

**EXECUTIVE COMMITTEE  
A G E N D A  
Friday February 3rd, 2023  
at 4:00 pm  
In Person, Marc Charron Boardroom  
15 Janey Avenue, North Bay, Ontario**

1. Acknowledgement of Indigenous Traditional and Treaty Lands
2. Adoption of Agenda
3. Declaration of Pecuniary Interest
4. Adoption of the Minutes: May 16, 2022
5. Draft 2022 Budget (Report #1)
6. Closed Session of Committee of the Whole to discuss personnel matters
7. New Business
8. Adjournment

**NORTH BAY-MATTAWA CONSERVATION AUTHORITY  
EXECUTIVE COMMITTEE  
MINUTES  
of the**

**FIRST** meeting of 2023 for the North Bay-Mattawa Conservation Authority Executive Committee held in person in the NBMCA's Marc Charron Boardroom, 15 Janey Avenue, North Bay, Ontario on Friday February 3, 2023 at 4:00 pm.

**MEMBERS PRESENT:**

<b>Mattawan, Municipality of</b>	-	<b>Michelle Lahaye</b>
<b>North Bay, City of</b>	-	<b>Lana Mitchell</b>
<b>North Bay, City of</b>	-	<b>Chris Mayne</b>
<b>Papineau Cameron, Township of</b>	-	<b>Shelley Belanger</b>
<b>Powassan, Municipality of</b>	-	<b>Dave Britton</b>

**MEMBER(S) ABSENT:**

<b>Callander, Municipality of</b>	-	<b>Irene Smit</b>
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**ALSO PRESENT:**

**Chitra Gowda**, Chief Administrative Officer, Secretary-Treasurer  
**Rebecca Morrow**, Executive Assistant  
**Helen Cunningham**, Manager, Finance & Human Resources

**1. Acknowledgement of Indigenous Traditional and Treaty Lands**

After calling the meeting to order at 4:07pm and welcoming everyone to the meeting, Chair Britton read the Acknowledgement of Indigenous Traditional and Treaty Lands.

**2. Adoption of the Agenda**

Dave Britton welcomed everyone to the meeting, after discussion the following resolution was presented:

Resolution No. EXE01-23 Belanger-Lahaye

**THAT** the agenda is approved as presented.

**Carried Unanimously**

**3. Declaration of Pecuniary Interest**

None declared.

**4. Adoption of the Minutes**

After discussion the following resolution was presented:

Resolution No. EXE02-23, Lahaye-Beleanger

**THAT** the minutes for the Executive Committee meeting held on May 16, 2022 are adopted as written.

**Carried Unanimously**

**5. Draft 2023 Budget**

Chitra Gowda presented the Draft 2023 Budget and noted the low reserve amount for Lands Acquisition, which has been drawn down due to costs of major, critical repairs to the North Bay main office building. The challenges in being able to fund the additional, anticipated large-scale repairs were discussed. It was also discussed that a realtor be engaged to assess the main office building and property. Further, the potential to transfer the Parks Creek Backflood control structure to the City of North Bay was raised. After discussion, the members thanked Chitra and staff for their work and requested that a copy of the previous years audited financial statements be included in the next Executive Committee members package. After further discussion the following resolution was presented:

Resolution No. EXE03-23, Mitchell-Lahaye

**THAT** the members receive and accept the member's Report and that it be appended to the minutes of this meeting;

**AND THAT** the mortgage principal payments be expensed monthly to a "Mortgage Principal Repayment" capital budget per the auditor's advice;

**AND THAT** staff prepare a final 2023 Budget for consideration by the Board of Directors, guided by the discussions of the Executive Committee.

**Carried Unanimously**

**6. Closed Session of Committee of the Whole**

After discussions, the following resolutions were presented:

Resolution No. EXE04-23, Mitchell-Lahaye

**THAT** the meeting move into a closed session of Committee of the Whole to discuss personnel matters.

**Carried Unanimously**

Resolution No. EXE05-23, Mayne-Belanger

**THAT** the meeting move out of closed session of Committee of the and back into an open

meeting.

**Carried Unanimously**

**7. New Business**

None reported.

**8. Adjournment (5:40p.m.) Resolution No. EXE06-23, Mitchell-Belanger**

**THAT** the meeting be adjourned, and the next meeting be held at 3:00 pm on Thursday February 9<sup>th</sup>, 2023 or at the call of the Chair.

**Carried Unanimously**



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Dave Britton  
Executive Committee Chair



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Chitra Gowda  
Chief Administrative Officer,  
Secretary Treasurer

**TO:** The Executive Committee  
of the Board of Directors,  
North Bay-Mattawa Conservation Authority

**REPORT # 1  
02-03-2023**

**ORIGIN:** Chitra Gowda, Chief Administrative Officer, Secretary Treasurer and  
Helen Cunningham, Manager, Finance and Human Resources

**DATE:** February 1, 2023

**SUBJECT:** Draft 2023 Budget

**Background:**

Per the Report 01-25-2023 presented to the Board at its January 2023 meeting, an overview of the draft 2023 budget was provided including estimates of revenue, expenses and municipal levy apportionments (with 3% and 4% levy increases). Per the resolution passed, those estimates guide staff in preparing the draft budget for the Executive Committee to review at their two consecutive meetings on February 3 and 9, 2023. After review and comment, the Executive Committee will make a recommendation to the Board of Directors to consider at its February 22, 2023 meeting.

Note that the recent changes to the Conservation Authorities Act result in a categorization of programs and services into:

- **Category 1:** Mandatory programs and services (including plan input and review, Section 28 permits, drinking water source protection, flood forecasting and warning)
- **Category 2:** Municipal programs and services (i.e. CA provides on behalf of the municipality)
- **Category 3:** Other programs and services.

For the 2024 year, the development of the annual budget and apportionment will follow O. Reg. 402/22 (which comes into force on July 1, 2023) under the Conservation Authorities Act.

**Analysis:**

This Report takes a deeper dive into the gap between estimated revenue and expenses for 2023 and discusses potential ways to bridge the gap for the consideration of the Executive Committee. To begin, a status of the reserve accounts, surplus, deferred revenues and mortgage loan amounts are provided below (unaudited).

**Reserve Accounts as of 2022 Year End (Unaudited)**

Reserve Account	Amount
NBMCA Lands Capital - Acquisition Reserve	\$76,781
NBMCA Onsite Sewage System (OSS) Reserve <i>(only for OSS program use per the Building Code Part 8)</i>	\$464,461
<b>NBMCA Reserves</b>	<b>\$541,242</b>
Laurentian Snowboarding Club and Ski Hill Operating	\$64,592
Laurentian Snowboarding Club and Ski Hill Capital	\$90,875
<b>Ski Hill Reserves</b>	<b>\$155,467</b>

### Deficit & Surplus 2022 (Unaudited)

Type	Type	Amount
Deficit	In the flood control, erosion control, administration, water quality programs (Oak Street underpass pumps ops, property maintenance, repairs, hydro, taxes, insurance, wages, etc.)	\$29,272
Surplus	Compared to 2022 expenses	\$52,134
	<b>Net available for the 2023 budget</b>	<b>\$22,862</b>

### Deferred Revenue (Unaudited)

Program	Amount available for 2023*
Ice Management (operations)	\$4,250
Central Services (capital)	\$45,235
Lands and Properties (capital)	\$166,239
Water and Erosion Control Infrastructure (WECl) (capital)	\$488,540
S.28 Development, Interference, Alteration (DIA) (capital)	\$96,056
Integrated Watershed Management (IWM) (capital)	\$112,278
NBMCA Onsite Sewage System (OSS)	\$85,000

\*For ongoing, multi-year capital projects and operations for the respective program

### Mortgage

The mortgage loan amount with TD Bank for the main office building in North Bay ("Interpretive Centre") is \$553,741.23 at the end of 2022. The blended payments comprise principal and interest amounts.

- Principal payments 2023: Past practice has been to use surplus from the previous year towards the principal payments of the next year. Staff checked with NBMCA auditors BDO in February 2023 about changing this practice to ensure inclusion of the principal payments into the regular budget development process, rather than rely on surplus alone. BDO indicated that the principal payments can be expensed to a separate capital budget but not to operating budgets. Staff recommend that the mortgage principal payments be expensed monthly to a "Mortgage Principal Repayment" capital budget. The total estimated principal payment for 2023 is: \$19,100.
- Interest payments 2023: Past practice has been to expense the monthly interest payments to the Interpretive Centre operating budget. Staff recommend to continue this practice which supports sound budget preparation. The total estimated interest payment for 2023 is \$25,500.

## Draft Budget 2023: Bridging the Gap

The draft 2023 budget for all revenue and expenses estimated is provided below. Revenue sources include: transfer payments from provincial and federal governments, municipal levy, self generated revenue (fees, donations, etc.) and also deferred revenue, reserves and surplus. In order to maintain municipal levy increases at 3%, it becomes necessary to use portions of available revenue sources including reserves, surplus and deferred revenue. Please see the details in the two tables below.

NBMCA Program Area	All Estimated Expenses	Bridging the Gap
Administration	\$316,963	Interest earned in 2022 was higher than anticipated; contributes to the revenue.
Watershed Planning	\$134,438	
Flood Control	\$146,720	
Erosion Control	\$60,647	
Flood Forecasting	\$103,059	
Ice Management	\$13,479	Use deferred revenue.
Drinking Water Source Protection (DWSP)	\$199,563	
On-site Sewage Systems Program (OSS)	\$1,234,780	Use deferred revenue, portion of OSS reserve, and increase fees in 2023.
Section 28 Regulations Operations	\$62,125	Consider general levy of around \$10,000, rather than relying on fees alone. Category 1 mandatory program.
Water Quality	\$9,997	
Interpretive Centre (North Bay main office)	\$223,632	Consider combining with Lands and Properties (capital) budget for 2024.
Lands and Property Operations	\$183,932	Includes \$70,000 special levy for homeless encampments.
Outreach	\$128,750	Use a portion of deferred revenue from S.28 Development, Interference, Alteration (DIA) (capital).
Lands and Property Capital*	\$561,972	Use a deferred revenue, net surplus from 2022, and portion of OSS reserve.
Water Erosion Control Infrastructure (WECl) Capital**	\$500,050	Use a portion of deferred revenue.
Central Services Capital	\$77,891	Use a portion of deferred revenue.
Section 28 Technical Capital	\$242,932	Use a portion of deferred revenue.
Integrated Watershed Management (IWM) Capital	\$451,032	Use a portion of deferred revenue.
<b>Total</b>	<b>\$4,651,963</b>	
Laurentian Ski Hill Capital Asset	\$65,000	
Laurentian Ski Hill Operating Fund	\$60,000	
Total with Ski Hill Expenses	<b>\$4,776,963</b>	

\*Expenses include major, critical infrastructure repairs to the North Bay main office

\*\*Revenue does not include WECl provincial transfer payment (applications are submitted in February 2023).

### Proposed Use of Reserves, Net Surplus and Deferred Revenue (Unaudited) in 2023

Revenue Source	Amount Available	Proposed use in 2023
Net surplus 2022	\$22,862	For Lands and Properties (capital): \$22,862 (to support major repairs of North Bay office building).
<b>Reserves</b>		
NBMCA Lands Capital - Acquisition	\$76,781	For <ul style="list-style-type: none"> <li>Lands and Properties (capital): \$47,000 (to support major repairs of North Bay office building).</li> <li>Ancillary costs (survey, legal, etc.) for a land swap for Kate Pace Way: \$10,000.</li> <li>Shields McLaren conservation area purchase cost recovery: \$4,000.</li> </ul>
NBMCA Onsite Sewage System (OSS)	\$464,461	For <ul style="list-style-type: none"> <li>OSS program: \$91,000 (for priority need of an inspector).</li> <li>Lands and Properties (capital): \$45,000 (to support major repairs of North Bay office building, based on 30% occupancy OSS).</li> </ul>
<b>Deferred Revenue</b> (for ongoing, multi-year capital projects and operations for the respective program)		
Ice Management (operations)	\$4,250	For the same program: \$4,250.
Central Services (capital)	\$45,235	For <ul style="list-style-type: none"> <li>The same program: \$18,924</li> <li>Interpretive Centre: \$25,000 (to support upkeep of North Bay office).</li> </ul>
Lands and Properties (capital)	\$166,239	For the same program: \$166,239.
Water and Erosion Control Infrastructure (WECI) (capital)	\$488,540	For the same program: \$324,950. Provincial transfer payments are anticipated but not confirmed.
S.28 Development, Interference, Alteration (DIA) (capital)	\$96,056	For <ul style="list-style-type: none"> <li>The same program: \$62,218</li> <li>Outreach: \$16,350 (related to S. 28-DIA special projects involving outreach).</li> </ul>
Integrated Watershed Management (IWM) (capital)	\$112,278	For the same program: \$49,032.
NBMCA Onsite Sewage System (OSS)	\$85,000	For the same program: \$85,000.
<b>Totals</b>	<b>\$1,561,702 (available)</b>	<b>\$971,825 (proposed to be used)</b>

As noted at the January 2023 Board meeting, the continued use of reserves is not always a sustainable means of supporting the annual budget. However, major, critical repairs of the North Bay main office building necessitate the use of the Lands Acquisition Reserve, OSS Program Reserve (in proportion to OSS program occupancy/use of the building), and the full amounts available for deferred revenue in the Lands and Properties capital as well as the surplus from 2022.

Other than the above extraordinary expense, the reserves and deferred revenues are proposed to be used responsibly for the purposes originally intended. There is the potential to reduce the estimated expenses by approximately \$60,000 across various program areas by postponing certain



projects/activities to 2024 or by not carrying out a small number of activities which are not legislatively required; to be discussed further with the Executive Committee.

**Recommendation:**

It is recommended that staff prepare a final 2023 Budget for consideration by the Board of Directors, guided by the discussions of the Executive Committee.

**Recommended Resolution:**

**THAT** the members receive and accept the member’s Report and that it be appended to the minutes of the meeting;

**AND THAT** the mortgage principal payments be expensed monthly to a “Mortgage Principal Repayment” capital budget per the auditor’s advice.

**AND THAT** staff prepare a final 2023 Budget for consideration by the Board of Directors, guided by the discussions of the Executive Committee.



**Chitra Gowda**

Chief Administrative Officer, Secretary Treasurer



**Helen Cunningham**

Manager, Finance and Human Resources

**DRAFT ONLY.**

**Bus. Unit:** NBMCA Core Program (Eligible)  
**Name:** Administration  
**Account No:** 31-00

**Summary:** Administrative activities related to providing programs and services of NBMCA.

<u>Object Code</u>	<u>Revenue/Expense Category</u>	<u>2023 Budget</u>
<b>Revenue:</b>		
01	Transfer Payment	16,020.00
04	General Levy	112,191.00
13	Other Revenue	169,856.00
14	Interest Earned	18,896.00
	<b>Total Revenue</b>	<b>316,963.00</b>
<b>Expense:</b>		
30	Wages and Benefits	118,335.00
38	Per Diem	11,540.00
39	Members Mileage	5,500.00
40	Members Expense	2,200.00
41	Staff Mileage and Expense	3,200.00
42	Staff Certification and Training	6,388.00
43	Telephone	8,033.00
45	Insurance	9,891.00
48	Office Supplies	6,452.00
49	Postage	535.00
50	Equipment Purchase	250.00
51	Equipment Rental	2,420.00
52	Publications and Printing	1,500.00
58	Audit	11,139.00
60	Materials and Supply	3,000.00
61	Cons. Ontario Levy	28,618.00
62	Services	5,097.00
70	Rental Expense	85,824.00
73	Vehicle Gas	658.00
74	Accounting Services	1,680.00
78	Internal Chargeback	4,703.00
	<b>Total Expenses</b>	<b>316,963.00</b>
	<b>Net</b>	<b>0</b>

**Budget Notes:**

Other Revenue: Administrative Fee from capital budgets (WECL, Sect 28 Technical, Central Services, Lands Capital, IWM, DWSP)  
Accounting Services: Accounting Software and Professional Support  
Services: Actuarial services, subscriptions, memberships  
Internal Chargeback: Chargebacks for purchased vehicles (\$542) & computers (\$4161) - Tangible Capital Assets.

**DRAFT ONLY.**

**Bus. Unit:** NBMCA Core Program  
**Name:** On-site Sewage Systems Program  
**Account No:** 32-00  
**Summary:** Costs directly related to undertake private sewage sytem approvals, inquiries and investigations per Ontario Building Code Part 8.

<u>Object Code</u>	<u>Revenue/Expense Category</u>	<u>2023 Budget</u>
<b>Revenue:</b>		
06	Fees	1,050,000
03	Grants from Others	9,000
13	Other Revenue	175,780
	<b>Total Revenue</b>	<b>1,234,780</b>
<b>Expense:</b>		
30	Wages and Benefits	983,956
41	Staff Mileage & Expense	3,000
42	Staff Certification & Training	10,000
43	Telephone	16,952
45	Insurance	19,782
47	Repair & Maintenance	10,000
48	Office Supplies	6,752
49	Postage	1,224
50	Equipment Purchase	5,000
51	Equipment Rental	4,493
52	Publications and Printing	500
54	Bank Charges	3,500
56	Credit Card Charges	24,000
58	Audit	4,774
59	Legal Services	1,500
60	Materials and Supplies	4,500
62	Services	20,000
64	Vehicle Lease	3,800
70	Rental Expense	62,450
73	Vehicle Gas	22,050
78	Internal Chargeback	26,547
	<b>Total Expenses</b>	<b>1,234,780</b>
	<b>Net</b>	<b>0</b>

**Budget Notes:**

**Fees:** Based on a reasonable increase in fees to cover costs.  
**Grants from Other:** Grant from City of North Bay (\$9000) for the re-inspection program as required by the City of North Bay Official Plan per the Trout Lake Management Plan.  
**Other Revenue:** Deferred revenue, OSS Program Reserve  
**Rental:** NBMCA Office (\$43,000) and Parry Sound Office is (\$22,000).  
**Internal Chargeback:** Chargebacks for purchased vehicles (\$21652) & computers (\$4895) - Tangible Capital Assets.

**DRAFT ONLY.**

**Bus. Unit:** NBMCA Core Program  
**Name:** Section 28 Regulations  
**Account No:** 34-00

**Summary:** Activities required for undertaking Development, Interference and Alteration Regulations Program

<u>Object Code</u>	<u>Revenue/Expense Category</u>	<u>2023 Budget</u>
<b>Revenue:</b>		
04	General Levy	
06	Fees	62125
	<b>Total Revenue</b>	<b>62,125</b>
<b>Expense:</b>		
30	Wages and Benefits	54,200
42	Staff Certification & Training	1,000
49	Postage	101
60	Materials and Supplies	200
62	Services	800
73	Vehicle Gas	526
78	Internal Chargeback	5,298
	<b>Total Expenses</b>	<b>62,125</b>
	<b>Net</b>	<b>0</b>

**Budget Notes:**

Fees: Based on 2022 permit levels  
Internal Chargeback: Chargebacks for purchased vehicles (\$1626) & computers (\$3672) - Tangible Capital Assets.

**DRAFT ONLY.**

**Bus. Unit:** NBMCA Core Program  
**Name:** Watershed Planning  
**Account No:** 35-00

**Summary:** Planning and Development: application review for natural hazards etc.

<u>Object Code</u>	<u>Revenue/Expense Category</u>	<u>2023 Budget</u>
<b>Revenue:</b>		
01	MNRF Transfer Payment	22,690
04	General Levy	56,748
06	Fees	55,000
13	Other Revenue	
	<b>Total Revenue</b>	<b>134,438</b>
<b>Expense:</b>		
30	Wages and Benefits	123,034
41	Staff mileage and expense	1,862
42	Staff Certification & Training	1,500
60	Materials and Supplies	500
62	Services	7,000
78	Internal Chargeback	542
	<b>Total Expenses</b>	<b>134,438</b>
	<b>Net</b>	<b>0</b>

**Budget Notes:**

Fees: Based on 2022 permit levels  
Internal Chargeback Chargebacks for purchased vehicles (\$542) - Tangible Capital Assets.  
Other revenue: Surplus from 2022: covers fee review plus other

**DRAFT ONLY.**

**Bus. Unit:** NBMCA Core Program (Eligible)  
**Name:** Operation and Maintenance of Flood Control Structures  
**Account No:** 36-00

**Summary:** Activities to operate, repair and maintain dams, weirs, pumps, and operate flood control lands

<u>Object Code</u>	<u>Revenue/Expense Category</u>	<u>2023 Budget</u>
<b>Revenue:</b>		
01	MNR Transfer Payment	44,245
04	General Levy	102,475
	<b>Total Revenue</b>	<b>146,720</b>
<b>Expense:</b>		
30	Wages and Benefits	107,250
44	Taxes	11,880
45	Insurance	19,780
47	Repairs and Maintenance	1,000
60	Materials and Supplies	150
62	Services	300
72	Hydro	1,100
73	Vehicle Gas	3,420
78	Internal Chargeback	1,840
	<b>Total Expenses</b>	<b>146,720</b>
	<b>Net</b>	<b>-</b>

**Budget Notes:**  
Internal Chargeback Chargebacks for purchased vehicles (\$1843) - Tangible Capital Assets.

**DRAFT ONLY.**

**Bus. Unit:** NBMCA Core Program (Eligible)  
**Name:** Erosion Control Maintenance  
**Account No:** 37-00

**Summary:** Activities involving the operation, maintenance and repair of erosion control structures and associated lands

<u>Object Code</u>	<u>Revenue/Expense Category</u>	<u>2023 Budget</u>
<b>Revenue:</b>		
01	MNR Transfer Payment	17,150
04	General Levy	43,497
	<b>Total Revenue</b>	<b>60,647</b>
<b>Expense:</b>		
30	Wages and Benefits	35,137
44	Taxes	6,789
45	Insurance	14,837
60	Materials and Supplies	500
72	Hydro	900
73	Vehicle Gas	1,183
78	Internal Chargeback	1,301
	<b>Total Expenses</b>	<b>60,647</b>
	<b>Net</b>	<b>-</b>

**Budget Notes:**

Internal Chargeback Chargebacks for purchased vehicles (\$1301) - Tangible Capital Assets.

**DRAFT ONLY.**

**Bus. Unit:** NBMCA Core Program (Eligible)  
**Name:** Flood Forecasting  
**Account No:** 38-00

**Summary:** Maintenance, repair and operation of the flood forecasting program of NBMCA

<u>Object Code</u>	<u>Revenue/Expense Category</u>	<u>2023 Budget</u>
<b>Revenue:</b>		
01	MNR Transfer Payment	30,695
04	General Levy	72,364
	<b>Total Revenue</b>	<b>103,059</b>
<b>Expense:</b>		
30	Wages and Benefits	81,007
41	Staff Mileage & Expense	500
42	Staff Certification & Training	2,000
43	Telephone	8,354
47	Repairs and Maintenance	300
60	Materials and Supplies	900
62	Services	4,000
73	Vehicle Gas	1,050
78	Internal Chargeback	4,948
	<b>Total Expenses</b>	<b>103,059</b>
	<b>Net</b>	<b>-</b>

**Budget Notes:**

Internal Chargeback Chargebacks for purchased vehicles (\$542) & computers (\$4406) - Tangible Capital Assets.



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**Bus. Unit:** NBMCA Core Program (Eligible)  
**Name:** Ice Management  
**Account No:** 39-00

**Summary:** Activities involving the monitoring and removal of ice for flood forecasting and prevention.

<u>Object Code</u>	<u>Revenue/Expense Category</u>	<u>2023 Budget</u>
<b>Revenue:</b>		
01	MNR Transfer Payment	2,690
04	General Levy	6,539
13	Other Revenue	4,250
	<b>Total Revenue</b>	<b>13,479</b>
<b>Expense:</b>		
30	Wages and Benefits	5,542
60	Materials and Supplies	600
62	Services	7,337
	<b>Total Expenses</b>	<b>13,479</b>
	<b>Net</b>	<b>- 0</b>

**Budget Notes:** Parks Creek backflood control  
Other Revenue: From 2022 Deferred

**DRAFT ONLY.**

**Bus. Unit:** NBMCA Core Program  
**Name:** Water Quality Monitoring  
**Account No:** 42-00

**Summary:** Activities related to water quality monitoring program.

<u>Object Code</u>	<u>Revenue/Expense Category</u>	<u>2023 Budget</u>
<b>Revenue:</b>		
03	Grants from Others	5,000
04	General Levy	4,997
	<b>Total Revenue</b>	<b>9,997</b>
<b>Expense:</b>		
32	Wages and Benefits	6,467
60	Materials and Supplies	1,500
62	Services	580
73	Vehicle Gas	1,450
	<b>Total Expenses</b>	<b>9,997</b>
	<b>Net</b>	<b>-</b>

**Budget Notes:**  
Other Grant: City of North Bay grant of \$5,000.  
Seasonal: One Technician  
Services: Analysis Expense

**DRAFT ONLY.**

**Bus. Unit:** NBMCA Core Program  
**Name:** Interpretive Centre  
**Account No:** 56-00

**Summary:** Revenue and Expenses associated with ownership, operation and maintenance of Interpretive Centre including Mortgage Loan Interest

<u>Object Code</u>	<u>Revenue/Expense Category</u>	<u>2023 Budget</u>
<b>Revenue:</b>		
09	Property Rental Revenue - Internal	143,622
10	Property Rental Revenue - External	48,785
13	Other Revenue	31,225
	<b>Total Revenue</b>	<b>223,632</b>
<b>Expense:</b>		
30	Wages and Benefits	103,053
45	Insurance	16,815
46	Natural Gas	16,500
47	Repairs and Maintenance	2,000
55	Interest Expense	25,464
60	Materials and Supplies	8,300
62	Services	32,000
71	Water	3,500
72	Hydro	16,000
	<b>Total Expenses</b>	<b>223,632</b>
	<b>Net</b>	<b>-</b>

**Budget Notes:**  
Other Revenue From solar panels (\$6225) and Central Services deferred revenue (\$25,000)  
Interest Expense Mortgage Interest payments (North Bay office building "Intepretive Centre")  
Services HVAC, Security, Elevator Maintenance, Cleaners

**DRAFT ONLY.**

**Bus. Unit:** NBMCA Core Program  
**Name:** Outreach  
**Account No:** 57-00

**Summary:** Revenue and Expenses for Educational Outreach,  
Communications and Community Partnering

<u>Object Code</u>	<u>Revenue/Expense Category</u>	<u>2023 Budget</u>
<b>Revenue:</b>		
03	Grants from Others	90,000
04	General Levy	13,404
06	Fees	1,000
07	Donations	2,000
13	Other Revenue	22,346
	<b>Total Revenue</b>	<b>128,750</b>
<b>Expense:</b>		
30	Wages and Benefits	22,000
41	Staff Mileage and Expense	1,200
53	Advertising	1,050
60	Materials and Supplies	5,100
62	Services	2,000
64	Vehicle Lease	-
66	Consulting Services	95,000
TBD	Awards and Scholarships	2,400
	<b>Total Expenses</b>	<b>128,750</b>
	<b>Net</b>	<b>-</b>

**Budget Notes:**

Grants from Others: Trouirism North Bay, Indigenous Friendship Centre  
Other Revenue: Includes \$16,350 from S.28-DIA capital  
Services: Website consultant, printouts, banners, etc.  
Consulting Services: Miskwaadesi project

**DRAFT ONLY.**

**Bus. Unit:** NBMCA Core Program  
**Name:** Lands and Properties Operations  
**Account No:** 70-00

**Summary:** Revenue and Expenses for activities that maintain, protect, repair facilities and administer to conservation areas and buildings (Authority Owned Lands).

<u>Object Code</u>	<u>Revenue/Expense Category</u>	<u>2023 Budget</u>
<b>Revenue:</b>		
04	General Levy	78,532
05	Special Levy	70,000
07	Donations	1,000
10	Property Rental Revenue - External	21,400
20	Shared Costs	13,000
	<b>Total Revenue</b>	<b>183,932</b>
<b>Expense:</b>		
30	Wages and Benefits	70,373
44	Taxes	15,275
45	Insurance	14,985
47	Repairs and Maintenance	1,500
50	Shared Cost LSHSC	8,313
52	Publications & Printing	2,500
60	Materials and Supplies	13,000
62	Services	48,000
64	Vehicle Lease	3,800
73	Vehicle Gas	4,560
78	Internal Chargeback	1,626
	<b>Total Expenses</b>	<b>183,932</b>
	<b>Net</b>	<b>-</b>

**Budget Notes:**  
Special Levy: City of North Bay levy related to homelessness encampments  
Rental Revenue: Pattison Signs \$19,835  
Arugula Rent \$1,450  
Day Care \$200  
Donations: From Drop Boxes and other Donors  
Shared Costs: From LSHSC (ski hill) for Hydro, Property Taxes, Security  
Services: Homelessness encampment response, Snow removal, Trail Pruning, Memberships  
Internal Chargeback: Chargebacks for purchased vehicles (\$1626) - Tangible Capital Assets.

**DRAFT ONLY.**

**Bus. Unit:** NBMCA Core Program (Eligible)  
**Name:** Source Water Protection  
**Account No:** 83-00

**Summary:** Activities to prepare for implementing source protection planning for the watershed through the Drinking Water Act.

<u>Object Code</u>	<u>Revenue/Expense Category</u>	<u>2023 Budget</u>
<b>Revenue:</b>		
01	MOE Transfer Payment	199,563
	<b>Total Revenue</b>	<b>199,563</b>
<b>Expense:</b>		
30	Wages and Benefits	156,381
38	Per Diem	4,620
39	Members Mileage	1,680
40	Members Expenses	200
41	Staff Mileage & Expense	1,540
43	Telephone	2,892
45	Insurance	2,550
48	Office Supplies	630
49	Postage	255
51	Equipment Rental	503
53	Advertising/Communications	250
58	Audit	765
60	Materials and Supplies	2,352
62	Services	399
67	Admin Overhead	5,588
70	Rental Expense	14,886
73	Vehicle gas	261
78	Internal Chargeback	3,811
	<b>Total Expenses</b>	<b>199,563</b>
	<b>Net</b>	<b>0</b>

**Budget Notes:**

Internal Chargeback Chargebacks for purchased vehicles (\$400) & computers (\$3411)  
- Tangible Capital Assets.

**DRAFT ONLY.**

**Bus. Unit:** NBMCA Capital Project  
**Name:** Lands and Property Capital for Conservation Areas/Trails  
**Account No:** 86-00

**Summary:** Major Maintenance or Capital Expenditures on CA Lands or Properties as Outlined in the Conservation Area Lands and Trails ten year capital forecast.

<u>Object Code</u>	<u>Revenue/Expense Category</u>	<u>2023 Budget</u>
<b>Revenue:</b>		
04	General Levy	131,583
05	Special Levy	149,350
13	Other Revenue	281,039
	<b>Total Revenue</b>	<b>561,972</b>
<b>Expense:</b>		
30	Wages and Benefits	119,300
41	Staff Mileage & Expense	1,200
50	Equipment Purchase	5,000
60	Materials and Supplies	71,776
62	Services	291,036
66	Consulting Services	1,000
67	Administrative Overhead	50,568
73	Vehicle Gas	1,582
78	Internal Chargeback	1,410
	Mortgage Principal	19,100
XX	Other Reserve	
XX	Other Surplus	
	<b>Total Expenses</b>	<b>561,972</b>
	<b>Net</b>	<b>-</b>

**Budget Notes:**

Other Revenue: Deferred Revenue, Surplus 2022, OSS Reserve, Lands Capital Acquisition Reserve  
Material and Supplies: Safety, signage and brochures, Laurier Woods boardwalk repair, culvert replacement  
Consulting Services: Bridge Design/Construction, Forest Management Planning  
Services: Tower deck repair, tower roof shingles, 2 HVAC units, 1 boiler, Kinsmen bridge repair, hazard tree removal.  
Internal Chargeback: Chargebacks for purchased vehicles (\$1410) - Tangible Capital Assets.  
Other Reserve: \$10,000 every year for approx. 900m of Kate Paceway trail  
Other Surplus: \$4,000 every year for 8 years to recover purchase expense for Shields McLaren

**DRAFT ONLY.**

**Bus. Unit:** NBMCA Capital Project  
**Name:** Central Services  
**Account No:** 97-00

**Summary:** Major Maintenance, Capital Expenditures, Upkeep of Authority wide facilities and services that benefit multiple program areas.

<u>Object Code</u>	<u>Revenue/Expense Category</u>	<u>2023 Budget</u>
<b>Revenue:</b>		
04	General Levy	58,967
13	Other Revenue	18,924
	<b>Total Revenue</b>	<b>77,891</b>
<b>Expense:</b>		
30	Wages and Benefits	21,639
50	Equipment Purchase	500
60	Materials and Supplies	13,080
62	Services	5,000
66	Consulting Services	25,000
67	Administrative Overhead	9,000
78	Internal Chargeback	3,672
	<b>Total Expenses</b>	<b>77,891</b>
	<b>Net</b>	<b>- 0</b>

**Budget Notes:**

Other Revenue           Deferred revenue  
Materials and Supplies   Software  
Services                City of North Bay IT services  
Consulting Services      Asset Management Plan

Internal Chargeback      Chargebacks for purchased computers (\$3672) - Tangible Capital Assets.



**DRAFT ONLY.**

**Bus. Unit:** NBMCA Study & Special Projects  
**Name:** Section 28 Technical Project  
**Account No:** 98-00

**Summary:** Preparation of Screening Maps of Regulated Areas (Generic Regulations) to control development, interference with wetlands and alteration to watercourses. This multi year project will result in hydrology delineation study, a comprehensive review of existing mapping and written policies.

<u>Object Code</u>	<u>Revenue/Expense Category</u>	<u>2023 Budget</u>
<b>Revenue:</b>		
01	Transfer Payment	-
04	General Levy	180,714
13	Other Revenue	62,218
	<b>Total Revenue</b>	<b>242,932</b>
<b>Expense:</b>		
30	Wages and Benefits	98,422
41	Staff Mileage and Expense	1,500
42	Staff Certification and Training	2,500
60	Materials and Supplies	2,360
50	Equipment Purchase	4,500
52	Publications and Printing	1,500
62	Services	5,000
66	Consulting Services	100,000
67	Administrative Overhead	27,150
	<b>Total Expenses</b>	<b>242,932</b>
	<b>Net</b>	<b>-</b>

**Budget Notes:**

Transfer Payment: NDMP (MMAH) Intake 6 for the La Vase River floodplain mapping project  
Other Revenue: Deferred Revenue from 2022  
Equipment Purchase: Water level monitoring equipment  
Consulting Services: Consulting Services funding for La Vase River Flood Plain Mapping

**DRAFT ONLY.**

**Bus. Unit:** NBMCA Capital Project  
**Name:** Integrated Watershed Management  
**Account No:** 99-00

**Summary:** Multi Year Implementation of the NBMCA Watershed Strategy  
GIS data management, Monitoring, Watershed Report Card,  
Mattawa flood risk assessment

<u>Object Code</u>	<u>Revenue/Expense Category</u>	<u>2023 Budget</u>
<b>Revenue:</b>		
01	Transfer Payment	30,000
04	General Levy	43,000
05	Special Levy	329,000
13	Other Revenue	49,032
	<b>Total Revenue</b>	<b>451,032</b>
<b>Expense:</b>		
30	Wages and Benefits	265,300
42	Certification and Training	2,000
50	Equipment Purchase	25,000
51	Equipment Rental	4,250
53	Advertising	5,000
60	Materials and Supply	12,600
62	Services	10,500
66	Consulting Services	70,000
67	Administrative Overhead	51,300
78	Internal Chargeback	5,082
	<b>Total Expenses</b>	<b>451,032</b>
	<b>Net</b>	<b>-</b>

**Budget Notes:**

Transfer Payment Anticipated in 2023  
Other Revenue: Deferred Revenue from 2022  
Equipment Purchase: Climate change station support equipment and installation  
Equipment Rental For Field Measurements (Surveying)  
Advertising Workshops, floodplain mapping consultations  
Materials and Supply Data software, water quality testing  
Services Fee review, watershed report card, lab analysis  
Consulting Services Callander floodplain mapping, Peer review of Kaibuskong River floodpain mapping  
Administrative Overhead Chargeback  
Internal Chargeback Chargebacks for purchased vehicles (\$1410) and computers (\$3672) - Tangible Capital Assets.

**DRAFT ONLY.**

**Bus. Unit:** NBMCA Capital Project  
**Name:** WECI Project  
**Account No:** 109-00

**Summary:** Water and Erosion Control Infrastructure projects

<u>Object Code</u>	<u>Revenue/Expense Category</u>	<u>2023 Budget</u>
<b>Revenue:</b>		
01	MNR Transfer Payment	
04	Special Levy	175,100
13	Other Revenue	324,950
	<b>Total Revenue</b>	<b>500,050</b>
<b>Expense:</b>		
30	Wages and Benefits	29,800
47	Repairs and Maintenance	302,000
66	Consulting Services	142,000
67	Administrative Overhead	26,250
	<b>Total Expenses</b>	<b>500,050</b>
	<b>Net</b>	<b>0</b>

**Budget Notes:**

MNR Transfer Payment Application to be submitted to MNRF around early Feb. 2023  
Other Revenue: Deferred Revenue from 2022  
Repairs and Maintenance Oak Street bridge project, Parks Street lighting, Chippewa Creek erosion control  
Consulting Services: Oak Street bridge replacement consultant,  
Parks Creek backflood control capacity upgrade study

**TO:** The Chairperson and Members  
of the Board of Directors,  
North Bay-Mattawa Conservation Authority

**REPORT # 5  
from the NBMCA  
Board meeting held on  
01-25-2023**

**ORIGIN:** Chitra Gowda, Chief Administrative Officer, Secretary Treasurer and  
Helen Cunningham, Manager, Finance and Human Resources

**(background material  
for Executive meeting  
02-03-2023)**

**DATE:** January 25, 2023

**SUBJECT:** Preliminary 2023 Budget Overview

**Background:**

Each year after the third quarter financial reporting is complete, the North Bay-Mattawa Conservation Authority (NBMCA) staff focus on firming up the next year's work programs and the costs associated with implementation. This effort includes looking for program efficiencies and improvements, and evaluates for potential sources of revenue. The result has been a fairly solid estimate of the year over year change in budget expenses for the Board of Directors and the member municipalities. Note that the significant rise in costs, approximately since the COVID-19 pandemic began, must be considered.

If approved by the Board Members, this estimate guides staff in preparing the draft budget for the Executive Committee to review. After review and comment, the Executive Committee will make a recommendation to the Board of Directors to consider at its February 2023 meeting.

This Report provides a preliminary overview of the operating budget. Note that the recent changes to the Conservation Authorities Act result in a categorization of programs and services into:

- **Category 1:** Mandatory programs and services (including plan input and review, Section 28 permits, drinking water source protection)
- **Category 2:** Municipal programs and services (i.e. CA provides on behalf of the municipality)
- **Category 3:** Other programs and services.

For the 2024 year, the development of the annual budget and apportionment will follow O. Reg. 402/22 (which comes into force on July 1, 2023) under the Conservation Authorities Act.

**Analysis:**

The annual budget provides funding support to complete day to day operations, capital projects and special projects such that NBMCA fulfills its mandate as a community-based watershed management organization. Please note the following important points to support discussions at the Executive Committee and Board, towards a final budget for 2023.

**2022 Review:**

- **Wage rate increase:** A pay equity and job rate review was undertaken in 2022 by an external consultant. The resulting increased wage rate (effective July 4, 2022) was approved by the NBMCA Board in June 2022.
- **Mortgage loan status:** The TD Bank mortgage loan on the North Bay administrative office came up for renewal in 2022. It was renegotiated in late June 2022 with an increased, fixed interest

rate of 4.65% per annum, expiring June 22, 2027. Interest payments are approximately \$500 per month higher than with the previous interest rate of 2.59%. The mortgage loan amount has decreased from \$572,994.02 (at the start of 2022) to \$553,741.23 (at the end of 2022).

- Other expenses: The actual insurance cost for 2022 came in at 10.2% higher than what was budgeted for. Vehicle gas, telephone, postage, copier expenses were also higher than budgeted for. This trend is expected to continue into 2023.
- Reductions in expenses: In October 2022, NBMCA Finance Manager was able to move NBMCA's credit card payment processing services from Moneris to Elavon, resulting in a savings of approximately \$500 per month. Staff continue to look for and apply cost savings.

#### Reserve Accounts as of 2022 Year End (Unaudited)

Reserve Account	Amount
NBMCA Lands Capital - Acquisition Reserve	\$76,781
NBMCA Onsite Sewage System Reserve	\$464,461
<b>NBMCA Reserves</b>	<b>\$541,242</b>
Laurentian Snowboarding Club and Ski Hill Operating	\$64,592
Laurentian Snowboarding Club and Ski Hill Capital	\$90,875
<b>Ski Hill Reserves</b>	<b>\$155,467</b>

#### Deferred Revenue, 2022 Deficit & Surplus (Unaudited)

Type	Notes	Amount
Deferred Revenue	For ongoing, multi-year capital projects and operations	\$ 1,014,848
Deficit	Compared to 2022 revenue	\$29,272
Surplus	Priority uses: 2022 deficit (\$29,272) and the 2023 mortgage loan principle (\$19,025)	\$52,134
	<b>Net Total for the 2023 budget</b>	<b>\$1,037,710</b>

#### 2023 View:

- Consumer Price Index: Per Statistics Canada, the Consumer Price Index (CPI) rose 6.8% on an annual average basis in 2022, a 40 year high!
- OMERS Pension Plan: Additional OMERS pension plan costs are included in the preliminary 2023 budget, for all staff as of January 1, 2023 as required by OMERS.
- Other costs: The significant rise in costs (gas, construction, services, transportation, materials, equipment, etc.) is anticipated to continue through 2023. Insurance costs are budgeted to be 10% higher than 2022 actuals.
- Revenue: Staff are exploring innovative ways to increase self generated revenue. Staff also continue to apply for funding opportunities such as: FedNor, NOHFC, ECO, Hydro One, TD Bank, Project Learning Tree, Canada Summer Jobs and Enbridge funds working with our partners including the North Bay Indigenous Friendship Centre and Clean Green Beautiful.

For the draft 2023 budget, levy increase scenarios of 3% and 4% are being explored as outlined in the table below. To determine amounts from levy increases, the same method applied in 2022 was used

for the draft 2023 estimates. The fixed percent increase in the 2022 levy portion was applied to each program area. A special levy is a separate amount paid by a member municipality for a service that benefits that municipal jurisdiction.

NBMCA Program Area	APPROVED 2022 BUDGET		DRAFT 2023 BUDGET SCENARIOS – LEVY PORTION ONLY			
	General Levy	Special Levy	General Levy (3% increase)	Special Levy (3% increase)	General Levy (4% increase)	Special Levy (4% increase)
Administration	\$108,923		\$112,191		\$113,280	
Watershed Planning	\$55,095		\$56,748		\$57,299	
Flood Control	\$99,490		\$102,475		\$103,470	
Erosion Control	\$42,230		\$43,497		\$43,919	
Flood Forecasting	\$70,256		\$72,364		\$73,066	
Ice Management	\$6,349		\$6,539		\$6,603	
Source Water Protection						
On-site Sewage Systems Program						
Section 28 Regulations Operational						
Water Quality	\$4,851		\$4,997		\$5,045	
Interpretive Centre (North Bay main office)						
Lands and Property Operations	\$76,245		\$78,532	\$70,000	\$79,295	\$70,000
Outreach	\$13,014		\$13,404		\$13,535	
Lands and Property Capital	\$127,750	\$145,000	\$131,583	\$149,350	\$132,860	\$150,800
Water Erosion Control Infrastructure (WECl) Capital		\$170,000		\$175,100		\$176,800
Central Services Capital	\$57,250		\$58,968		\$59,540	
Section 28 Technical Capital	\$175,450		\$180,714		\$182,468	
Integrated Watershed Management (IWM) Capital	\$41,500	\$290,000	\$43,000	\$329,000	\$43,160	\$331,600
<b>DRAFT Total (levy related)</b>	<b>\$878,403</b>	<b>\$605,000</b>	<b>\$905,011</b>	<b>\$723,450</b>	<b>\$913,539</b>	<b>\$729,200</b>

The sum of the program areas' individual levies provides the total estimated levy amount; in the table above, it is shown separately for general and special levy totals. Thereafter, the Ministry of Natural Resources and Forestry (MNRF) current value assessment (CVA)-based levy apportionment for 2023 is applied to the total general levy amount. This determines the general levy by member municipality.

The table below shows the estimated municipal levy portion of revenue for 2023, upon applying the MNR CVA based apportionment.

Municipality	% in CA	CVA Based Apportionment Percentage	General Levy (3% increase total \$905,011 multiplied by CVA)	Special Levy (3% increase and NEW*)	General Levy (4% increase total \$913,539 multiplied by CVA)	Special Levy (4% increase and NEW*)
Bonfield	100	3.4402	\$31,135		\$31,428	
Calvin	100	1.2457	\$11,273		\$11,380	
Chisholm	94	1.4676	\$13,282		\$13,407	
East Ferris	83	6.2544	\$56,603		\$57,137	
Mattawa	71	0.9891	\$8,951		\$9,036	
Mattawan	19	0.0626	\$566		\$571	
North Bay	100	79.2088	\$716,849	\$693,450*	\$723,604	\$699,200*
Papineau-Cameron	35	0.8018	\$7,257		\$7,325	
Callander	100	6.4893	\$58,729	\$30,000*	\$59,282	\$30,000*
Powassan	1	0.0405	\$367		\$370	
		<b>Total</b>	<b>\$905,011</b>	<b>\$723,450</b>	<b>\$913,539</b>	<b>\$729,200</b>

\*New: City of North Bay special levy includes \$70,000 to manage homeless encampments. Callander special levy of \$30,000 is for the Lansdowne Creek floodplain mapping project.

The draft 2023 budget for all revenue and expenses estimated is provided below. Revenue sources include: transfer payments from provincial and federal governments, municipal levy, self generated revenue (fees, donations, etc.).

NBMCA Program Area	DRAFT 2023 Budget: All Revenue (with 3% levy increase)	DRAFT 2023 Budget: All Revenue (with 4% levy increase)	DRAFT 2023 Budget: All Estimated Expenses
Administration	\$316,963	\$318,052	\$316,963
Watershed Planning	\$131,438	\$131,989	\$159,437
Flood Control	\$146,720	\$147,715	\$161,787
Erosion Control	\$60,647	\$61,069	\$67,703
Flood Forecasting	\$103,059	\$103,761	\$106,450
Ice Management	\$9,229	\$9,293	\$13,479
Drinking Water Source Protection (DWSP)	\$199,563	\$199,563	\$199,563
On-site Sewage Systems Program (OSS)*	\$1,223,780	\$1,223,780	\$1,223,780
Section 28 Regulations Operations	\$60,000	\$60,000	\$70,951
Water Quality	\$9,997	\$10,045	\$11,221
Interpretive Centre (North Bay main office)	\$198,632	\$198,632	\$229,209
Lands and Property Operations	\$183,932	\$184,695	\$213,889
Outreach	\$111,704	\$111,835	\$146,543
Lands and Property Capital**	\$280,933	\$283,660	\$542,934
Water Erosion Control Infrastructure (WECI) Capital***	\$175,100	\$176,800	\$496,711
Central Services Capital	\$58,968	\$59,540	\$77,891
Section 28 Technical Capital	\$278,214	\$279,968	\$307,929
Integrated Watershed Management (IWM) Capital	\$402,000	\$404,760	\$431,750
<b>Total</b>	<b>\$3,950,878</b>	<b>\$3,965,156</b>	<b>\$4,778,192</b>
Laurentian Ski Hill Capital Asset	\$65,000	\$65,000	\$65,000
Laurentian Ski Hill Operating Fund	\$60,000	\$60,000	\$60,000

\*Revenue includes OSS program 2022 surplus and a portion of the reserve

\*\*Expenses include major, critical infrastructure repairs to the North Bay main office

\*\*\*Revenue does not include WECI provincial transfer payment (applications are submitted in February 2023)

Similar to 2022, the deferred revenue, surplus and reserve amounts (net: \$1,037,710) would need to be relied upon to help cover the estimated expenses for day to day operations and projects. In the long range, the use of these amounts are not a sustainable approach. Staff will further review expenses in discussion with the Executive Committee, while ensuring the continued compliance with legislated programs and services.



**Recommendation:**

It is recommended that staff prepare a draft 2023 Budget for consideration by the Executive Committee and Board of Directors guided generally by the discussions outlined in this staff report.

**Recommended Resolution:**

**THAT** the members receive and accept the member's Report and that it be appended to the minutes of the meeting;

**AND THAT** staff prepare a draft 2023 Budget for consideration by the Executive Committee and Board of Directors guided by the discussions outlined.

*Chitra Gowda*

**Chitra Gowda**

Chief Administrative Officer, Secretary Treasurer

*Helen Cunningham*

**Helen Cunningham**

Manager, Finance and Human Resources