time 11:57 a.m.

K. Hollington, Recording Secretary