

**FULL AUTHORITY MEETING
ON-LINE VIDEO CONFERENCE**

**Friday, May 21, 2021
9:30 A.M.**

A G E N D A

CALL TO ORDER – ROLL CALL

The Niagara Peninsula Watershed is located on the traditional territory of Indigenous peoples dating back countless generations. We want to show our respect for their contributions and recognize the role of treaty-making in what is now Ontario.

1. APPROVAL OF AGENDA

2. DECLARATIONS OF CONFLICT OF INTEREST

3. APPROVAL OF MINUTES

- a) Minutes of the Full Authority Meeting dated April 16, 2021 (For Approval)

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- b) Minutes of the Full Authority Closed Session Meeting dated April 16, 2021 (enclosed separately to remain private and confidential) (For Approval)

4. CORRESPONDENCE

- a) Conservation Ontario Council Report dated March 29, 2021 RE: Proposed Conservation Ontario Governance Accountability and Transparency Initiative and Endorsement of Steering Committee Representatives (For Receipt)

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- b) Correspondence dated April 23, 2021 from Town of Pelham RE: Motions and Notice of Motions re: Request for Erosion Mitigation – Headwaters of Twelve Mile Creek (For Receipt)

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- c) Correspondence dated April 27, 2021 from Town of Fort Erie to the Honourable Doug Ford, Premier of Ontario RE: Province Investigating and Updating Source Water Protection Legislation (For Receipt)

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- d) Correspondence dated April 30, 2021 from Jim Bradley, Chair Niagara Region to the Honourable Caroline Mulroney, Minister of Transportation (Ontario) and the Honourable Omar Alghabra, Minister of Transport RE: Surplus Lands in Niagara-on-the-Lake, Ontario (For Receipt)

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5. PRESENTATIONS

- a) Presentation by Scott Plugers, KPMG RE: Financial Statements and Audit Findings [Corresponds to Item 9.1.3 Report No. FA-31-21 RE: 2020 Audited Financial Statements & Audit Findings Report (For Approval)]
- b) Presentation by C.A.O. Chandra Sharma RE: Bill 229 Conservation Authorities Act Update on Regulatory Proposal Consultation Guide – presentation material to be provided under separate cover (For Receipt)

6. DELEGATIONS

7. CONSENT ITEMS

- a) Report No. FA-29-2021 RE: 2020 Year End Status Report of the NPCA-Ontario Power Generation Welland River Watershed Account Memorandum of Understanding (For Receipt)
- b) Report No. FA-35-2021 RE: Hamilton – Binbrook Capital Funding Plan – Update (For Receipt)

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8. DISCUSSION ITEMS

- a) Report No. FA-28-2021 RE: Niagara Peninsula Conservation Authority (NPCA) Officer Appointments (For Approval)
- b) Report No. FA-34-2021 RE: Natural Resources Canada 2 Billion Trees Request for Information (RFI) Submission (For Approval)

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9. COMMITTEE REPORTS

9.1 FINANCE COMMITTEE

- 9.1.1 Minutes of the Finance Committee Meeting dated April 28, 2021 (For Receipt)
- 9.1.2 Report No. FA-30-21 RE: 2021 Operating and Capital Budgets – FINAL (For Approval)
- 9.1.3 Report No. FA-31-21 RE: 2020 Audited Financial Statements & Audit Findings Report (For Approval)
- 9.1.4 Report No. FA-32-21 RE: Financial Report – Q4 – 2020 (For Approval)
- 9.1.5 Report No. FA-33-21 RE: Financial Report – Q1 – 2021 (For Approval)

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9.2 PUBLIC ADVISORY COMMITTEE

9.2.1 Minutes of the Public Advisory Committee Meeting dated April 29, 2021
(For Receipt)

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10. NOTICES OF MOTION

11. MOTIONS

12. NEW BUSINESS

a) Verbal Update from the C.A.O.

13. CLOSED SESSION

14. ADJOURNMENT

**FULL AUTHORITY
ONLINE VIDEO CONFERENCE
MEETING MINUTES
Friday, April 16, 2021
9:45 a.m.**

NOTE: The archived recorded meeting is available on the NPCA website. The recorded video of the Full Authority meeting is not considered the official record of that meeting. The official record of the Full Authority meeting shall consist solely of the Minutes approved by the Full Authority Board. *NPCA Administrative By-law*

MEMBERS PRESENT: B. Johnson (Chair)
S. Beattie
R. Brady
B. Clark (departed 11:52 a.m.)
D. Coon-Petersen
D. Cridland
L. Feor
R. Foster
J. Hellinga
D. Huson
J. Ingrao
K. Kwall
B. Mackenzie
J. Metcalfe
W. Rapley
E. Smith
B. Steele
M. Woodhouse
B. Wright

MEMBERS ABSENT: R. Shirton

OTHERS: G. Ford, Program Coordinator, Niagara Coastal Community Collaborative

STAFF PRESENT: C. Sharma, C.A.O. / Secretary – Treasurer
G. Bivol, Clerk
R. Bisson, Manager, Communications and Public Relations
A. Christie, Director, Operations and Strategic Initiatives
J. Culp, Supervisor, Permits and Compliance
D. Deluce, Senior Manager, Planning and Regulations
M. Ferrusi, Manager, Human Resources
L. Gagnon, Director, Corporate Services
N. Green, Project Manager, Strategic Plan
S. Mastroianni, Manager, Planning and Development
S. Miller, Senior Manager, Water Resources
A. Powell, Manager, Conservation Area Services
G. Shaule, Administrative Assistant
G. Verkade, Senior Manager, Integrated Watershed Planning / Information Management

The Chair called the meeting to order at 9:45 a.m.

1. APPROVAL OF AGENDA

Resolution No. FA-61-2021

Moved by Member Feor

Seconded by Member Foster

1. **THAT** the agenda **BE AMENDED TO** include the addition of a closed session in respect of a proposed or pending acquisition of land.

2. **AND THAT** the Full Authority Agenda dated April 16, 2021 **BE APPROVED** as amended.
CARRIED

2. DECLARATIONS OF CONFLICT OF INTEREST

None declared.

3. APPROVAL OF MINUTES

a) Minutes of the Full Authority meeting dated March 19, 2021

b) Minutes of the Full Authority Closed Session Meeting dated March 19, 2021 (enclosed separately to remain private and confidential)

c) Minutes of the Special Full Authority Meeting dated March 30, 2021

Resolution No. FA-62-2021

Moved by Member Hellinga

Seconded by Member Huson

THAT the minutes of the following meetings **BE ADOPTED** as presented:

- Minutes of the Full Authority Meeting dated March 19, 2021;
- Minutes of the Full Authority Closed Session Meeting dated March 19, 2021 (to remain private and confidential); and
- Minutes of the Special Full Authority Meeting dated March 30, 2021.

CARRIED

4. CORRESPONDENCE

a) Correspondence dated January 28, 2021 from Conservation Ontario to the Provincial Planning Policy Branch RE: Conservation Ontario's Comments on the "Proposed implementation of provisions in the Planning Act that provide the Minister enhanced authority to address certain matters as part of a zoning order" (ERO #019-2811)

Resolution No. FA-63-2021

Moved by Member Kawall

Seconded by Member Mackenzie

THAT the correspondence dated January 28, 2021 from Conservation Ontario to the Provincial Planning Policy Branch RE: Conservation Ontario's Comments on the "Proposed

implementation of provisions in the Planning Act that provide the Minister enhanced authority to address certain matters as part of a zoning order” (ERO #019-2811) **BE RECEIVED.**

CARRIED

- b) Correspondence dated March 25, 2021 from Conservation Ontario to MMAH RE: Conservation Ontario’s Comments on “Proposed changes to Minister’s zoning orders and the Planning Act” (ERO #019-3233)

Resolution No. FA-64-2021

Moved by Member Metcalfe

Seconded by Member Rapley

THAT the correspondence dated March 25, 2021 from Conservation Ontario to MMAH RE: Conservation Ontario’s Comments on “Proposed changes to Minister’s zoning orders and the Planning Act” (ERO #019-3233) **BE RECEIVED.**

CARRIED

- c) Correspondence dated March 30, 2021 from Conservation Ontario to MNRF RE: Conservation Ontario’s Comments on the proposal to “Amend Public Lands Act Ontario Regulation 239/13 to remove the 10-day registry waiting period for existing shore land erosion control structures” Regulatory Registry Posting (21-MNRF008)

Resolution No. FA-65-2021

Moved by Member Steele

Seconded by Member Smith

THAT the correspondence dated March 30, 2021 from Conservation Ontario to MNRF RE: Conservation Ontario’s Comments on the proposal to “Amend Public Lands Act Ontario Regulation 239/13 to remove the 10-day registry waiting period for existing shore land erosion control structures” Regulatory Registry Posting (21-MNRF008) **BE RECEIVED.**

CARRIED

5. PRESENTATIONS

- a) Presentation by Steve Miller, Senior Manager, Water Resources RE: NPCA Flood Forecasting and Warning Program Overview - Members posed questions and discussion ensued.

Resolution No. FA-66-2021

Moved by Member Wright

Seconded by Member Woodhouse

THAT the PowerPoint presentation by S. Miller, Senior Manager, Water Resources RE: NPCA Flood Forecasting and Warning Program Overview **BE RECEIVED.**

CARRIED

6. DELEGATIONS

None.

7. CONSENT ITEMS

- a) Report No. FA-26-21 RE: Compliance Quarterly Statistics - Vice Chair Mackenzie assumed the chair. D. Deluce, Senior Manager, Planning and Regulations and J. Culp, Supervisor, Permits and Compliance provided comments. Discussion ensued.

Resolution No. FA-67-2021

Moved by Member Brady

Seconded by Member Clark

THAT Report No. FA-26-21 RE: Compliance Quarterly Statistics **BE RECEIVED**.

CARRIED

- b) Report No. FA-24-21 RE: NPCA Response and Actions RE: Auditor General Recommendation No. 9 - D. Deluce, Senior Manager, Planning and Regulations and C. Sharma, Chief Administrative Officer provided comments. Members posed questions and discussion ensued.

Resolution No. FA-68-2021

Moved by Member Ingrao

Seconded by Member Kawall

THAT Report No. FA-24-21 RE: NPCA Response and Actions RE: Auditor General Recommendation 9 **BE RECEIVED**.

CARRIED

8. DISCUSSION ITEMS

- a) Report No. FA-22-21 RE: Niagara Coastal Community Collaborative Partnership MOA - G. Verkade, Senior Manager, Integrated Watershed Planning/Information Management and G. Ford, Program Coordinator, Niagara Coastal Community Collaborative provided comments.

Resolution No. FA-69-2021

Moved by Member Feor

Seconded by Member Woodhouse

1. **THAT** Report No. FA-22-21 RE: Niagara Coastal Community Collaborative Partnership MOA **BE RECEIVED**.

2. **AND FURTHER THAT** staff **BE AUTHORIZED** to enter into a Memorandum of Agreement (MOA) with the Niagara Coastal Community Collaborative.

CARRIED

- b) Report No. F27-21 RE: NPCA Section 28 Regulation Mapping Update - D. Deluce, Senior Manager, Planning and Regulations commented.

Resolution No. FA-70-2021

Moved by Member Huson

Seconded by Member Wright

1. **THAT** Report No. FA-27-21 RE: Section 28 Regulation mapping base **BE RECEIVED**.

2. **THAT** the updated to Section 28 Regulation mapping **BE CARRIED OUT** in a phased approach based on most current information available on regulated natural hazard features.

3. **THAT** the NPCA's member municipalities and other stakeholders **BE CONSULTED** during the update process.

4. **THAT** staff **REPORT** back to seek Board endorsement on Phase 1 updated mapping and Phase 2 workplan.

CARRIED

- c) Report No. FA-25-21 RE: Expanding the Greenbelt Proposal – NPCA Comments - D. Deluce, Senior Manager, Planning and Regulations presented.

Resolution No. FA-71-2021

Moved by Member Beattie

Seconded by Member Rapley

1. **THAT** Report No. FA-25-21 RE: Expanding the Greenbelt Proposal – NPCA Comments **BE RECEIVED**.
2. **THAT** staff **BE AUTHORIZED** to provide the NPCA's comments on the Expanding the Greenbelt Proposal to the Environmental Registry of Ontario and partner municipalities in Welland River and Twenty Mile Creek watershed **BE ADVISED**.

CARRIED

9. COMMITTEE ITEMS

9.1 GOVERNANCE COMMITTEE

9.1.1 Minutes of the Governance Committee Meeting dated March 11, 2021

Resolution No. FA-72-2021

Moved by Member Steele

Seconded by Member Wright

THAT the minutes of the Governance Committee meeting dated March 11, 2021 **BE RECEIVED**.

CARRIED

9.1.2 Report No. FA-21-21 RE: Integrity Commissioner Services

Resolution No. FA-73-2021

Moved by Member Clark

Seconded by Member Huson

1. **THAT** Report No. FA-21-21 RE: Integrity Commissioner Services **BE RECEIVED**.
2. **THAT** staff **BE AUTHORIZED** to execute agreements, as appropriate, to obtain Integrity Commissioner Services for the NPCA.

CARRIED

9.1.3 Report No. FA-23-21 RE: Governance Committee – 2021 Work Plan

Resolution No. FA-74-2021

Moved by Member Feor

Seconded by Member Beattie

1. **THAT** Report No. FA-23-21 RE: Governance Committee – 2021 Work Plan **BE RECEIVED**.
2. **THAT** the Governance Committee - 2021 Work Plan attached as Appendix 1 **BE APPROVED**.

CARRIED

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9.2 STRATEGIC PLANNING COMMITTEE

9.2.1 Minutes of the Strategic Planning Committee Meeting dated March 19, 2021

Resolution No. FA-75-2021

Moved by Member Wright

Seconded by Member Ingrao

THAT Minutes of the Strategic Planning Committee Meeting dated March 19, 2021 **BE RECEIVED.**

CARRIED

10. NOTICES OF MOTION

None.

11. MOTIONS

Motion RE: Enhancing Trails in the NPCA Watershed - Chair Johnson resumed the chair as Vice Chair Mackenzie introduced the following motion. Discussion ensued.

Resolution No. FA-76-2021

Moved by Member Mackenzie

Seconded by Member Huson

WHEREAS the public has shown a strong desire and need to be out in nature in the NPCA watershed and across Ontario and it has been demonstrated that being in nature benefits our physical and mental health;

WHEREAS the Province and the Region of Niagara have identified that the population of Niagara is expected to grow by 226,000, or 50% by 2051;

WHEREAS the popularity of the present community-connecting trails like the Friendship Trail, Niagara River Waterfront Trail, Seaway Canal Trail, Dofasco Trail and the Gord Harry Trail is well documented;

WHEREAS there are a large number of unopened road allowances and abandoned rail lines and other possible corridors that are presently not accessible to the public that have the capability of making physical connections between the municipalities in Niagara and with Hamilton and Haldimand County;

WHEREAS Conservation Authorities including the NPCA have been shown to be agencies that can plan for and develop trails throughout their watersheds;

NOW, THEREFORE BE IT RESOLVED:

1. **THAT** NPCA, being the agency with 2,845 ha of public land connecting Niagara, Hamilton and Haldimand, **CONVENE** a forum to bring agencies and municipalities in its watershed together to facilitate planning and development of an inter-jurisdictional trails network connecting municipalities, neighbourhood, employment areas, and nature destinations.

2. **THAT** NPCA municipalities **BE ENCOURAGED** to adopt, through official plan updates, expanded trail networks using publicly owned corridors, abandoned rails lines, and other opportunities.
3. **THAT** NPCA staff **EXPLORE** formal partnership opportunities with municipalities to map, built, and enhance trail connections.
4. **AND FURTHER THAT** a copy of this motion **BE CIRCULATED** to the local and regional municipalities within NPCA's jurisdiction.

CARRIED

12. NEW BUSINESS

- a) Chief Administrative Officer Chandra Sharma provided a verbal update to the Board on the progress of the strategic plan and the recent implementation of the new NPCA parks reservation system. Discussion ensued with respect parks accessibility designations on the NPCA website.
- b) Vice Chair Mackenzie provided a verbal update on the recent Conservation Ontario meeting.
- c) Member Foster updated the Board as to the Annual General Meeting for the Niagara Peninsula Conservation Foundation on April 8, 2021.

Resolution No. FA-77-2021

Moved by Member Ingrao Kwall

Seconded by Member Wright

THAT the verbal updates from C.A.O. Sharma, Vice Chair Mackenzie and Member Foster **BE RECEIVED**.

CARRIED

13. CLOSED SESSION

- a) Proposed or Pending Acquisition or Disposition of Land by the NPCA

Resolution No. FA-78-2021

Moved by Member Metcalfe

Seconded by Member Smith

THAT the meeting of the Board of Directors of the Niagara Peninsula Conservation Authority **CONVENE** in closed session at 11:56 a.m. in accordance with Section 10.1 c) of the NPCA Administrative By-law for discussion on a proposed or pending acquisition of land.

CARRIED

Resolution No. FA-79-2021

Moved by Member Beatty

Seconded by Member Smith

THAT the meeting **RECONVENE** in open session at 12:26 p.m..

CARRIED

Resolution No. FA-80-2021

Moved by Member Cridland

Seconded by Member Metcalfe

1. **THAT** the Board **APPROVES** acquisition of the property legally described as Part of Lot 14, Concession 1 Wainfleet as In RO602739; Save & Except Parts 1, 2, 3, 5, 6 And 7, 59R-9702, RO353180, Parts 1, 2, 3 & 4, 59R-11985 and Part 1, 59R-16160 and Parts 1 and 2 59R16773; Township Of Wainfleet from its current owner in accordance with the terms and conditions outlined in Agreement of Purchase and Sale as per verbal report of the Chief Administrative Officer, dated April 16th 2021.
2. **AND FURTHER THAT** the Chief Administrative Officer **BE AUTHORIZED** to execute all such documents on behalf of NPCA as may be required to complete the property acquisition in accordance with the terms and conditions of the Agreement of Purchase and Sale.

CARRIED

Recorded Vote:	Yea	Nay
Brenda Johnson (Chair)	X	
Stewart Beattie	X	
Rick Brady	X	
Deborah Coon-Petersen	X	
Donna Cridland	X	
Leah Feor	X	
Rob Foster	X	
Jack Hellinga	X	
Diana Huson	X	
John Ingrao	X	
Ken Kawall	X	
Bruce Mackenzie (Vice Chair)	X	
John Metcalfe	X	
Bill Rapley	X	
Ed Smith	X	
Bill Steele	X	
Mal Woodhouse	X	
Brian Wright	X	

14. ADJOURNMENT

Resolution No. FA-81-2021

Moved by Member Huson

Seconded by Member Woodhouse

THAT the Full Authority Meeting **BE ADJOURNED** at 12:32 p.m..

CARRIED

Brenda Johnson, Chair
Niagara Peninsula Conservation Authority

Chandra Sharma, MCIP, RPP
Chief Administrative Officer / Secretary-
Treasurer,
Niagara Peninsula Conservation Authority



Conservation Ontario Council Report

From: Kim Gavine, General Manager and Bonnie Fox, Policy and Planning Manager

Date: March 29, 2020

Subject: Proposed Conservation Ontario Governance Accountability and Transparency Initiative and Endorsement of Steering Committee Representatives

Summary

Recent amendments to the *Conservation Authorities Act* include a number that relate to governance (see Attachment 1) in support of a provincial government commitment to improving CA accountability and transparency. On behalf of the collective CAs, Conservation Ontario has been communicating our commitment to accountability and transparency over the past several years and all CAs updated their administrative bylaws by December 2018. A CO Governance Accountability and Transparency Initiative is outlined for endorsement and includes the following three actions to demonstrate CA commitment in this regard: a) Updates to CA Administrative By-laws, b) Proactive Reporting on Priorities, and c) Promotion/Demonstration of Results (see Attachment 2). Individual CA resolutions in support of the three actions identified are also requested (see Attachment 3). To deliver on these actions and to advise CO staff, it is proposed a Steering Committee be established comprised of CAOs who volunteered to participate in development of this concept which was discussed at a General Managers Meeting on February 26, 2021.

Recommendation

- i) ***WHEREAS the provincial government has passed legislative amendments related to the governance of Conservation Authorities;***
- AND WHEREAS the Conservation Authorities remain committed to fulfilling accountable and transparent governance;***
- THEREFORE BE IT RESOLVED THAT Conservation Ontario Council endorse the Governance Accountability and Transparency Initiative and that the resolution be sent to the Minister of Environment, Conservation and Parks;***
- AND THAT Conservation Ontario Council request that all Conservation Authorities endorse a commitment to pursue governance accountability and transparency measures;***
- ii) ***THAT Angela Coleman (SNC), Chandra Sharma (NPCA), Jennifer Stephens (SVCA), Kim Gavine (CO), Linda Laliberte (GRCA), Lisa Burnside (HCA), Phil Beard (MVC), and Rhonda Bateman (LTC)***

Background

Conservation Ontario and the conservation authorities share the Provincial government's commitment to governance accountability and transparency. All conservation authorities approved their new Administrative By-Laws by December 2018 in compliance with the December 2017 amendments to the *Conservation Authorities Act*. The legislated deadline was achieved with funding support from the Ministry of Natural Resources and Forestry in 2017-2018, which enabled development and endorsement of the *Conservation Authority Best Management Practices (BMP) and Administrative By-Law Model* (Conservation Ontario, April 2018 as amended) document which includes Code of Conduct and Conflict of Interest policies. Despite these efforts, the Province continues to emphasize the importance of governance accountability and transparency and amendments were made to the *Conservation Authorities Act* through Schedule 6 of Bill 229 which received Royal Assent on December 8, 2020.

On February 2, 2021 a number of these clauses related to Conservation Authority governance were proclaimed and there have been a number of General Manager meetings (February 10, 26, and March 22) where actions on these clauses have been discussed. As outlined in the table in Attachment 1, the Required Actions and the BMP actions, in general, demonstrate accountability and transparency to the Province through compliance with the legislation, and of course to municipalities and the public in their implementation. An outcome of the February 26th meeting was to form a Steering Committee for the development of a Governance Accountability and Transparency Initiative. This Steering Committee met on Friday, March 19th and also advised on a draft of this Council report.

Current Status

i) Proposed CO Governance Accountability and Transparency Initiative

The Steering Committee has drafted a proposed CO Governance Accountability and Transparency Initiative that includes the following three actions to demonstrate CA commitment to Governance Accountability and Transparency: a) Updates to CA Administrative By-laws, b) Proactive Reporting on Priorities, and c) Promotion/Demonstration of Results. The full details of the "Governance Accountability and Transparency Initiative" are provided in Attachment 2 for ease of endorsement.

Demonstrating our commitment to Governance Accountability and Transparency enables conservation authorities to control the narrative that has been attributed to conservation authorities in general for the past several years. We heard it expressed as a 'problem' in the *Conservation Authorities Act* review undertaken in 2015-2018 and again in the more recent review. Ideally, Conservation Ontario would like to promote that all 36 CAs have supported the resolution in Attachment 3. It is noted that the General Managers have already been participating in the spirit of the Initiative through their willingness to participate in reporting on their progress with regard to the new governance legislative requirements.

ii) Conservation Ontario Governance Accountability and Transparency Initiative Steering Committee

It is proposed that the governance accountability and transparency initiative activities will be supported through leadership from a CO Governance Accountability and Transparency Initiative Steering Committee and support from CO staff to ensure effective implementation. The Steering Committee members identified in Recommendation ii) of this report have confirmed their ability to participate.

Conclusion

In order to best position Conservation Ontario and conservation authorities to address suggestions that our organizations are not accountable or transparent, Conservation Ontario proposes that Council endorse the following:

- CO Governance Accountability and Transparency Initiative, including its three proposed action areas (see Attachment 2);
- CAs passing resolutions (see Attachment 3); and,
- Membership of the Conservation Ontario Governance Accountability and Transparency Initiative Steering Committee.

April 23, 2021

Niagara Peninsula Conservation Authority
West, 250 Thorold Rd 3rd Floor
Welland, ON L3C 3W2
csharma@npca.ca

Dear Ms. Sharma,

Motions and Notice of Motions re: Request for Erosion Mitigation – Headwaters of Twelve Mile Creek

Please be advised that at their regular meeting of April 19, 2021 Council of the Town of Pelham passed the following:

WHEREAS an erosion condition present at the Headwaters of the Twelve Mile Creek has been deemed critical by experts in fish and fish habitat;

AND WHEREAS there is significant potential for increased damage to said Headwaters as a result of heavy rains;

AND WHEREAS Council for the Town of Pelham is desirous to expeditiously move forward to find solutions to resolve this erosion problem;

AND WHEREAS the Treasurer for the Town of Pelham has provided assurance that funds are available in the Roads Reserve in the amount of \$60,000 to \$70,000, being an estimated cost to remediate erosion problems;

NOW THEREFORE BE IT RESOLVED that Council direct staff to issue a Request for Proposals to undertake a Design/Build initiative to determine an optimal solution to identify, remediate and resolve the erosion problems at the Headwaters of the Twelve Mile Creek, immediately north of Regional Road 20 (Highway 20);

AND THAT as the Town moves forward with said repairs, Staff be further directed to contact the Regional Municipality of Niagara, Upper Canada Consultants, Trout Unlimited and the Niagara Peninsula Conservation Authority to seek contributions toward the cost of said repairs, in consideration of the paramount environmental significance of the erosion;

AND THAT Staff provide regular update reports to Council on the project.

We respectfully requests your organization to partner with us and consider our request t financially contribute towards the cost of the said repairs. We look forward to hearing from you in this regard.

If you require any further information, please contact the undersigned.

Yours very truly,



Holly Willford, BA
Acting Town Clerk

cc. Jason Marr, Director of Public Works



Community Services

Legislative Services

April 27, 2021

File #120203

Sent via email: premier@ontario.ca

The Honourable Doug Ford, Premier of Ontario
Legislative Building
Queen's Park
Toronto, ON M7A 1A1

Honourable and Dear Sir:

Re: Province Investigating and Updating Source Water Protection Legislation

Please be advised the Municipal Council of the Town of Fort Erie at its meeting of April 26, 2021 passed the following resolution:

Whereas the Municipal Council of the Town of Fort Erie passed a resolution on October 21st, 2019 identifying that 1,100 private water wells were in operation in the Town of Fort Erie, of which 75% were used for domestic purposes including human and livestock consumption, and

Whereas the Municipal Council of the Town of Fort Erie further identified in that resolution that Council requires the protection of water in the aquifer supplying water to those wells from contamination as the result of any remediation of Pit One owned by the Port Colborne Quarries in the City of Port Colborne, and further

Whereas Report No. PDS-23-2021, approved by Council on March 22, 2021, identified that while the Niagara Peninsula Conservation Authority, The Regional Municipality of Niagara and Local Area Municipalities work together to protect source water, these plans do not generally apply to private servicing, and

Whereas Report No. PDS-23-2021 further identified efforts undertaken by the Town of Fort Erie through available provincial planning policy, regulation and legislation to protect source water within the Town of Fort Erie without any explicit ability to designate source water protection for private services, and

Whereas on July 28, 2010, through Resolution 64/292, the United Nations General Assembly explicitly recognized the human right to water and sanitation and acknowledged that clean drinking water and sanitation are essential to the realization of all human rights, and

.../2

Mailing Address:

The Corporation of the Town of Fort Erie
1 Municipal Centre Drive, Fort Erie ON L2A 2S6

Office Hours 8:30 a.m. to 5:00 p.m. Phone: (905) 871-1600 FAX: (905) 871-4022

Web-site: www.forterie.ca

Whereas it would be desirable to ensure that those in our community who rely on wells and other private servicing for clean drinking water are afforded the same source water protection as municipal drinking water systems;

Now therefore it be resolved,

That: The Municipal Council of the Town of Fort Erie recognizes and acknowledges that clean drinking water and sanitation are basic human rights and essential to the realization of all human rights, and further

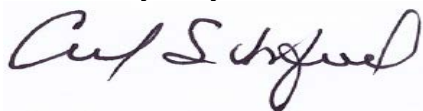
That: The Municipal Council of the Town of Fort Erie requests that the Ministry of Environment, Conservation and Parks consider legislative changes that would permit the expansion of source water protection to aquifers and private services, and further

That: This resolution be circulated to The Honourable Doug Ford, Premier of Ontario, the Honourable Jeff Yurek, Minister of the Environment, Conservation and Parks, Wayne Gates, MPP Niagara Falls, Jeff Burch, MPP Niagara Centre, Jennifer Stevens, MPP St. Catharines and Sam Oosterhoff, MPP Niagara West, and further

That: This resolution be circulated to all Conservation Authorities and Municipalities in Ontario for their endorsement and support.

Thank you for your attention to this matter.

Yours very truly,



Carol Schofield, Dipl.M.A.
Manager, Legislative Services/Clerk

cschofield@forterie.ca

CS:dlk

C.C.

The Honourable Jeff Yurek, Minister of Environment, Conservation and Parks jeff.yurekco@pc.ola.org

Jeff Burch, MPP, Niagara Centre jburch-gp@ndp.on.ca

Sam Oosterhoff, MPP, Niagara West sam.oosterhoff@pc.ola.org

Jennifer Stevens, MPP, St. Catharines JStevens-co@ndp.on.ca

Wayne Gates, MPP, Niagara Falls wgates-co@ndp.on.ca

Ontario Conservation and all Ontario Conservation Authorities: kgavine@conservationontario.ca; bhomer@abca.ca; kfurlanetto@crca.ca; generalmanager@catfishcreek.ca; @cloca.com; mvytyvtskyv@hrca.on.ca; deb.martindowns@cvc.ca; tim.pidduck@croweallevy.com; tbyrne@erca.org; llaliberte@grca.on.ca; karmstrong@grandriver.ca; t.lanthier@greysauble.on.ca; Lisa.Burnside@conservationhamilton.ca; mmaichrowski@kawarthaconservation.com; elizabeth@kettlecreekconservation.on.ca; cullen@lsrca.on.ca; tammy@lakeheadca.com; jmaxwell@lprca.on.ca; mark.peacock@ltvca.ca; kelly.vandette@ltc.on.ca; beard@mvca.on.ca; David.Vallier@mattagamiregion.ca; smcintyre@mvc.on.ca; csharma@npca.ca; carl.jorgensen@conservationsudbury.ca; brian.tayler@nbmca.ca; dhevenor@nvca.on.ca; dlandry@otonabeeconservation.com; bmcnevin@quinteconservation.ca; richard.pilon@rrca.on.ca; sommer.casgrain-robertson@rvca.ca; j.stephens@svca.on.ca; cbarrett@ssmrca.ca; acoleman@nation.on.ca; bmcdougall@scrca.on.ca; John.MacKenzie@trca.ca; annett@thamesriver.on.ca

Ontario Municipalities



Office of the Regional Chair | Jim Bradley

1815 Sir Isaac Brock Way, PO Box 1042 Thorold, ON L2V 4T7

Telephone: 905-980-6000 ext. 3634 Toll-free: 1-800-263-7215 Fax: 905-685-6243

Email: jim.bradley@niagararegion.ca

www.niagararegion.ca

April 30, 2021

Honourable Caroline Mulroney
Minister of Transportation
5th Floor, 777 Bay Street
Toronto, ON M7A 1Z8

Sent by e-mail

Dear Minister Mulroney,

RE: Vacant MTO Lands in Niagara-on-the-Lake

On behalf of Niagara Region Council, I want to extend my gratitude to the Ontario Ministry of Transportation (MTO) for their participation in the Glendale District Planning process. The Glendale District will soon be home to Ontario's first diverging diamond interchange.

The Glendale District is a strategic growth area designed to accommodate a significant amount of Niagara's growth over the next 30 years.

Niagara Region Council has prioritized the establishment of healthy and vibrant communities that foster a high quality of life through safe, healthy, and inclusive neighbourhoods. To this end, I am reaching out to share the Region's vision for the establishment of an Eco Park in the Glendale District of Niagara-on-the-Lake.

The District envisions a passive Eco Park that will provide natural space for Niagara's growing population. The park will enhance existing natural environment features located on lands adjacent to the Welland Canal and Queen Elizabeth Way. A portion of the Eco Park site identifies the potential use of a large parcel owned by the Ministry of Transportation.

The MTO retains historical ownership of an approximate 24-hectare parcel at the corner of Homer and Taylor Roads in Niagara on the Lake. We are hoping your Ministry could review its land needs and consider leasing us all or a portion of this site for parkland use, either for the long term or until the MTO requires the site for its own purposes.

If this site were surplus to MTO needs, the Region would like to discuss opportunities for a long-term lease or purchase.

We are excited about this opportunity to preserve and enhance these lands through the establishment of a passive Eco Park and hope your Ministry shares our vision and value for this project.

If your office would like additional information about the project or the MTO lands in question, please feel free to contact my office or the Manager of Community Planning, Erik Acs at erik.acs@niagararegion.ca.

Sincerely,



Jim Bradley, Chair
Niagara Region

cc. Sam Oosterhoff, MPP Niagara West
Jennifer Stevens, MPP St. Catharines
Wayne Gates, MPP Niagara Falls
Jeff Burch, MPP Niagara Centre
Ms. Chandra Sharma, CAO, NPCA
Ms. Lisa Allen, Real Estate, St. Lawrence Seaway Corporation
Mr. Craig Larmour, NOTL Director of Planning
Mr. Peter Todd, NOTL Town Clerk
Ms. Tami Kitay, St. Catharines Director of Planning
Ms. Bonnie Nistico-Dunk, St. Catharines City Clerk
Mr. Ron Tripp, CAO, Niagara Region
Mr. Doug Giles, Acting Commissioner Planning & Development, Niagara Region
Mr. Erik Acs, Manager, Community Planning, Niagara Region



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April 30, 2021

Honourable Omar Alghabra
Minister of Transport
House of Commons
Ottawa, ON K1A 0A6

Sent by e-mail

Dear Minister Alghabra,

RE: Transport Canada Surplus Lands in Niagara-on-the-Lake, Ontario

The Niagara Region is the home of the Welland Canal, an important marine transportation corridor. Niagara is also home to a growing population, expected to reach 675,000 in the next 30 years.

Niagara Region Council has prioritized the establishment of healthy and vibrant communities which foster a high quality of life through safe, healthy, and inclusive neighbourhoods. To this end, I am reaching out to share the Region's vision for the establishment of an Eco Park in the Glendale District of Niagara-on-the-Lake.

The Glendale District is a strategic growth area located alongside the Welland Canal. The District was envisioned through a collaborative community consultation process which included participation from the St. Lawrence Seaway Management Corporation (SLSMC).

The District envisions a passive Eco Park that will provide natural space for Niagara's growing population. This park will enhance the existing natural environment features located on lands immediately adjacent to the Welland Canal.

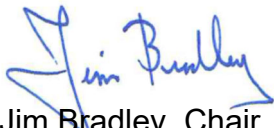
Transport Canada is currently in the process of divesting a site (NN-026-C) which was formerly under the jurisdiction of the SLSMC. While we understand Transport Canada has established a market value asking price for the site, we are hopeful you will consider alternatives that will allow us to preserve and enhance this unique site while making it available as passive park space.

The Niagara Region has several existing long-term lease agreements for recreational trails with the Federal Government for lands alongside the Welland Canal. We would be interested in a similar arrangement for site NN-026-C. Alternatively, we would consider a nominal sum purchase of the site.

We are excited about the opportunity to preserve and enhance these lands through the establishment of a passive Eco Park and hope Transport Canada shares our vision and value for this project.

If your office would like additional information about the project or the referenced Transport Canada site, please feel free to contact my office or the Manager of Community Planning, Erik Acs at erik.acs@niagararegion.ca.

Sincerely,

A handwritten signature in blue ink that reads "Jim Bradley". The signature is stylized with a large, looped initial "J".

Jim Bradley, Chair
Niagara Region

cc. Chris Bittle, MP St. Catharines
Vance Badaway, MP Niagara Centre
Tony Baldinelli, MP Niagara Falls
Dean Allison, MP Niagara West
Ms. Chandra Sharma, CAO, NPCA
Ms. Lisa Allen, Real Estate, St. Lawrence Seaway Corporation
Mr. Craig Larmour, NOTL Director of Planning
Mr. Peter Todd, NOTL Town Clerk
Ms. Tami Kitay, St. Catharines Director of Planning
Ms. Bonnie Nistico-Dunk, St. Catharines City Clerk
Mr. Ron Tripp, CAO, Niagara Region
Mr. Doug Giles, Acting Commissioner Planning & Development, Niagara Region
Mr. Erik Acs, Manager, Community Planning, Niagara Region

Report To: Board of Directors

**Subject: 2020 Year End Status Report of the NPCA-Ontario Power Generation
Welland River Watershed Memorandum of Understanding**

Report No: FA-29-21

Date: May 21, 2021

Recommendation:

THAT Report No. FA-29-21 RE: 2020 Year End Status Report of the NPCA – Ontario Power Generation Welland River Watershed Memorandum of Understanding **BE RECEIVED.**

Purpose:

The purpose of this report is to inform the Board of the 2020 year-end status of all approved projects and to report on the balance of the Welland River Watershed funding pursuant to the Memorandum of Understanding between the NPCA and Ontario Power Generation.

Background:

The Memorandum of Understanding regarding the Welland River Watershed between the NPCA and Ontario Power Generation (OPG) was approved by the NPCA Board on June 19, 2019 (Report No. FA-55-19 and Resolution No. FA-139-19). This was undertaken in an effort to improve accountability and transparency regarding the distribution of monies contained within the Welland River Watershed Account initially funded by OPG and dispersed by the NPCA. The focus of this initiative is to fund projects undertaken by the NPCA which serve to provide community outreach, scientific understanding and advance the ecological health of the Welland River.

The MOU outlines the time frame within which the Welland River Watershed Account would be utilized (all funds to be spent by June 1, 2027) and lays out the process whereby both parties discuss, approve, undertake, and report on eligible projects. Staff from the NPCA and OPG meet on a quarterly basis to ensure that the MOU framework and the associated fiscal reporting are properly carried out.

Discussion:

1) Balance of the Welland River Watershed Account

a) As of January 1, 2020, the balance of the Account was **\$1,066,910.25**

b) 2020 eligible disbursements totaled **\$45,915.82**

i) WISKI Water Data Management System by Kisters

The WISKI Water Data Management System (approved in 2019) was extended into 2020 to accommodate staff training and the time it took to input 20 years of data. There was no additional cost incurred to the project. This project is now complete. Total carry-over from 2019 - \$34,123.65

ii) With OPG's approval, the NPCA had retained the engineering firm WSP Canada to undertake a revision to the Welland River Floodplain Mapping Update in order to determine the impact of OPG's Queenston-Chippawa Power Canal being completely closed for maintenance in 2027 should this occur. This project has been completed. Total project cost - \$11,792.17

c) As of December 31, 2020 the balance of the Account was **\$1,020,994.43** (please refer to Attachment 1 for further details).

d) As per the terms of the MOU, this audited year end account statement was presented to OPG at the April 14, 2021 NPCA-OPG coordination meeting.

2) 2021 Program Status Update

The following provides a brief summary of approved 2021 projects:

a. Binbrook Conservation Area Restoration

i. This approved project involves naturally restoring approximately 40 acres of land acquired (by the NPCA) immediately adjacent to the NPCA's Binbrook Conservation Area. Planting of trees and shrubs are scheduled to be completed by the end of this fall (please refer to Attachment 2 for the Concept Restoration Plan). Total budget cost - \$80,000.

ii. The project includes a signage component (to be placed in the main park area) which would serve to present an overview of the Binbrook Conservation Area, identify areas of active restoration, and recognize contributing partners (including OPG). Total budget cost - \$15,000.

b. Big Forks Creek (Wainfleet) and Beaver Creek (West Lincoln) Floodplain Mapping Projects

- i. The Request for Proposals had been issued for these projects with a closure date of March 31, 2021. Please refer to Attachments 3 and 4 for the scope of the proposed studies. Eleven proposals have been received for each project from qualified engineering firms. The NPCA is in the process of reviewing and ranking the proposals with the intent to award both projects in May.
- ii. The estimated budget cost of each project is approximately \$125,000.
- iii. It is estimated that both projects will take approximately 14 months to complete (in part due to the robust public engagement component of the projects).

c) Future Restoration Plan

- i. The NPCA is in the process of identifying large parcels of land (over 40 acres) in areas of the Welland River watershed that have the potential to be rehabilitated into providing significant ecological value (similar to the EC Brown Conservation Area wetland project). The NPCA would then actively pursue these parcels for acquisition and restoration.

Financial Implications:

There are no financial impacts to the NPCA's approved 2021 Operating or Capital budgets.

Related Reports and Appendices:

Appendix 1 – Summary: OPG Welland River Watershed Funding 2020

Appendix 2 – Binbrook Conservation Area Concept Restoration Plan

Appendix 3 – Big Forks Creek Proposed Floodplain Mapping

Appendix 4 – Beaver Creek Proposed Floodplain Mapping

Authored by:

Original Signed by:

Steve Miller, P.Eng.,
Senior Manager, Water Resources

Reviewed and Submitted by:

Original Signed by:

Chandra Sharma, MCIP, RPP
Chief Administrative Officer/Secretary-Treasurer

Niagara Peninsula Conservation Authority						
Summary - OPG Welland River Watershed Funding						
For the Period of January 1, 2020 to December 31, 2020						
				Amount	2020 Disbursements	2021 Projected
Approved Projects - 2020:						
1.	Data Management System - Stream Gauge Flows and Water Data					
	a)	2020-01-07	KISTERS NORTH AMERICA - SURFACE WATER STATION	6,075.12	6,075.12	
	b)	2020-01-01	UPPER THAMES RIVER C.A. - MEMBERSHIP (ANNUAL WEB HOSTING)	3,480.00	3,480.00	
	c)	2020-04-03	KISTERS NORTH AMERICA - WATER QUALITY CENSUS REVIEW	6,595.95	6,595.95	
	d)	2020-05-25	KISTERS NORTH AMERICA - WATER QUALITY DATA REVIEW	9,652.37	9,652.37	
	e)	2020-07-31	KISTERS NORTH AMERICA - WATER QUALITY CENSUS REVIEW	1,579.18	1,579.18	
	f)	2020-10-26	KISTERS NORTH AMERICA - WATER QUALITY CENSUS REVIEW	5,260.94	5,260.94	
	g)	2020-11-30	KISTERS NORTH AMERICA - WATER QUALITY DATA REVIEW	1,480.09	1,480.09	
2.	Welland River Floodplain Project					
	a)	2020-05-26	WSP CANADA INC. - CONSULTING SERVICES	3,315.56	3,315.56	
	b)	2020-07-21	WSP CANADA INC. - CONSULTING SERVICES	5,933.63	5,933.63	
	c)	2020-08-14	WSP CANADA INC. - CONSULTING SERVICES	2,119.15	2,119.15	
	d)	2020-11-24	WSP CANADA INC. - CONSULTING SERVICES	423.83	423.83	
	e)				-	
	f)				-	
	g)				-	
	h)				-	
	i)				-	
	j)				-	
	k)				-	
	l)				-	
	m)				-	
TOTAL				\$ 45,915.82	\$ 45,915.82	\$ -

Notes:

All line items include non-recoverable HST (1.76%)

US disbursements include foreign exchange / CDN equivalent *


 Lise Gagnon - Director, Corporate Services

08-Mar-21

Niagara Peninsula Conservation Authority

Summary - OPG Welland River Watershed Funding

For the Period of January 1, 2020 to December 31, 2020

Funding Reconciliation - Welland River Watershed (per MOU dated July 24, 2019 - Schedule D)	
Funding as at January 1, 2020	\$ 1,066,910.25
2020 Eligible Disbursements	45,915.82
Funding as at December 31, 2020	\$ 1,020,994.43



OPG - MOU
(Executed) - 24-
JUL-2019.pdf



Binbrook Conservation Area- Hyslop Planting Concept

Legend

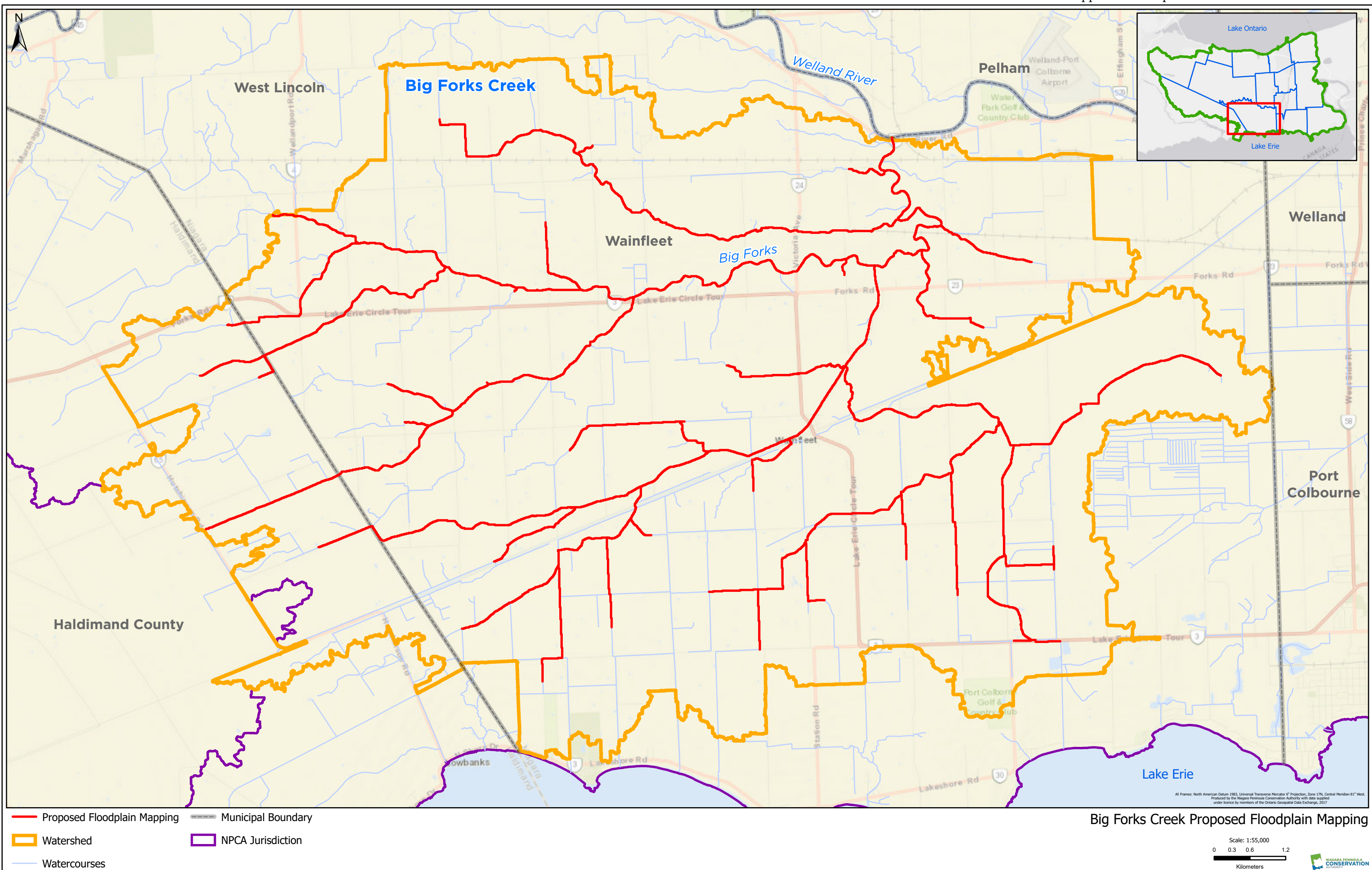
- Conservation Area Boundary (Binbrook)
- Forest (tree/shrub) Planting Area
- Meadow/ Tall Grassland Planting Area

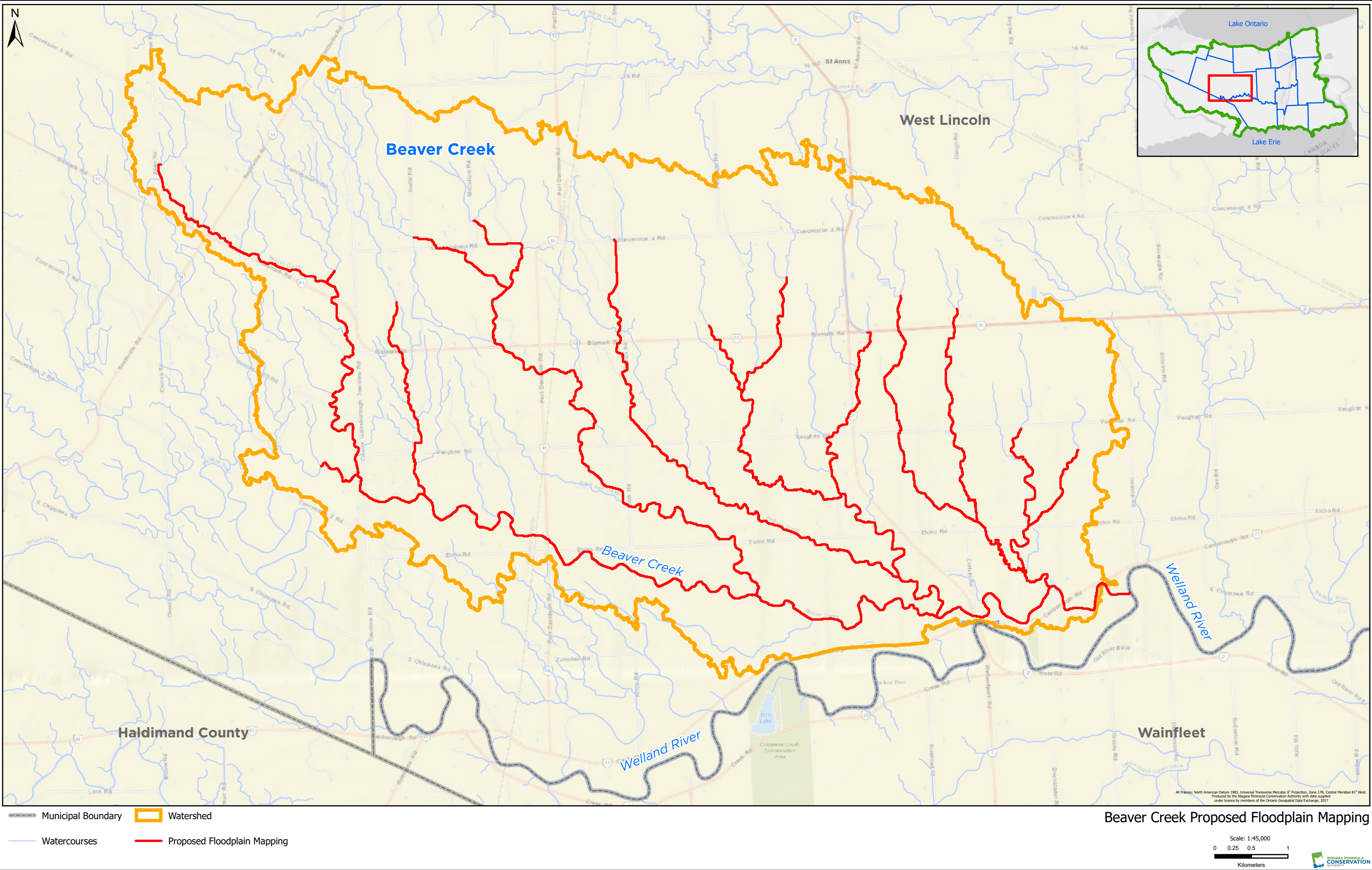
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Feb. 2020: KF





Report To: Board of Directors

Subject: Hamilton – Binbrook Capital Funding Plan - Update

Report No: FA-35-21

Date: May 21, 2021

Recommendation:

THAT Report FA-35-21 RE: Hamilton – Binbrook Capital Funding Plan – Update **BE RECEIVED.**

Purpose:

The purpose of this report is to provide the Board of Directors with an update on the Binbrook Capital Projects funded by the City of Hamilton Binbrook Conservation Area Capital Funding Plan.

Background:

On January 21, 2020, the 2020 Operating and Capital Budgets were presented to the City of Hamilton's General Issues Committee. The Binbrook Capital Projects were noted as a critical unfunded capital pressure for 2020 in the amount of \$1.776M. As directed, Staff entered into discussions with Hamilton Finance Staff to explore financing options. In July 2020, the initial estimate of \$1.776M was refined to \$1.210M.

On November 19, 2020, City of Hamilton Report No. FCS20096 re Binbrook Conservation Area Capital Funding Plan (Appendix 1) was presented to the Audit, Finance and Administration Committee (AFAC). The recommendations were approved by the AFAC on November 19, 2020, and further ratified by full Council on November 25, 2020.

Discussion:

Recommendation (c) from City of Hamilton Report No. FCS20096 states:

That the Niagara Peninsula conservation Authority submit financial documentation to the Director of Financial Planning, Administration and Policy for the release of the funds for the capital projects of up to \$1.21M.

In accordance with this provision, NPCA submitted to the City of Hamilton the following funding requests for reimbursement of eligible capital expenditures incurred to the end of the 2020 fiscal year:

• Septic system	\$ 27,774.73	(budget - \$800,000 + 10% contingency)
• Tree Top Trekking Building	73,516.70	(budget - \$150,000 + 10% contingency)
• <u>Water System</u>	<u>37,582.29</u>	<u>(budget - \$150,000 + 10% contingency)</u>
Total	\$138,873.72	(budget - \$1.1M + 110K = \$1.210M)

Financial Implications:

There are no financial implications to NPCA's operating or capital budgets as a result of this Capital Funding Plan. Report No. FCS20096 (page 3) stipulates the following:

"Total project costs are estimated at \$1.21M and are recommended to be internally financed from the Unallocated Capital Levy Reserve (108020) over a 15-year period requiring annual tax operating budget of about \$92,000."

Staff have confirmed with Hamilton's Director, Financial Planning, Administration and Policy that the repayment provisions are internal to the City of Hamilton and will not have an impact on NPCA's regular or special levy during the 15 year repayment period.

Related Reports and Appendices:

Appendix 1 – City of Hamilton Report No. FCS20096

Prepared by:

Original Signed by:

Lise Gagnon, CPA, CGA
Director, Corporate Services

Reviewed and Submitted by:

Original Signed by:

Chandra Sharma, MCIP, RPP
Chief Administrative Officer/
Secretary-Treasurer



CITY OF HAMILTON
CORPORATE SERVICES DEPARTMENT
 Financial Planning, Administration and Policy Division

TO:	Chair and Members Audit, Finance and Administration Committee
COMMITTEE DATE:	November 19, 2020
SUBJECT/REPORT NO:	Binbrook Conservation Area Capital Funding Plan (FCS20096) (City Wide)
WARD(S) AFFECTED:	City Wide
PREPARED BY:	Kirk Weaver (905) 546-2424 Ext. 2878
SUBMITTED BY:	Brian McMullen Director, Financial Planning, Administration and Policy Corporate Services Department
SIGNATURE:	

RECOMMENDATION(S)

- (a) That the Niagara Peninsula Conservation Authority's special benefitting capital levy request related to septic system and other capital improvements to the Binbrook Conservation Area of up to \$1.21 M be funded from the Unallocated Capital Levy Reserve (108020) and repaid from the operating budget over 15 years at an interest rate of 1.66% for an annual payment of \$91,790.31 as outlined in Appendix "A" of Report FCS20096;
- (b) That the Niagara Peninsula Conservation Authority's capital levy of \$92,000 be included in the 2021 Tax Operating Budget;
- (c) That the Niagara Peninsula Conservation Authority submit financial documentation to the Director of Financial Planning, Administration and Policy for the release of funds for the capital projects of up to \$1.21 M.

EXECUTIVE SUMMARY

On January 21, 2020, the Niagara Peninsula Conservation Authority's (NPCA) 2020 Operating and Capital Budgets were presented to the City of Hamilton's General Issues Committee. The Binbrook Conservation Area (Binbrook CA) Capital Projects were noted as a critical unfunded capital pressure for 2020 in the amount of \$1.776 M. This is primarily to fund an urgently required septic system replacement. In February of 2020, the NPCA engaged an engineering firm for the design of the system.

OUR Vision: To be the best place to raise a child and age successfully.
 OUR Mission: To provide high quality cost conscious public services that contribute to a healthy, safe and prosperous community, in a sustainable manner.
 OUR Culture: Collective Ownership, Steadfast Integrity, Courageous Change, Sensational Service, Engaged Empowered Employees.

In July of 2020, the project design was presented to the NPCA Board along with revised funding recommendations. The septic system project has been designed in a modular format allowing the project to proceed in two phases. Phase One, with about 50% of the forecasted flow requirement is set to proceed now, whereas, Phase Two of the project would not occur for 10–15 years based on park utilization forecasts.

By phasing in the system capacity, the cost estimates required in 2020 have decreased from about \$1.5 M to \$800,000. In addition, there are two other smaller projects being requested for funding bringing the total funding request to \$1.21 M as outlined in Table 1.

Table 1
Binbrook Conservation Authority 2020 Capital Projects

Septic System	\$ 800,000
Water System	150,000
Tree Top Trekking Building	<u>150,000</u>
Sub Total	\$1,100,000
10% Contingency (Procurement and Construction	<u>110,000</u>
Total	<u>\$1,210,000</u>

The existing septic system is not capable of handling the significant increased use experienced recently at the Binbrook CA. Since 2015, attendance at the park has doubled from about 1,000 visitors per day to 2,000 per day in 2019. The existing septic system was installed in the early 1990's and designed for significantly lower usage. The system is over taxed requiring unsustainable and costly temporary measures including almost daily septic pumping and portable toilets. Without the septic upgrades, the NPCA risks Ministry of the Environment, Conservation and Parks orders which could limit park usage.

Other projects included in the \$1.21 M levy include contractual obligations for facility improvements to accommodate the Treetop Trekking attraction and water system improvements.

The *Conservation Authority Act* requires that the benefitting municipality levy for capital projects that are deemed by the Conservation Authority to directly benefit that municipality. The City of Hamilton has several options to fund the costs of projects that include:

- (i) Provide the NPCA with the required funding from a City reserve and repay the reserve from future tax operating budgets.
- (ii) The City could loan the NPCA the funds with a repayment plan. The NPCA would repay the City, but also fund that repayment through their levy to the City.
- (iii) The City could provide the NPCA the required funding and then secure debt (loan or debenture issue) to fund the project over a number of years. The financing cost of the debt would be added to the City's tax operating budget.

City staff is recommending (i) above. This is the most efficient option available while still ensuring transparency in reporting.

The recommendation would approve an upset limit of \$1.21 M requiring the NPCA and City staff to seek approval from their Board and Council to exceed the project cost. The NPCA has agreed to fund these projects and submit requests for reimbursement of actual costs, along with supporting documentation satisfactory to the Director of Financial Planning Administration and Policy.

Alternatives for Consideration – See Page 4

FINANCIAL – STAFFING – LEGAL IMPLICATIONS

Financial: Total project costs are estimated at \$1.21 M and are recommended to be internally financed from the Unallocated Capital Levy Reserve (108020) over a 15-year period requiring annual tax operating budget of about \$92,000. The repayment schedule is attached as Appendix “A” of Report FCS20096.

Staffing: There are no associated staffing implications.

Legal: There are no associated legal implications.

HISTORICAL BACKGROUND

On January 21, 2020, the NPCA’s 2020 Operating and Capital Budgets were presented to the City of Hamilton’s General Issues Committee. The Binbrook Conservation Area (Binbrook CA) Capital Projects were noted as a critical unfunded capital pressure for 2020 in the amount of \$1.776 M. These projects include:

- Septic System Replacement - \$1,500,000
- Building and Services – Tree Top Trekking Contract - \$150,000
- Water System Treatment Upgrades – \$125,633

The majority of the funding required is for the replacement of the septic system. The existing septic system is not capable of handling the significant increased use experienced recently at the Binbrook CA. Since 2015, attendance at the park has doubled from about 1,000 visitors per day to 2,000 per day in 2019. The existing septic system was installed in the early 1990’s and designed for significantly lower usage. The system is over taxed requiring unsustainable and costly temporary measures including almost daily septic pumping and portable toilets. Without the septic upgrades, the NPCA risks Ministry of the Environment, Conservation and Parks orders which could limit park usage.

On February 19, 2020, the NPCA Board approved several motions including the go ahead to proceed with engineering and design of the project and that NPCA staff work with the City of Hamilton to facilitate funding.

The NPCA is now recommending a phased in septic project with overall cost of the three projects being reduced to \$1.21 M as shown in Table 1.

POLICY IMPLICATIONS AND LEGISLATED REQUIREMENTS

The *Conservation Authority Act* requires Conservation Authorities to levy benefitting municipalities for capital projects.

RELEVANT CONSULTATION

City staff has been corresponding with NPCA staff regularly with respect to financing options, project costs and disbursement of funds.

ANALYSIS AND RATIONALE FOR RECOMMENDATION(S)

The City is obligated to fund the levy request submitted by the NPCA for capital projects as the benefitting municipality. Table 1 in the Executive Summary provides details of the NPCA Binbrook Conservation Area capital projects. Staff is recommending that the City provide the funds up to \$1.21 M from the tax operating budget and fund it from the Unallocated Capital Levy Reserve (108020) and then pay back the reserve over 15 years through the tax operating budget. The annual repayment with interest at a rate of 1.66% is \$91,790.31. As per the City's reserve policy, the interest rate used is the City cost of borrowing. This method of funding is the most efficient and supports transparency in reporting the annual impact of the NPCA levy.

ALTERNATIVES FOR CONSIDERATION

As indicated, the *Conservation Authority Act* requires that the benefitting municipality levy for capital projects that are deemed by the Conservation Authority to directly benefit that municipality. The City of Hamilton has several alternatives to fund the costs of the NPCA Binbrook Conservation Area capital projects.

Alternative 1:

- The City could loan the NPCA the funds with a repayment plan. The NPCA would repay the City, but also fund that repayment through their levy to the City.

Alternative 2:

- The City could provide the NPCA the required funding and then secure debt (bank loan, Infrastructure Ontario (IO) loan or, possibly, debenture issue) and fund the project over a number of years through the repayment of the debt. The financing cost of the debt would be added to the City's Tax Supported Operating Budget.

ALIGNMENT TO THE 2016 – 2025 STRATEGIC PLAN

Our People and Performance

Hamiltonians have a high level of trust and confidence in their City government.

Healthy and Safe Communities

Hamilton is a safe and supportive City where people are active, healthy, and have a high quality of life.

APPENDICES AND SCHEDULES ATTACHED

Appendix “A” to Report FCS20096 – Binbrook Conservation Area Capital Funding Plan

KW/dt

OUR Vision: To be the best place to raise a child and age successfully.
OUR Mission: To provide high quality cost conscious public services that contribute to a healthy, safe and prosperous community, in a sustainable manner.
OUR Culture: Collective Ownership, Steadfast Integrity, Courageous Change, Sensational Service, Engaged Empowered Employees.

Binbrook Conservation Area Capital Funding Plan

Borrower City of Hamilton Reserve 108020
Purpose NPCA Binbrook Conservation Area Improvements (FCS20096)

Principal Amount \$ 1,210,000.00
Annual Interest Rate 1.66 %
Loan Term (Year) 15
Debenture Date (mm/dd/yyyy) 12/01/2020
Maturity Date (mm/dd/yyyy) 05/01/2030
Payment Frequency Annual
Loan Type Serial

<u>Payment Date</u>	<u>Total Payment</u>	<u>Principal Amount</u>	<u>Interest Amount</u>	<u>Principal Balance</u>
12/01/2021	\$ 91,790.31	\$ 71,704.31	\$ 20,086.00	\$ 1,138,295.69
12/01/2022	\$ 91,790.31	\$ 72,894.60	\$ 18,895.71	\$ 1,065,401.10
12/01/2023	\$ 91,790.31	\$ 74,104.65	\$ 17,685.66	\$ 991,296.45
12/01/2024	\$ 91,790.31	\$ 75,334.79	\$ 16,455.52	\$ 915,961.66
12/01/2025	\$ 91,790.31	\$ 76,585.34	\$ 15,204.96	\$ 839,376.32
12/01/2026	\$ 91,790.31	\$ 77,856.66	\$ 13,933.65	\$ 761,519.66
12/01/2027	\$ 91,790.31	\$ 79,149.08	\$ 12,641.23	\$ 682,370.58
12/01/2028	\$ 91,790.31	\$ 80,462.95	\$ 11,327.35	\$ 601,907.63
12/01/2029	\$ 91,790.31	\$ 81,798.64	\$ 9,991.67	\$ 520,108.99
12/01/2030	\$ 91,790.31	\$ 83,156.50	\$ 8,633.81	\$ 436,952.49
12/01/2031	\$ 91,790.31	\$ 84,536.89	\$ 7,253.41	\$ 352,415.59
12/01/2032	\$ 91,790.31	\$ 85,940.21	\$ 5,850.10	\$ 266,475.39
12/01/2033	\$ 91,790.31	\$ 87,366.81	\$ 4,423.49	\$ 179,108.57
12/01/2034	\$ 91,790.31	\$ 88,817.10	\$ 2,973.20	\$ 90,291.47
12/01/2035	\$ 91,790.31	\$ 90,291.47	\$ 1,498.84	\$ 00.00
	\$ 1,376,854.59	\$ 1,210,000.00	\$ 166,854.59	



AUDIT, FINANCE AND ADMINISTRATION COMMITTEE MINUTES 20-012

9:30 a.m.

November 19, 2020

Council Chambers

Hamilton City Hall

Present: Councillors M. Wilson (Chair), C. Collins, L. Ferguson, J. Partridge, M. Pearson, and A. VanderBeek

Absent: Councillors B. Johnson and B. Clark – City Business

THE FOLLOWING ITEMS WERE REFERRED TO COUNCIL FOR CONSIDERATION:

1. Tax and Rate Operating Budget Variance Report as at August 31, 2020 – Budget Control Policy Transfers (FCS20069(a)) (City Wide) (Item 8.1)

(Pearson/Partridge)

- (a) That the Tax and Rate Operating Budget Variance Report as at August 31, 2020 attached as Appendices “A” and “B”, respectively, to Report FCS20069(a) be received;
- (b) That, in accordance with the “Budget Control Policy”, the 2020 budget transfer, transferring budget from one department / division to another or from one cost category to another with no impact on the levy, as outlined in Appendix “C” to Report FCS20069(a), be approved;
- (c) That, in accordance with the “Budgeted Complement Control Policy”, the 2020 complement transfer transferring complement from one department / division to another with no impact on the levy, as outlined in Appendix “D” to Report FCS20069(a), be approved; and,
- (d) That, in accordance with the “Budgeted Complement Control Policy”, the 2020 extensions of temporary positions with 24-month terms or greater, with no impact on the levy, as outlined in Appendix “E” to Report FCS20069(a), be approved.

Result: Motion CARRIED by a vote of 6 to 0, as follows:

YES - Ward 1 Councillor Maureen Wilson
YES - Ward 15 Councillor Judi Partridge
YES - Ward 13 Councillor Arlene VanderBeek
YES - Ward 12 Councillor Lloyd Ferguson
NOT PRESENT - Ward 11 Councillor Brenda Johnson

YES - Ward 10 Councillor Maria Pearson
NOT PRESENT - Ward 9 Councillor Brad Clark
YES - Ward 5 Councillor Chad Collins

2. 2021 Temporary Borrowing and Interim Tax Levy By-laws (FCS20094) (City Wide) (Item 9.1)

(Ferguson/Pearson)

- (a) That Appendix "A" attached to Report FCS20094 "By-law to Authorize the Temporary Borrowing of Monies to Meet Current Expenditures Pending Receipt of Current Revenues for 2021", be passed; and,
- (b) That Appendix "B" attached to Report FCS20094 "By-law to Authorize an Interim Tax Levy for 2021", be passed.

Result: Motion CARRIED by a vote of 6 to 0, as follows:

YES - Ward 1 Councillor Maureen Wilson
YES - Ward 15 Councillor Judi Partridge
YES - Ward 13 Councillor Arlene VanderBeek
YES - Ward 12 Councillor Lloyd Ferguson
NOT PRESENT - Ward 11 Councillor Brenda Johnson
YES - Ward 10 Councillor Maria Pearson
NOT PRESENT - Ward 9 Councillor Brad Clark
YES - Ward 5 Councillor Chad Collins

3. Binbrook Conservation Area Capital Funding Plan (FCS20096) (City Wide) (Item 9.2)

(Partridge/Collins)

- (a) That the Niagara Peninsula Conservation Authority's special benefitting capital levy request related to septic system and other capital improvements to the Binbrook Conservation Area of up to \$1.21 M be funded from the Unallocated Capital Levy Reserve (108020) and repaid from the operating budget over 15 years at an interest rate of 1.66% for an annual payment of \$91,790.31 as outlined in Appendix "A" of Report FCS20096;
- (b) That the Niagara Peninsula Conservation Authority's capital levy of \$92,000 be included in the 2021 Tax Operating Budget; and,
- (c) That the Niagara Peninsula Conservation Authority submit financial documentation to the Director of Financial Planning, Administration and Policy for the release of funds for the capital projects of up to \$1.21 M.

Result: Motion CARRIED by a vote of 6 to 0, as follows:

YES - Ward 1 Councillor Maureen Wilson
YES - Ward 15 Councillor Judi Partridge
YES - Ward 13 Councillor Arlene VanderBeek

YES - Ward 12 Councillor Lloyd Ferguson
NOT PRESENT - Ward 11 Councillor Brenda Johnson
YES - Ward 10 Councillor Maria Pearson
NOT PRESENT - Ward 9 Councillor Brad Clark
YES - Ward 5 Councillor Chad Collins

4. Information Technology Data Centre Air Conditioning System Replacement (FCS20091) (City Wide) (Item 9.3)

(Ferguson/Collins)

That Finance staff be directed to mitigate the additional \$250,000 required to replace the Air Conditioning System in the Corporate Data Centre, through Capital Work In Progress (WIP) funding and/or reserves.

Result: Motion CARRIED by a vote of 6 to 0, as follows:

YES - Ward 1 Councillor Maureen Wilson
YES - Ward 15 Councillor Judi Partridge
YES - Ward 13 Councillor Arlene VanderBeek
YES - Ward 12 Councillor Lloyd Ferguson
NOT PRESENT - Ward 11 Councillor Brenda Johnson
YES - Ward 10 Councillor Maria Pearson
NOT PRESENT - Ward 9 Councillor Brad Clark
YES - Ward 5 Councillor Chad Collins

5. Citizen Committee Report - Lesbian, Gay, Bisexual, Transgender and Queer (LGBTQ) Advisory Committee – Budget Expenditure Requests (Added Item 9.4)

(Partridge/VanderBeek)

That the following budget allocation from the Lesbian, Gay, Bisexual, Transgender and Queer (LGBTQ) Advisory Committee budget, be approved:

Motion 7.2:

- (a) \$450.00 to reimburse organizers for speaker fees associated with local Transgender Day of Remembrance (TOOR) events happening on November 20, 2020 and November 24, 2020.

Result: Motion CARRIED by a vote of 5 to 1, as follows:

YES - Ward 1 Councillor Maureen Wilson
YES - Ward 15 Councillor Judi Partridge
YES - Ward 13 Councillor Arlene VanderBeek
NO - Ward 12 Councillor Lloyd Ferguson
NOT PRESENT - Ward 11 Councillor Brenda Johnson
YES - Ward 10 Councillor Maria Pearson
NOT PRESENT - Ward 9 Councillor Brad Clark
YES - Ward 5 Councillor Chad Collins



CITY COUNCIL MINUTES 20-026

9:30 a.m.

November 25, 2020

Council Chamber

Hamilton City Hall

71 Main Street West

Present: Mayor F. Eisenberger
Councillors M. Wilson, J. Farr, N. Nann, C. Collins, T. Jackson, J.P. Danko, B. Clark, M. Pearson, B. Johnson, S. Merulla, L. Ferguson, A. VanderBeek (Deputy Mayor), E. Pauls and J. Partridge.

Absent: Councillor T. Whitehead – Personal.

Mayor Eisenberger called the meeting to order and recognized that Council is meeting on the traditional territories of the Erie, Neutral, HuronWendat, Haudenosaunee and Mississaugas. This land is covered by the Dish with One Spoon Wampum Belt Covenant, which was an agreement between the Haudenosaunee and Anishinaabek to share and care for the resources around the Great Lakes. It was further acknowledged that this land is covered by the Between the Lakes Purchase, 1792, between the Crown and the Mississaugas of the Credit First Nation. The City of Hamilton is home to many Indigenous people from across Turtle Island (North America) and it was recognized that we must do more to learn about the rich history of this land so that we can better understand our roles as residents, neighbours, partners and caretakers.

APPROVAL OF THE AGENDA

The Clerk advised of the following changes to the agenda:

4. COMMUNICATIONS

4.13 Correspondence respecting Sidewalk Snow Removal:

- (n) Lauren Stephen
- (o) Ani Chernier

Recommendation: Be received and referred to Item 4 of General Issues Committee Report 20-019.

4.21 Correspondence from the Ombudsman of Ontario notifying the City of an Ombudsman's investigation respecting a Closed meeting complaint about a

AUDIT, FINANCE AND ADMINISTRATION COMMITTEE REPORT 20-012**(Wilson/Pearson)**

That Audit, Finance and Administration Committee Report 20-012, being the meeting held on Thursday, November 19, 2020, be received and the recommendations contained therein be approved.

At Council's request, Item 5 was voted on separately as follows:

5. Citizen Committee Report - Lesbian, Gay, Bisexual, Transgender and Queer (LGBTQ) Advisory Committee – Budget Expenditure Requests (Added Item 9.4)

Result: Motion on Item 5 CARRIED by a vote of 13 to 1, as follows:

YES - Ward 1 Councillor Maureen Wilson
YES - Ward 2 Councillor Jason Farr
YES - Ward 3 Councillor Nrinder Nann
YES - Ward 4 Councillor Sam Merulla
YES - Ward 5 Councillor Chad Collins
NOT PRESENT – Ward 6 Councillor Tom Jackson
YES - Ward 7 Councillor Esther Pauls
YES - Ward 8 Councillor John-Paul Danko
YES - Mayor Fred Eisenberger
YES - Ward 15 Councillor Judi Partridge
NOT PRESENT - Ward 14 Councillor Terry Whitehead
YES - Deputy Mayor - Ward 13 Councillor Arlene VanderBeek
NO - Ward 12 Councillor Lloyd Ferguson
YES - Ward 11 Councillor Brenda Johnson
YES - Ward 10 Councillor Maria Pearson
YES - Ward 9 Councillor Brad Clark

Result: Motion on the balance Audit, Finance and Administration Committee Report 20-011, CARRIED by a vote of 15 to 0, as follows:

YES - Ward 1 Councillor Maureen Wilson
YES - Ward 2 Councillor Jason Farr
YES - Ward 3 Councillor Nrinder Nann
YES - Ward 4 Councillor Sam Merulla
YES - Ward 5 Councillor Chad Collins
YES – Ward 6 Councillor Tom Jackson
YES - Ward 7 Councillor Esther Pauls
YES - Ward 8 Councillor John-Paul Danko
YES - Mayor Fred Eisenberger
YES - Ward 15 Councillor Judi Partridge
NOT PRESENT - Ward 14 Councillor Terry Whitehead
YES - Deputy Mayor - Ward 13 Councillor Arlene VanderBeek
YES - Ward 12 Councillor Lloyd Ferguson
YES - Ward 11 Councillor Brenda Johnson
YES - Ward 10 Councillor Maria Pearson
YES - Ward 9 Councillor Brad Clark

Report To: Board of Directors

**Subject: Niagara Peninsula Conservation Authority (NPCA) Officer
Appointments**

Report No: FA-28-21

Date: May 21, 2021

Recommendation:

1. **THAT** Report No. FA-28-21 RE: Niagara Peninsula Conservation Authority (NPCA) Officer Appointments **BE RECEIVED**.
2. **THAT** the Board **APPOINT** the following NPCA staff as Officers of the Conservation Authority pursuant to Section 28.1 (e) of the Conservation Authorities Act, R.S.O. 1990 for the term of their employment with the NPCA for the purpose of enforcing Section 29 of the Conservation Act:

CUMMING, Brent
POWELL, Alicia
RUTKA, Josie

Purpose:

The purpose of this report is to identify NPCA staff required to enforce Section 29 of the Conservation Authorities Act and all applicable regulations as Officers of the Conservation Authority under Section 28.1 (e) of the Conservation Authorities Act and have them appointed as Officers of the Conservation Authority.

It should be noted that Adam Christie, Director, Land Operations has been appointed as an Officer of the Conservation Authority previously by the Board for his term of employment with the NPCA. In his role, Adam supervises regulations enforcement and related activities on NPCA Conservation Area properties.

Background:

Section 29 (1) of the Conservation Authorities Act provides permits conservation authorities with the ability to set regulations over the lands that are owned by the authority. which regulate and govern use by the public, provide for the protection and preservation of authority property, prescribe fees for the occupation of conservation authority lands, recreational facilities and services, prescribing permits designating privileges in connection with the use of lands, and fees for permits, regulating vehicular and pedestrian traffic, regulating advertising, and prescribing the terms and conditions under which horses, dogs and other animals may be allowed on authority lands. Regulations under Section 29 of the Conservation Authorities Act differs from those found within Section 28 of the Act,

as they may only be enforced upon lands owned by the authority, or conservation areas. In contrast, Section 28 regulations apply to areas over which conservation authorities have jurisdiction and prohibit activities regarding watercourses, wetlands, floodplains and other significant areas. Examples of regulated activities include but are not limited to: activities to straighten, change, divert or interfere with existing river, creek, stream, watercourse or wetland; development activities in hazardous lands, wetlands or other regulated areas; and development permit regulations and conditions.

The NPCA's specific regulations pertaining to its lands are found within Ontario Regulation 123/90 made pursuant to the Conservation Authorities Act, R.S.O. 1990. Examples of rules contained within O. Reg 123/90 include but are not limited to: no person shall deface, remove or damage any property; no person shall cut, remove, injure or destroy a plant, tree or any growing thing; no camping without permit; no person shall permit their animal to be at large (off leash); and no person shall enter or remain within a conservation area after check-out time or area closure.

Enforcement activities related to Section 29 of the Conservation Authorities Act are governed by the Provincial Offences Act (POA). By appointing staff as Officers under the Conservation Authorities Act they also become recognized by the Courts as Provincial Offences Officers for the purpose of enforcing Section 29 of the Conservation Authorities Act, and are therefore required to govern themselves in accordance with other applicable legal requirements, for example the commencement of proceedings by certificate of offence (tickets), or commencement of proceeding by Information (summons).

Since Officers are designated for the term of their employment, there is no requirement to produce an annual report identifying these individuals. As such, this report is designed to reduce this redundancy by listing new Officers designated by the Authority.

Should new staff join the organization that are required to be appointed as Officers, a report appointing that individual(s) will be brought forward to the Board.

Discussion:

The staff identified in this report have completed Provincial Offences Officer Level 1 training offered through Conservation Ontario. Training was completed in April 2021. The individuals listed have also have clear criminal record checks, as required by the Province for appointment as Provincial Offences Officers.

The appointment of additional Officers will allow the NPCA to increasingly enforce Section 29 of the Conservation Authorities Act within NPCA conservation areas. The enforcement of conservation area rules under Regulation 123/90 will be of increasing importance through the 2021 season, due to the marked increase on visitation to NPCA conservation areas over the past three years. Notably, visitation to the four primary NPCA conservation areas Ball's Falls, Binbrook, Chippawa Creek and Long Beach increased over three times in the months of July and August in 2020 over the same months in 2019, despite capacity limitations in place due to COVID-19. During this period, NPCA staff observed an increase in non-compliance with regulations laid out in O. Reg 123/90, such as an increase in littering, trespassing and allowing domestic animals off leash within conservation areas and trails.

The demonstrated rise in visitation to natural areas, greenspaces and trails is anticipated to continue through 2021 as the COVID-19 pandemic continues to impact other recreational activities and

tourism across the province. By appointing additional trained Officers familiar with Section 29 and O. Reg 123/90, the NPCA will be better equipped to address, respond to and manage an increase in visitation to NPCA conservation areas, and ensure the health and safety of visitors and staff by enforcing NPCA rules and regulations.

Financial Implications:

There are no direct costs associated with the appointment of Officers. There will be additional costs associated with ongoing training and associated identification.

Links to Policy/Strategic Plan

The appointment of Officers to enforce NPCA Regulations is done by the Board under Section 28.1 (e) of the Conservation Authorities Act. These appointments and associated training allow the NPCA and its employees to uphold the Act and associated Regulations.

Related Reports and Appendices:

None.

Authored by:

Original Signed by:

Adam Christie
Director, Land Operations

Reviewed and Submitted by:

Original Signed by:

Chandra Sharma, MCIP, RPP
Chief Administrative Officer/Secretary-Treasurer

Report To: Board of Directors

Subject: Natural Resources Canada 2 Billion Trees Funding Request for Information (RFI) Submission

Report No: FA-34-21

Date: May 21, 2021

Recommendation:

WHEREAS the federal government has announced the “Growing Canada’s Forests” program as part of its 2 Billion Trees initiative, making substantial matching funding available to support reforestation efforts across Canada;

WHEREAS this is a timely opportunity to attract federal investment towards implementing nature-based climate solutions and enhancing natural cover through a strong and coordinated multi-partner approach across the Niagara Peninsula watershed;

WHEREAS the NPCA has a well-established track record of reforestation with private and public landowners, non-governmental organizations, nature clubs, academic institutions and community groups, has the scientific know-how to identify land and tree species with the biggest ecological and climate benefits, and has partnerships in place to mobilize volunteers to plant and monitor trees;

WHEREAS municipalities in the NPCA jurisdiction and other community partners have shown interest and support for a 10-year planting initiative to leverage the Growing Canada’s Forest Funding Program;

NOW THEREFORE, BE IT HEREBY RESOLVED:

1. **THAT** Report No. FA-34-21 RE: Natural Resources Canada 2 Billion Trees Funding Request for Information (RFI) Submission **BE RECEIVED** and staff **SUBMIT** the RFI to Growing Canada’s Forests 2 Billion Trees initiative.
2. **AND FURTHER THAT** staff continue to **COLLABORATE** with municipalities and other partners in identifying planting opportunities to be included in the full funding application should the Request for Information submission as an expression of interest be successful.

Purpose:

The purpose of this report is to inform the Board of Directors about NPCA's progress to date in convening partners and seek approval to proceed with Natural Resources Canada's 'Growing Canada's Forests' 2 Billion Trees initiative Request for Information.

Background:

On February 19th, 2021, Natural Resources Canada announced the 'Growing Canada's Forests' program. This 10-year commitment to plant two billion trees by 2030 will help Canada combat climate change by reducing greenhouse gases and contribute to its goal of achieving net-zero emissions by 2050. Natural Resources Canada is looking to engage those interested in growing Canada's forests as a nature-based solution to support national climate change actions. The Future Participants Request for Information (RFI) seeks to identify opportunities from organizations across Canada looking to collaborate towards implementing or contributing to large-scale multi-year tree planting projects by sharing their vision and capacity.

The Growing Canada's Forests program proposes to match funding towards a comprehensive list of eligible costs required to scale up tree planting activities. In partnership with local and regional municipalities and community partners, NPCA is proposing to submit a response to the RFI to bring significant federal investment to our jurisdiction, enhance our tree canopy/forest cover, and engage residents about nature-based solutions by building climate change resiliency.

Discussion:

The watershed entrusted to the Niagara Peninsula Conservation Authority (NPCA) is highly degraded as evident from its fragmented natural areas and poor surface water quality. Previous studies by the NPCA have estimated that the watershed achieves only fifty-six percent (56%) cumulatively towards the minimum thresholds for several ecological objectives that science recommends for an environmentally viable landscape. This can largely be attributed to the watershed's performance with respect to key indicators and influencing targets for forest cover (18%) and biodiversity representation (34%). Further, NPCA jurisdiction is part of the Carolinian zone, the most diverse and fragile ecoregion in Canada.

NPCA Staff are proposing a 10-year large scale program to plant 2 million trees locally in the Niagara Peninsula watershed. The program will focus on both public and private/residential lands to increase both urban tree and rural forest cover, include community plantings. NPCA's strength with watershed science and long legacy of tree planting experience in the watershed will assist with leading and orienting the program to target climate change mitigation while strategically enhancing natural environment systems, address forestry services for Emerald Ash Borer recovery, establish green infrastructure, and support agricultural best practices.

Discussion with partners and supporters are currently underway to seek support towards the RFI. On Friday, April 23rd NPCA staff presented to Niagara CAO's and their staff from all 12 local municipalities and Niagara Region. This meeting was convened with support from Port Colborne CAO Scott Luey under the direction of Mayor and Board Member Bill Steele. Meeting with Haldimand CAO and staff was facilitated with support from member Rob Shirton on April 30th followed by a meeting on the same day with City of Hamilton staff facilitated through Chair Brenda Johnson with

support from City Manager Janette Smith. NPCA staff have also met with Niagara Parks Commission CAO and staff to discuss their participation and support. Niagara Peninsula Conservation Foundation will also be listed as a partner and a letter of support from Chair Tom Insinna has been obtained with support from member Rob Foster and Foundation Treasurer.

NPCA's Restoration program partners such as Trout Unlimited, Ducks Unlimited, Land Care Niagara, nature clubs, ENGO's and other community groups such as Carolinian Canada will also provide the much-needed network of existing collaborative capacity for this initiative. Local nurseries and academic institutions will also be engaged.

As the RFI submission is due by May 27th, staff have already provided municipal partners with a draft letter of support and a sample council resolution for their consideration. Municipalities are also designating key staff to work with NPCA to compile requested information comprising estimates of municipal land suitable for potential restoration/naturalization, partnerships with local growers, and any historic or current tree planting activities demonstrating local capacity. The information and professional network established will enable staff to be prepared and strategically positioned to proceed should the partnership advance to the subsequent request for proposal stage.

The main strategy of the RFI response will be to communicate to the federal government a strong local partnership aspiring to collaborate towards a large-scale tree planting program that is based on science. It will emphasize addressing the unique biodiversity, and forest cover issues/needs of the Niagara Peninsula watershed as they relate to cumulative objectives for local natural environment systems.

Staff are also closely monitoring broader province wide collaboration opportunities developing through Conservation Ontario and Forests Ontario. NPCA will provide letters of support and participate in those submissions as requested as well for future considerations.

Financial Implications:

There are currently no financial implications known.

Should the RFI response trigger a subsequent Request for Proposal from the federal government, program details and financial contributions will be determined during that phase.

Links to Policy/Strategic Plan:

A range of NPCA's existing and upcoming initiatives will benefit from an enhanced natural cover, ecosystem restoration, and forest canopy. This initiative also supports NPCA's ongoing climate commitment.

This initiative complements municipal policies and programs related to tree planning and urban canopy as well as Niagara Region's proposed Greening Initiative, and enhancements, corridors, and linkages to the Natural Environment Systems; both identified as part the New Official Plan for the Regional Municipality of Niagara.

Related Reports and Appendices:

Appendix 1. RE: Report No. FA-34-21 - 2 Billion Trees - Municipal CAO's circulation presentation and notes.pdf

Authored by:

Original Signed by:

Geoff Verkade
Senior Manager, Integrated Watershed Planning/Information Management

Reviewed by:

Original Signed by:

Lise Gagnon, CPA, CGA
Director, Corporate Services

Submitted by:

Original Signed by:

Chandra Sharma, MCIP, RPP
Chief Administrative Officer/Secretary-Treasurer



2 Billion Trees - NrCan Climate Change Funding RFI Response

**NPCA & NIAGARA MUNICIPALITIES MEETING
April 23, 2021**

Purpose

To begin a conversation about a Niagara Watershed specific response to the federal governments 2 Billion Trees- Growing Canada's Forests request for information (RFI)

Topics:

Opportunity

Background/Context

Enablers (Conditions of Success)

Strength and Capacity (Science, Tools and Current Program)

Proposed 10 y program

Collaboration, Coordination, Communication

Engage with municipal partners to begin a discussion about this opportunity by sharing:
what we have learned about it,
what the requirements are and will need be demonstrated,
what we currently have to work with,
what we envision,
what we think is critical to be successful.

Opportunity

IMPACT on the ground and in the community

CAPACITY to build a region-wide collaborative restoration partnership

OUTCOMES – Climate, Habitat, Water, Public Realm, Green Infrastructure...and more

ENGAGEMENT – Community, Agri, Business

ECONOMIC – Planting Industry boost, Green jobs

Program brings opportunity on many levels.

Large numbers of trees and the education opportunities associated with their planting can have a significant impact in Niagara, Hamilton and Haldimand.

We can aspire to partner more meaningfully towards restoration of the Niagara watershed and build capacity to do so through this opportunity.

Nature based solutions to support climate change mitigation also brings opportunity to increase local biodiversity resilience, habitat improvements, water resources protection, improvements in the public realm, establishment of green infrastructure and more.

Engagement and environmental education opportunities with the broader community including agriculture and other business sectors can be strengthened and would also bring green jobs to Niagara.



GROWING CANADA'S FORESTS

**FUTURE PARTICIPANTS
REQUEST FOR INFORMATION**

**2BILLION
TREES**

Natural Resources Canada is looking to engage those interested in growing Canada's forests as a nature-based solution to support national climate change actions.

This RFI is for organizations:

- interested in implementing or contributing to large-scale multi-year tree planting projects
- looking for opportunities to collaborate

They want to understand your vision and capacity. They are encouraging to share how your organization can participate by submitting a RFI by May 27th, 2021.

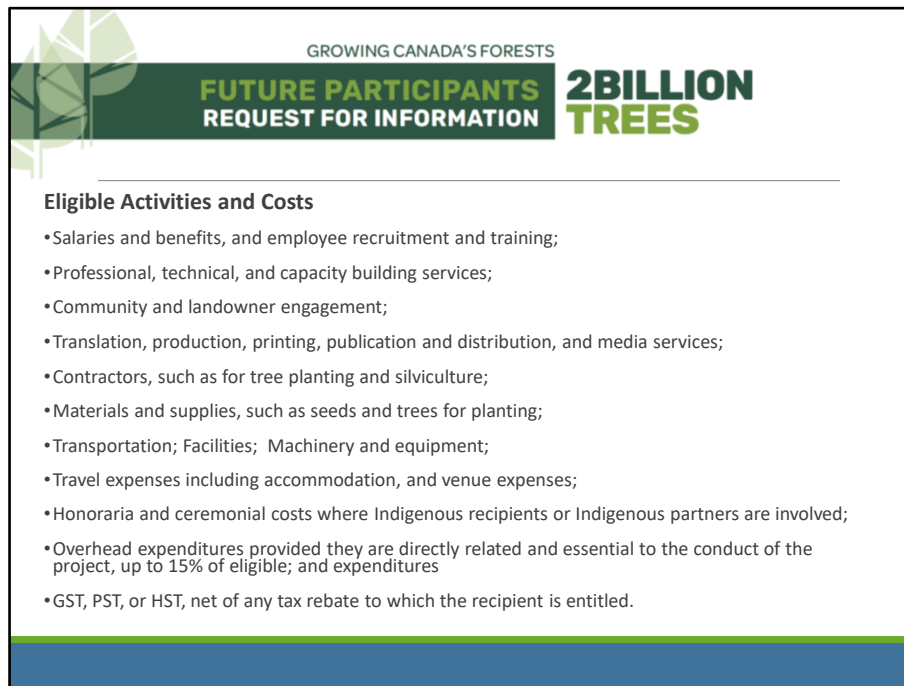
Designed for Climate Change action focus.

Program is incremental, this means that tree planting projects must be in addition (i.e. new) to that which would occur without the initiative.

Its predicated-on funding 50% of eligible costs for large scale treeplanting initiatives.

Focus s primarily on communicating vision and capacity at this time..

RFI is essentially an expression of interest that would assist with NRCan determining formal RFPs for which there is no timeline determined yet.



Eligible activities would consist of those directly related to tree planting, managing trees and forests, and monitoring the health and growth of planted trees.

Eligible expenditures are those necessary to support the tree planting supply chain and must be directly be related to the implementation and conduct of a project.

Of note, silviculture could potentially include costs for the felling and site prep to replant dead ash stands.

The list is quite comprehensive and includes covering expenses that would be necessary to scale up tree planting locally such as machinery and equipment, as well as engagement activities and promotional material that would be required to solicit land to plant on.

Enablers - Demonstrate:

- Target # of Trees
- Land Available
- Seedling Availability
- Capacity to implement/Scale -up
- Science
- Climate Change Benefits - Quantification
- Funding Partners - Matching Funding In-Kind and Cash
- Delivery Partners

Enablers are the topics that must addressed in the RFI.

Those all have to be sorted out in perfect detail at this time, however from a vision and capacity perspective a strong response would demonstrate a local partnership willing to invest further time and effort to work on these challenges collaboratively through the subsequent RFP process and beyond.

A high potential with the ability to satisfy these enablers, must be clearly demonstrated in the submission.

Current Capacity

1. Science

- Natural environments systems data and analysis
- Water quality connection
- Natural resources management subject matter experts
- Adaptive integrated watershed management approach
- Carbon sequestration quantification

2. Tools and Partnerships

- NPCA Restoration Program
- NPCA Land Securement Strategy
- Existing eNGO partnerships to leverage
- Municipal (public lands) and Partnerships
- Other Agencies

NPCA's current strengths in terms of demonstrating capacity as a natural resource's management agency is the science piece.

The federal government indicates it is interested in making sure where trees are planted are going to have a high return environmentally from the climate change motivation.

NPCA's integrated watershed management approach is adaptive and focused on cumulative impacts .

We can assist with identifying and appreciating contributions of tree plantings in contribution to local environmental objectives beyond climate change.

NPCA currently has restoration and land acquisition programming, with established partnership networks.

Restoration currently has 4 delivery partnership MOA's with local eNGO's within the community of practice and more are currently being pursued.

Science

Now we'll focus on a high-level demonstration of the science capacity that can be applied to the RFI response.

Natural Capital



41 Conservation Areas,
Shorthills Provincial
Park, Niagara Parkway

Important Bird and
Biodiversity Areas
(IBBA), Migration
Hotspot

UNESCO Biosphere
Reserve For Niagara
Escarpment

2 Great Lakes + Niagara
River + Niagara Falls

31 different Community Type:

- 240 vegetation types, 14 rare
- Wetlands (swamps, bog, marsh)
- Alvars, dunes, beach coastal ecosystems
- Carolinian Forest & Unique Slough Forest
- Grassland/meadow
- Agriculture (Prime Agricultural Land; 2/3 of Ontario's tender fruit orchards)
- High Density of Freshwater creeks/streams

Niagara has a reputation of being a natural wonder with many environmental assets and unique phenomena.

Not listed on the slide but it forms part of the Greenbelt.

Carolinian Zone facts:

Most biodiverse and threatened ecoregion in Canada

Need to at least double existing natural infrastructure
(current is <15%, need minimum 30%)

Over 150 species at risk

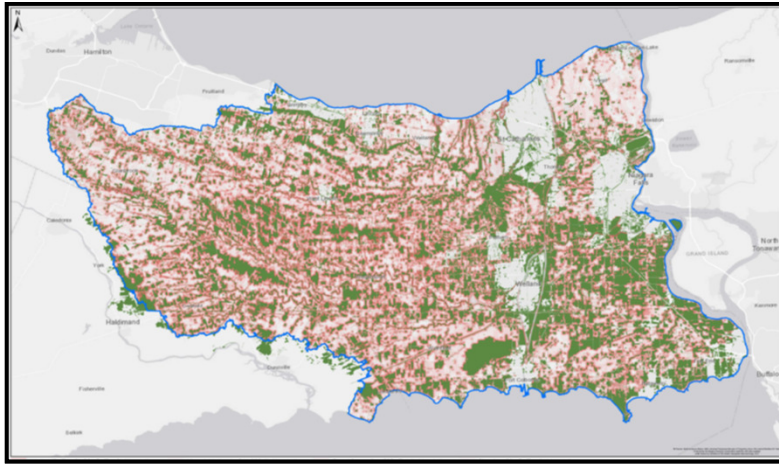
40% of Canada's species

Globally significant ecosystems

Dense human population

<3% protected land

Map – Restoration Potential

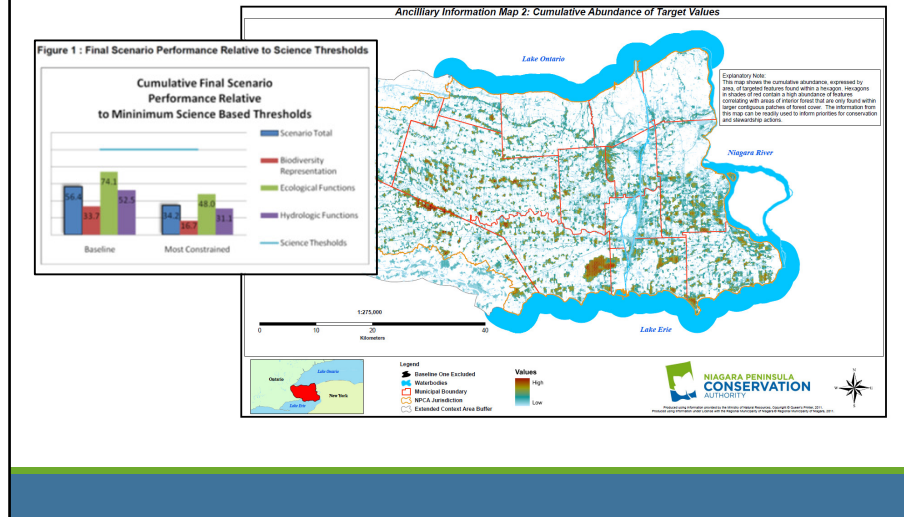


This heat map illustrates restoration potential across the landscape where contributions to landscape level scientific ecological objectives would be realized.

Our restoration staff use this kind of information as decision support to aid in targeting and evaluating potential projects and can inform land acquisition as well.

Systematic Conservation Planning Assessment

Fundamental 'State of the Watershed' Baseline Information

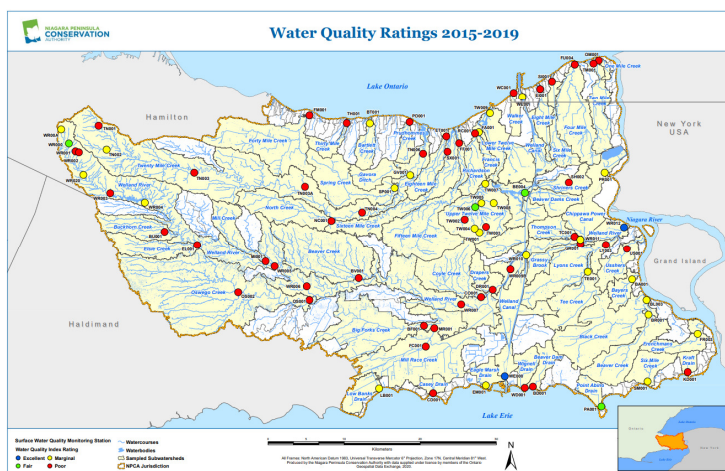


NPCA has performed a high-level quantified evaluation as to how the Niagara Peninsula's natural areas currently work together as an existing system on the landscape. Quantifying achievements towards science enables an honest understanding of the current condition of the landscape from which to manage forward from. Niagara only performs at an estimated 56% contribution towards the thresholds that suggest sustainable ecosystems, it is highly degraded and fragmented.

Systematic Conservation Planning is the process NPCA uses that provides a clear, comprehensive guide to the process of deriving a conservation area network for landscapes, which will best represent the biodiversity and environmental objectives of regions in the most cost-effective way.

This map illustrates the cumulative abundance of targeted ecological values within the existing natural heritage system of features currently on the landscape...warmer colors indicate areas contributing to more or multiple ecological functions. Cumulatively, the natural areas of the NPCA watershed contribute only 56% to the minimum threshold's science says is sustainable, healthy, and resilient. Its important to note the targets used here for assessment are not implementation targets, just those to understand and benchmark the current condition of the landscape relative to what science suggests.

Map - Surface Water Quality



'What we do on the land is reflected in the water.'

This map illustrates the current surface water quality assessment of the watershed based on NPCA ambient monitoring efforts.

Water quality reflects the state of the landscape. What we do on the land is reflected in the water.

70% of stations are poor or impaired water quality

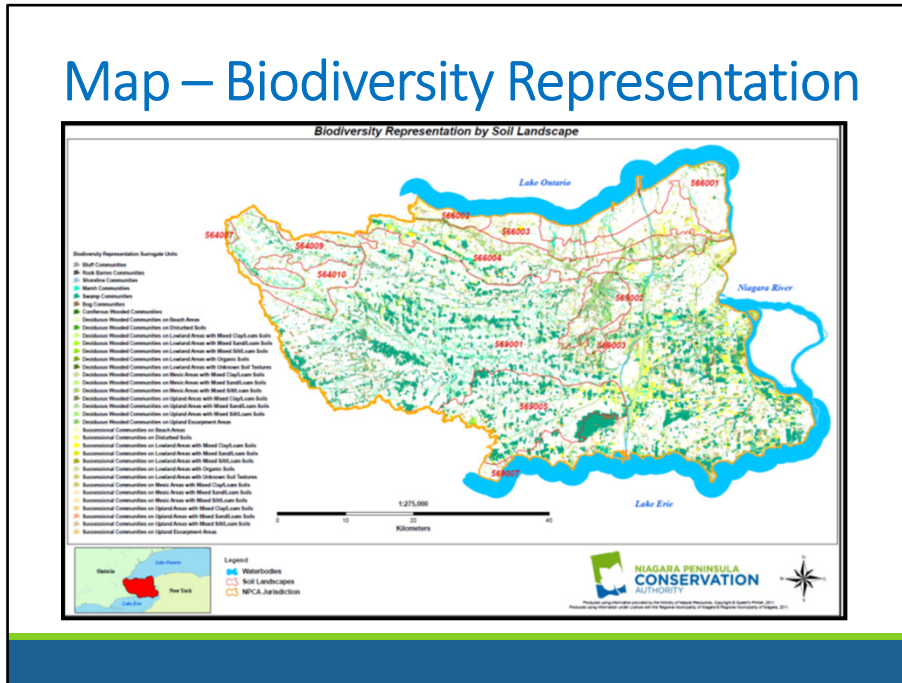
25% of stations are marginal water quality

5% of stations good or unimpaired water quality

Most sub watershed systems are graded as a D as result in our standardized Watershed Report Cards..

Our annual water quality report recommended that the NPCA continue to work with our partner municipalities and the MECP to identify and mitigate abnormally high sources of water pollution, which enhanced tree cover will aid with.

Map – Biodiversity Representation



Climate change threatens biodiversity and will affect the migration of natural communities. Biodiversity resilience will be a theme in the RFI submission.

This map, in the absence of exhaustive detailed community and species mapping of our natural areas, illustrates the biodiversity assessment units across the landscape using a combination of existing natural cover and soils information as a surrogate.

As you may have noticed in our previous slide, current natural cover is contributing to 33% towards biodiversity representation targets in our most recent conservative assessment of the landscape.

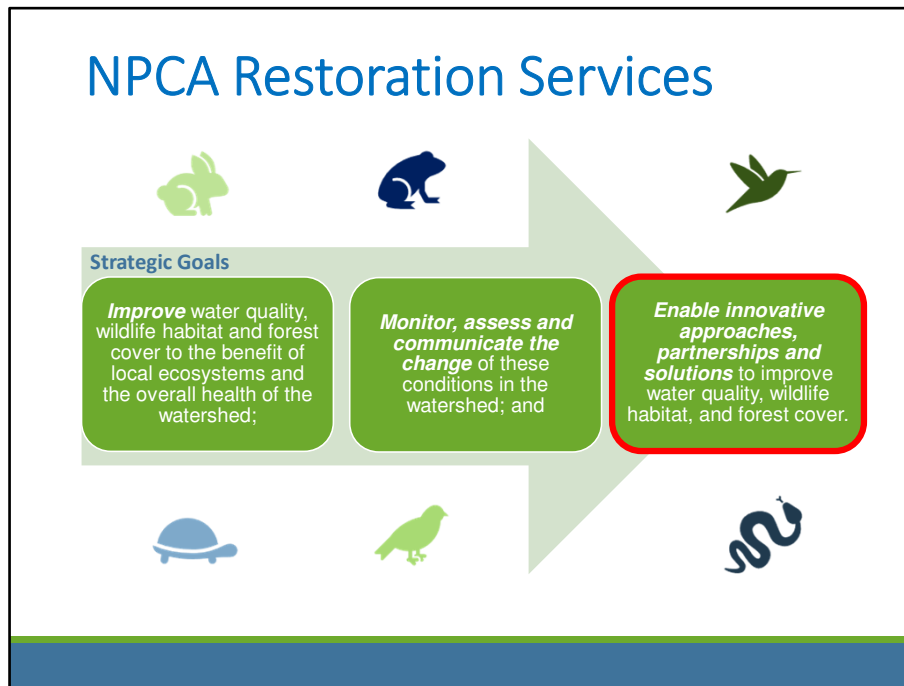
Tools

Now we'll focus on a high-level demonstration of the existing tools that can be applied to the RFI response.



The NPCA restoration and land securement programming will be communicated as existing mechanisms locally for investment to scale up treeplanting.

The strength of partnerships within our network, including municipalities, other environmental agencies, and eNGO's within the local community of practice will be essential to make this a successful submission.



Mission: ‘Fostering collaboration among partners in the watershed to protect and restore water quality and diverse habitats by completing projects that meet the long-term mandate of the NPCA.’

Guiding Principles:

In principle we do this by

Embracing partnerships and shared responsibility;

Leveraging funding opportunities for an incentive-based cost sharing program

Promotion of adaptive management to meet the changing needs on the landscape;

Conveying awareness of the benefits of environmental restoration and to celebrate success.

Partner MOA’s to date with DU, TUC, LCN, NCCC, NPC.

Restoration Grant Program



Wetland Habitat Restoration



Livestock Restriction & Crossings



Conservation Farm Practices



Tree Planting/Woodland Restoration



Instream/Riparian Habitat Restoration



Upland Habitat Restoration



Nutrient Management



Water Conservation Practices



Cover Crops



Over the past two years you may have heard radio commercials, seen ads in the dailies and other print media encouraging the public to apply to our current grant program.

Tree planting is merely one of several restoration project types that we assist landowners, and many organizations implement throughout the watershed.

Many are targeted at improving habitat. I'll highlight we have an ongoing partnership with Ducks Unlimited to create wetlands.

You will also notice several project types focusing on assisting the agricultural community with water quality improvements.

NPCA Legacy Planting

2000-2016 Grant Program:

- 881,859 trees over 1227 acres
- 119,854 trees/shrubs over 174.68 acres
- Total = 1,001,713 trees/shrubs and 1401 acres
- Partnered in many cases

Current Grant Program Planting

	Trees			Hectares			Tree Planting Projects Managed		
	NPCA	Partners	Total	NPCA	Partners	Total	NPCA	Partners	Total
2021	*12663	43871	56534	6.4	23.13	29.54	11	21	32
2020	6400	34500	40900	1.82	16.47	18.296	11	11	22
2019	1047	56770	57817	3.26	27.9	31.16	5	12	17
2018									
2017	31525								

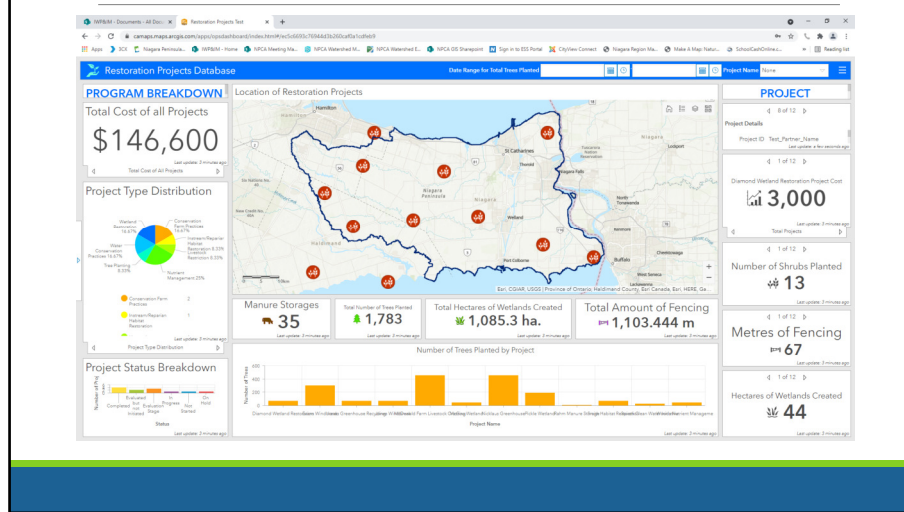
We'll be able to include our achievements in tree planting over the past five years in the submission and we would like to include similar planting from partner municipalities in the RFI response as well.

NPCA has long history of and experience with planting trees locally in partnership spanning beyond 20 years. Over 1 million between 2000 and 2006 (treeplanting wasn't the entire focus over this duration, it was one of many project types NPCA restoration services implemented, not unlike today).

Our modern grant program has been scaling up each year.

2021 Trees total is based on spring plant as total for fall tree plants are still being confirmed while restoration plans by staff finalize.

Restoration Tracking



Our ability to track and monitor our restoration efforts by different management units and KPI's is becoming much more sophisticated with highly quantitative and spatially integrated tools.

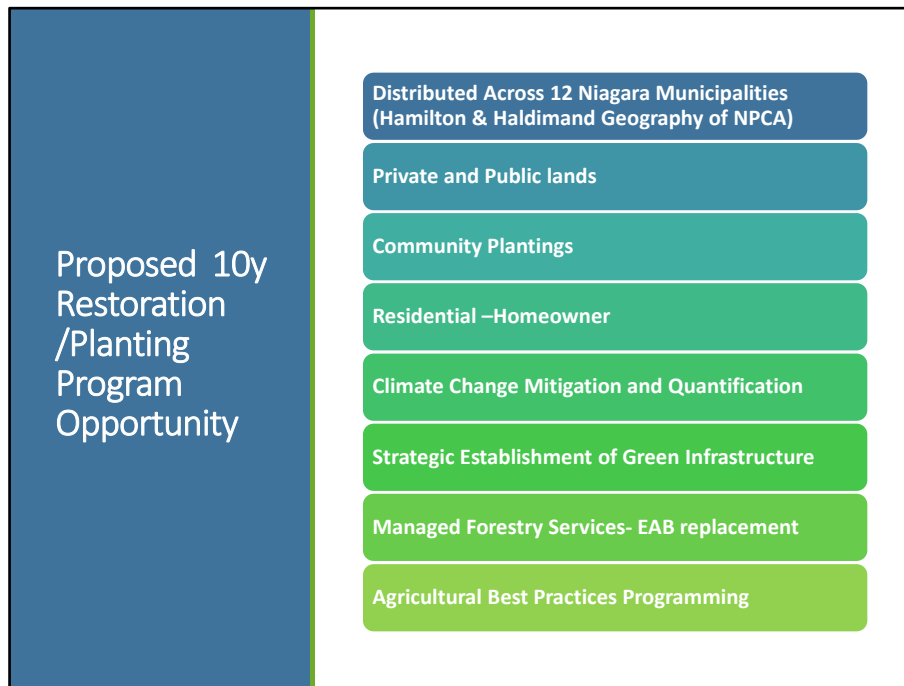
In the last year NPCA has been focusing a lot of effort into this digital infrastructure for our own needs as demonstrated by this developing dashboard for our program.

It can be readily adapted for a large-scale tree planting partnership locally and report multiple associated data driven statistics by municipality, subwatershed, soil landscape.

Public oriented versions of the tool can be considered as well to encourage, inform and be transparent with the community, and can include the configuration of any branding requirements.

RFI Concept

Now we will transition and focus onto some RFI concepts itself including how we feel you can help at present, and next steps.



The submission will propose a heavily partnered 10-year restoration tree planting program distributed across all 12 Niagara municipalities, as well as our municipal partners in Hamilton and Haldimand for an NPCA watershed approach.

It would encompass quantifying achievements towards climate change mitigation through both private and public land plantings.

There is significant potential through this opportunity to address green ash stands which are prominent in Niagara but have been destroyed by the EAB.

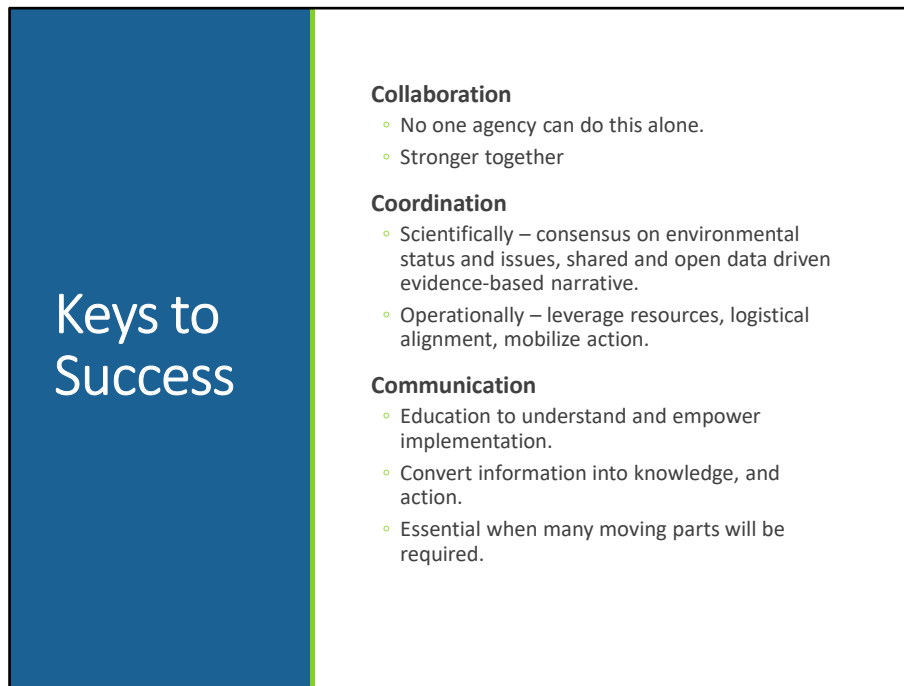
The program will strategically establish green infrastructure that would also benefit and quantify achievements towards biodiversity, habitat, and water quality.

RFI Gap Analysis	
	1. NPCA can facilitate science and practical implementation:
	Data and Analysis expertise
	Expertise with Systematic Conservation Planning and Watershed Management
	Tree planting experience and expertise (Restoration Specialists, Ecologists and Professional Forester)
	Climate Change quantification – standardized carbon sequestration reporting
	Large Volunteer base
	Large Communications and Marketing Reach
	2. Limiting factors to overcome with partnered approach:
	Matching funding, diversification of restoration incomes
	Land supply – need to educate, campaign, private, public, acquisition

As communicated earlier, not everything the RFI is asking us to speak to can be addressed in all detail at this time. That will be crucial at the proposal stage.

NPCA has the science and practical implementation part well addressed but will need assistance with overcoming the land supply and matching funding limiting factors.

The partnered approach will really speak to aspiring to address these implementation challenges collaboratively.

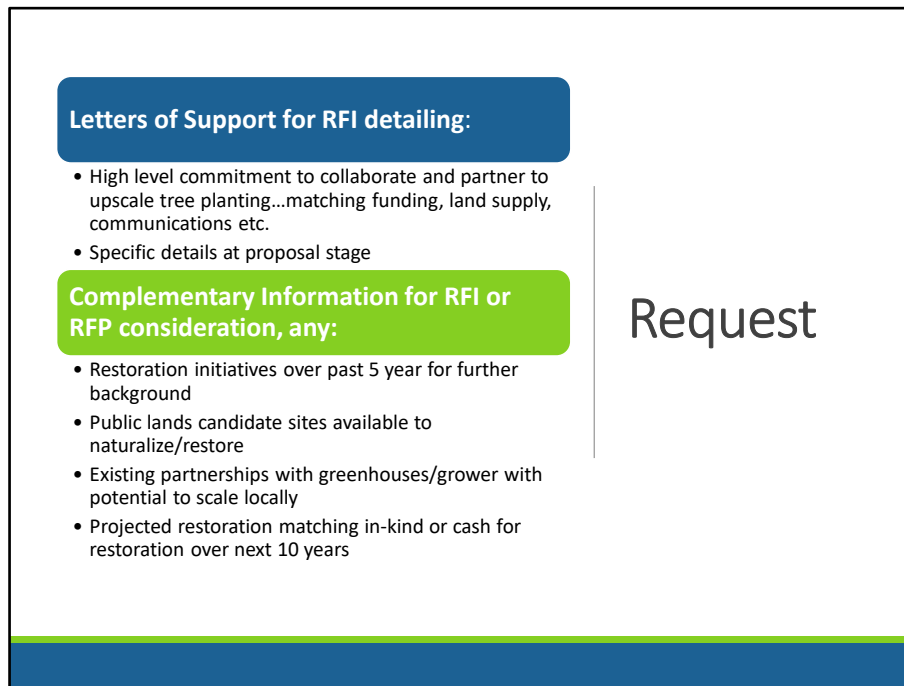


Keys to Success

- Collaboration**
 - No one agency can do this alone.
 - Stronger together
- Coordination**
 - Scientifically – consensus on environmental status and issues, shared and open data driven evidence-based narrative.
 - Operationally – leverage resources, logistical alignment, mobilize action.
- Communication**
 - Education to understand and empower implementation.
 - Convert information into knowledge, and action.
 - Essential when many moving parts will be required.

Recognizing keys to success will be important to demonstrate in a successful submission.

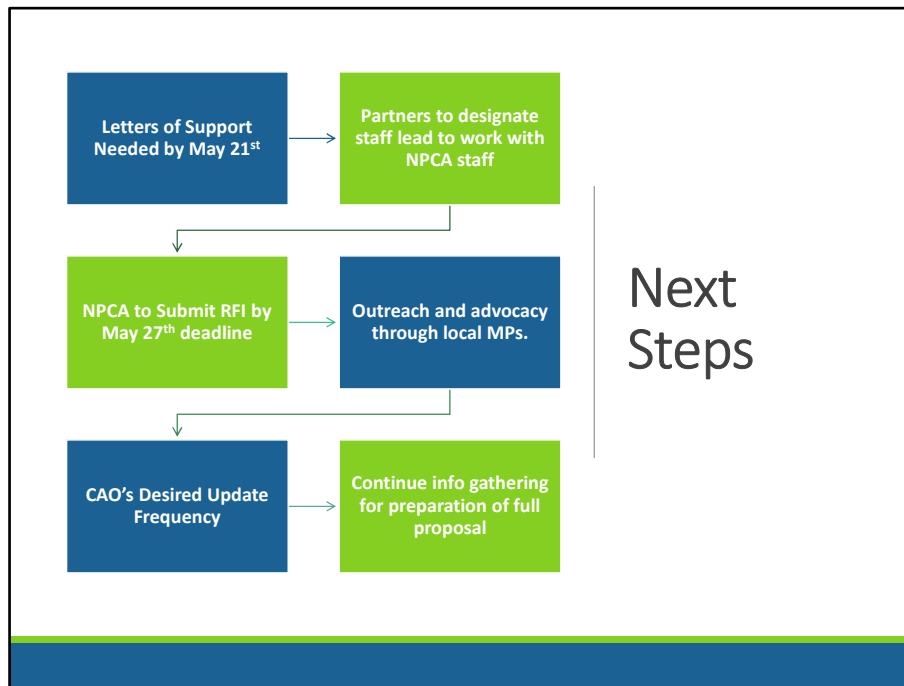
Communication and coordination is key, while collaboration helps the community piece together the solution.



As we continue to prepare the RFI submission, what we are requesting of you at this time, is simply a letter of support and any background information readily available to assist with demonstrating the partnered approach or additional capacity.

The letters of support will be provided in the coming days after this meeting and speak to the science based and strongly partnered vision for a large-scale watershed wide tree-planting program.

We are largely interested in including an estimation of public lands available to naturalize and restore through the potential program, information on any past plantings your municipality has done that further demonstrates local capacity, in kind or cash projections for restoration over program span that can be considered for matching, as well as any partnerships with growers.



Our next steps are focused on ensuring the support for the RFI submission.

Letters of support ideally submitted by May 21st. Assignment of staff to work with us to share any background info from your municipality that would be helpful to include.

We will need to determine your desire for updates on this initiative as well as we submit the RFI response and continue to gather info and prepare for the potential of a full proposal requirement.



Thank you for your time today, and the chance to share this opportunity to scale up tree planting efforts in our municipalities and watersheds that could lead to multiple benefits and outcomes.

If you have any questions, CAO Sharma, myself or staff who have joined us would be happy to address.

FINANCE COMMITTEE
ON-LINE VIDEO CONFERENCE
MEETING MINUTES
Wednesday May 5, 2021
9:30 a.m.

-
- MEMBERS PRESENT:** K. Kawall, Chair
S. Beattie (arrived 9:39 a.m.)
R. Foster
B. Mackenzie
J. Metcalfe
B. Steele
M. Woodhouse
- STAFF PRESENT:** C. Sharma, Chief Administrative Officer/Secretary–Treasurer
G. Bivol, Clerk
A. Christie, Director, Operations
L. Gagnon, Director, Corporate Services
G. Shaule, Administrative Assistant
- OTHERS:** S. Plugers, Auditor, KPMG

Chair Kawall called the meeting to order at 9:31 a.m.

1. APPROVAL OF AGENDA

Recommendation No. FC-08-2021

Moved by Member Steele

Seconded by Member Metcalfe

THAT the Finance Committee Meeting agenda dated May 5, 2021 **BE AMENDED** to allow the presentation by Scott Plugers, KPMG and deliberation of Report No. FC-06-21 RE: 2020 Audited Financial Statements following Item 3. Approval of Minutes and prior to 6. Consent items.

THAT the Finance Committee Meeting agenda dated May 5, 2021 **BE ADOPTED** as amended.

CARRIED

2. DECLARATIONS OF CONFLICT OF INTEREST

None declared.

3. APPROVAL OF THE MINUTES

- a) Minutes of the Finance Committee meeting dated Thursday, February 24, 2021

Recommendation No. FC-09-2021

Moved by Member Woodhouse

Seconded by Member Metcalfe

THAT the minutes of the NPCA Finance Committee meeting dated February 24, 2021 **BE APPROVED**.

CARRIED

4. CORRESPONDENCE

None.

5. DELEGATIONS / PRESENTATIONS

None.

7. DISCUSSION ITEMS (As Per Recommendation No. FC-08-2021)

- b) Report No. FC-06-21 RE: 2020 Audited Financial Statements – In accordance with Recommendation No. FC-08-2021, this item of business was addressed prior to the other reports on the agenda. Lise Gagnon, Director of Corporate Services briefly updated Members and introduced Mr. Plugers, Auditor, KPMG. Mr. Plugers presented and discussed revenues, the financial statements and audit findings report. Questions were posed by Members and discussion ensued.

Recommendation No. FC-10-2021

Moved by Member Metcalfe

Seconded by Member Steele

THAT the presentation by Scott Plugers, KPMG regarding the 2020 Financial Statements and Audit Findings **BE RECEIVED**.

CARRIED

Recommendation No. FC-11-2021

Moved by Member Foster

Seconded by Member Beattie

1. **THAT** Report No. FC-06-21 RE: 2020 Audited Financial Statements **BE RECEIVED**.

2. **THAT** the 2020 Audited Financial Statements and the 2020 Audit Findings Report attached thereto as Appendices 1 and 2 respectively **BE RECOMMENDED** to the Board of Directors for approval.

CARRIED

6. CONSENT ITEMS

- a) Report No. FC-07-21 RE: Financial Report – Q4 – 2020 - Lise Gagnon presented and Members posed questions.

Recommendation No. FC-12-2021

Moved by Member Steele

Seconded by Member Woodhouse

THAT Report No. FC-07-21 RE: Procurement – 2020 Activity **BE RECEIVED**.

CARRIED

- b) Report No. FC-08-21 RE: Financial Report – Q1 – 2021 - Lise Gagnon spoke to the report.

Recommendation No. FC-13-2021

Moved by Member Foster

Seconded by Member Steele

THAT Report No. FC-08-21 RE: Financial Report – Q1 – 2021 **BE RECEIVED.**

CARRIED

7. DISCUSSION ITEMS (Continued)

- a) Report No. FC-05-21 RE: 2021 Operating and Capital Budgets – FINAL - Lise Gagnon, Director of Corporate Services presented. Members posed questions to staff. Discussion ensued.

Recommendation No. FC-14-2021

Moved by Member Steele

Seconded by Member Foster

THAT Report FC-05-21 RE: 2021 Operating and Capital Budgets **BE RECEIVED.**

CARRIED

8. NEW BUSINESS

None.

9. ADJOURNMENT

The Chair declared the meeting adjourned at 10:47 a.m..

Ken Kawall,
Committee Chair

Chandra Sharma, MCIP, RPP
Chief Administrative Officer / Secretary
- Treasurer

Report To: Board of Directors

Subject: 2021 Operating and Capital Budgets - FINAL

Report No: FA-30-21

Date: May 21, 2021

Recommendation:

1. **THAT** Report No. FA-30-21 RE: 2021 Operating and Capital Budgets – FINAL **BE RECEIVED**.
2. **THAT** the Final 2021 Operating and Capital Budgets **BE RECOMMENDED** to the Board of Directors for approval.
3. **THAT**, in accordance with the Board approved Reserves Policy, the following 6 projects in the amount of \$1,757,204 **BE FUNDED** from Reserves:
 - a. \$392,171 – General Capital Reserve
 - b. 32,126 – Niagara Levy Differential Reserve
 - c. 800,000 – Land Acquisition Reserve – Niagara
 - d. 390,411 – General Operating Reserve
 - e. 63,746 – Restoration Reserve
 - f. 78,750 – Tree By-law Reserve
4. **AND FURTHER THAT** the 2021 Unfunded Budget Priorities list (Appendix 1) **BE ADOPTED** and staff **BE AUTHORIZED** to update the list and address critical pressures as funding becomes available through external funding sources and/or within the approved budget.

Purpose:

The purpose of this report is to seek the Board of Directors' approval of the Final 2021 Operating and Capital Budgets. Additionally, Staff is requesting Board of Directors approval of recommendations related to reserve allocations for 2021, in accordance with the Reserve Policy approved by the Board of Directors in December 2020. Further, Staff is requesting authorization to address critical pressures as outlined in the 2021 Unfunded Budget Priorities list as funding becomes available.

Background:

On November 19, 2020, the NPCA Board of Directors passed the following resolution, in part, respecting the 2021 Draft Operating and Capital Budgets:

Recommendation No. FA-163-2020

THAT Report No. FA-59-20 RE: 2021 Draft Operating and Capital Budgets **BE APPROVED** for discussion with participating municipal staff, in accordance with Board approved Budget Assumptions.

On December 17, 2020, the NPCA Board of Directors passed Resolution No. FA-181-2020 approving the NPCA Reserves Policy.

On May 5, 2021 Recommendation No. FC -15-2021 was approved by the Finance Committee endorsing the Operating and Capital Budgets and reserve allocations for Board Approval.

Discussion:

Further to the Board's directive, staff met and/or communicated with each municipal partner relative to NPCA's draft 2021 operating and capital budgets. Staff delivered a presentation on the 2021 budgets to Niagara Region's Budget Review Committee of the Whole on December 10, 2020 and the City of Hamilton's General Issues Committee on January 19, 2021. Haldimand did not require NPCA to deliver a Council presentation; 2021 budgets were brought forward on Report PDD-37-2020 for consideration by Council in Committee on December 8, 2020. In all cases, 2021 operating and capital budgets were presented to Council as approved by NPCA's Board of Directors on November 19, 2020, with no changes.

Budget Approval Status:

Niagara Region:

Please see Appendix 2 for confirmation of NPCA 2021 Operating and Capital Budget approval by Niagara Region Council on December 17, 2020. The 2021 Budget for Niagara Region as a whole was approved on January 21, 2021.

City of Hamilton:

The 2021 Tax Supported Operating Budget for the City of Hamilton was approved by Council on March 31, 2021. Please follow this link for Council Minutes 21-005 from March 31, 2021: <https://pub-hamilton.escrimemeetings.com/FileStream.ashx?DocumentId=266113>

Haldimand County:

Haldimand County's approach to CA budgets has been to allow each of its Board appointees to vote their conscience at CA budget approval meetings, and Council supports this approach. Haldimand County includes NPCA's annual levies as line items in the Planning and Development Division. Haldimand County's 2021 Budget as a whole was approved on April 6, 2021.

Levy Letters have been issued to each partner municipality.

Reserve Allocations – 2021:

The Reserve Policy provides guidance for the allocation and use of funds within each of the reserve categories. To that end, Staff is recommending the following reserve allocations for the 2021 fiscal year:

- a. \$392,171 – General Capital Reserve
This balance represents Board approved capital projects that will be completed in 2021.
Board approval – November 19, 2020.
https://npca.ca/images/uploads/board_files/Full_Authority_Minutes_-_November_19%2C_2020.pdf
- b. \$32,126 – Niagara Levy Differential Reserve
This balance represents Haldimand County's portion of the Levy Differential Reserve. Discussions have been initiated to reallocate these funds to a Haldimand project in the 2021 fiscal year.
- c. \$800,000 – Land Acquisition Reserve – Niagara
Further to Board approval, we are currently in the process of acquiring a parcel of land within the Niagara Region. Sale closes May 7, 2021.
https://npca.ca/images/uploads/board_files/Full_Authority_Minutes_-_March_19%2C_2021.pdf
- d. \$390,411 – General Operating Reserve
This balance represents Board approved projects sourced from operating surplus that will be completed in 2021.
https://npca.ca/images/uploads/board_files/Full_Authority_Minutes_-_November_19%2C_2020.pdf
- e. \$63,746 – Restoration Program Reserve
This balance represents Board approved Restoration Program projects that are carried forward for completion in 2021.
https://npca.ca/images/uploads/board_files/Full_Authority_Minutes_-_April_16%2C_2020_%281%29.pdf
- f. \$78,750 – Tree By-Law Reserve
Given that Niagara Region has repatriated administration of the Tree By-Law, staff is recommending reallocation of this reserve to address forestry issues related to hazard tree removal/Emerald Ash Borer.

Related Reports and Appendices:

Appendix 1 - 2021 – Unfunded Budget Priorities

Appendix 2 - Niagara Region – 2021 Budget Approval Reserves Policy

Authored by:

Original Signed by:

Lise Gagnon, CPA, CGA
Director, Corporate Services

Submitted by:

Original Signed by:

Chandra Sharma, MCIP, RPP
CAO/Secretary-Treasurer

Niagara Peninsula Conservation Authority - 2021 UNFUNDED BUDGET PRIORITIES							Appendix 1 - Report No. FA-30-21	
	Location	Funding Source	Munic.	Niagara	Hamilton	Haldimand	External	TOTAL
Restoration & Shoreline Resiliency								
Watershed Plan Data Update	Various	Special Levy - ALL	All	76,981	21,157	1,862		100,000
Watershed Restoration	Various	Special Levy - ALL	All	115,472	31,735	2,794		150,000
Water Quality Non-Point Source Modelling	Various	Special Levy - ALL	All	61,585	16,925	1,490		80,000
Restoration based site design - Lakewood	Niagara	Special Levy - Niagara	Niagara	50,000				50,000
Fish Habitat Mapping Update	Various	Special Levy - ALL	All	76,981	21,157	1,862		100,000
Sub Total - Restoration & Shoreline Resiliency				381,019	90,973	8,008	-	480,000
Planning and Growth Pressures								
Lake Erie Shoreline - Phase 1	Niagara	Special Levy - Niagara	Niagara	220,000				220,000
Lake Ontario Shoreline - Phase 1	Niagara	Special Levy - Niagara	Niagara	220,000				220,000
Karst Hazard Mapping	Various	Special Levy - ALL	All	65,434	17,983	1,583		85,000
City View Reconfiguration	Various	Special Levy - ALL	All	115,472	31,735	2,794		150,000
Sub Total - Planning and Growth Pressures				620,906	49,718	4,377	-	675,000
State of Good Repair/Health and Safety								
Internet Upgrade	Central Workshop	Special Levy - ALL	All	38,491	10,578	931		50,000
Data Centre Server Upgrade	Welland	Special Levy - ALL	All	20,015	5,501	484		26,000
Electrical & Water - Ridge - Long Beach	Long Beach	Special Levy - Niagara	Niagara	130,000				130,000
Speed Bumps - All Parks (Phase 1)	Central Workshop	Special Levy - ALL	All	50,000	50,000			100,000
Equipment Implements	Various	Special Levy - Niagara	Niagara	30,792	8,463	745		40,000
Barn Storage Facility	Balls Falls	Special Levy - Niagara	Niagara	50,000				50,000
Tractor	Central Workshop	Special Levy - ALL	All	38,491	10,578	931		50,000
Argo (Bog & Wainfleet Wetlands)	Central Workshop	Special Levy - ALL	All	15,396	4,231	372		20,000
Wainfleet Wetlands (Phase 1)	Central Workshop	Special Levy - Niagara	Niagara	153,962	42,313	3,725		200,000
Passive Parks Gates	Central Workshop	Special Levy - Niagara	Niagara	330,000				330,000
Ball Home Interior Scoping and Restoration	Balls Falls	Special Levy - Niagara	Niagara	7,500				7,500
Centre for Conservation Upgrades (gift Shop)	Balls Falls	Special Levy - Niagara	Niagara	50,000				50,000
Additional Roadway from 7th Ave into Park	Balls Falls	Special Levy - Niagara	Niagara	10,000				10,000
Ball's Falls Gate System	Balls Falls	Special Levy - Niagara	Niagara	100,000				100,000
Equipment - POS Machines (all parks)	Balls Falls	Special Levy - Niagara	Niagara	7,500				7,500
Parking Lot Lighting CFC	Balls Falls	Special Levy - Niagara	Niagara	40,000				40,000
Office Furniture	Various	Special Levy - ALL	All	19,245	5,289	466		25,000
Lime Restoration	Balls Falls	Special Levy - Niagara	Niagara	40,000				40,000
New Metal Stairs for Bruce Trail	Balls Falls	Special Levy - Niagara	Niagara	100,000				100,000
Equipment: BBQ	Binbrook	Special Levy - Hamilton	Hamilton		10,000			10,000
Info Signs / Kiosk	Binbrook	Special Levy - Hamilton	Hamilton		30,000			30,000
Pavilion 1 Scoping, Design and Permits	Binbrook	Special Levy - Hamilton	Hamilton		10,000			10,000
Pavilion 1 Demolition and Construction	Binbrook	Special Levy - Hamilton	Hamilton		275,000			275,000
Playground Upgrade	Binbrook	Special Levy - Hamilton	Hamilton		300,000			300,000
Additional Pavilions	Binbrook	Special Levy - Hamilton	Hamilton		250,000			250,000
New Gate System	Binbrook	Special Levy - Hamilton	Hamilton		150,000			150,000
New Washroom Facility	Binbrook	Special Levy - Hamilton	Hamilton		300,000			300,000
Road and Parking Upgrade	Binbrook	Special Levy - Hamilton	Hamilton		500,000			500,000
Main Boat Launch Upgrade	Binbrook	Special Levy - Hamilton	Hamilton		100,000			100,000
Expanded Office Space	Binbrook	Special Levy - Hamilton	Hamilton		50,000			50,000
Charcoal Disposal Units	Binbrook	Special Levy - Hamilton	Hamilton		15,000			15,000
Pavilion 2 Parking lot	Binbrook	Special Levy - Hamilton	Hamilton		35,000			35,000

Niagara Peninsula Conservation Authority - 2021 UNFUNDED BUDGET PRIORITIES							Appendix 1 - Report No. FA-30-21	
	Location	Funding Source	Munic.	Niagara	Hamilton	Haldimand	External	TOTAL
Garbage disposal area - next to scout loop	Binbrook	Special Levy - Hamilton	Hamilton		10,000			10,000
Northside Playground	Long Beach	Special Levy - Niagara	Niagara	125,000				125,000
Boat Launch Replacement	Long Beach	Special Levy - Niagara	Niagara	50,000				50,000
Drainage South Side	Long Beach	Special Levy - Niagara	Niagara	100,000				100,000
North and South Parking Areas	Long Beach	Special Levy - Niagara	Niagara	40,000				40,000
Seating and Shade Structure	Long Beach	Special Levy - Niagara	Niagara	75,000				75,000
Rebuild Comfort station #2 Soth Side	Long Beach	Special Levy - Niagara	Niagara	5,000				5,000
Beach Washroom Renovations	Chippawa Creek	Special Levy - Niagara	Niagara	15,000				15,000
Replace Old Comfort Station Tanks/Improv	Chippawa Creek	Special Levy - Niagara	Niagara	25,000				25,000
Workshop Upgrades	Chippawa Creek	Special Levy - Niagara	Niagara	25,000				25,000
Electrical Upgrades	Chippawa Creek	Special Levy - Niagara	Niagara	1,000,000				1,000,000
New Firewood Hut	Chippawa Creek	Special Levy - Niagara	Niagara	25,000				25,000
New Pavilion	Chippawa Creek	Special Levy - Niagara	Niagara	125,000				125,000
New Playground Equipment	Chippawa Creek	Special Levy - Niagara	Niagara	150,000				150,000
Tile Drain in Day Use	Chippawa Creek	Special Levy - Niagara	Niagara	125,000				125,000
Morgan's Point Comfort Station Renovation	Central Workshop	Special Levy - ALL	All	19,245	5,289	466		25,000
Morgan's Point Pavilion	Central Workshop	Special Levy - ALL	All	96,226	26,446	2,328		125,000
All Passive Park Bathroom Renovations	Central Workshop	Special Levy - ALL	All	19,245	5,289	466		25,000
St. Johns Valley Centre Septic System	Central Workshop	Special Levy - ALL	All	173,207	47,602	4,190		225,000
Fencing for All Parks	Central Workshop	Special Levy - ALL	All	130,868	35,966	3,166		170,000
Low Ropes Course	Cons Area Serv	Special Levy - ALL	All	15,396	4,231	372		20,000
Work Vehicles	Equipment	Special Levy - ALL	All	115,472	31,735	2,794		150,000
New AED Units (H&S)	Equipment	Special Levy - ALL	All	23,094	6,347	559		30,000
Trailers (All Parks)	Equipment	Special Levy - ALL	All	46,189	12,694	1,117		60,000
Plow and Salter (Chipp)	Equipment	Special Levy - ALL	All	5,774	1,587	140		7,500
Roll off Tri-Axle Truck	Equipment	Special Levy - ALL	All	92,377	25,388	2,235		120,000
Sub Total - State of Good Repair				3,853,486	2,374,527	25,487	-	6,253,500
TOTAL - UNFUNDED BUDGET PRIORITIES				4,855,411	2,515,217	37,872	-	7,408,500

Administration

Office of the Regional Clerk

1815 Sir Isaac Brock Way, PO Box 1042, Thorold, ON L2V 4T7

Telephone: 905-685-4225 Toll-free: 1-800-263-7215 Fax: 905-687-4977

www.niagararegion.ca

March 1, 2021

Council Session CL 23-2020, December 17, 2020

Chandra Sharma,
CAO/Secretary-Treasurer
Niagara Peninsula Conservation Authority
250 Thorold Road West; 3rd Floor
Welland, ON L3C 3W2

SENT ELECTRONICALLY

**RE: Correspondence Item BRC-C 4-2020 – NPCA 2021 Municipal Levy
Apportionment**

Regional Council at its meeting held on Thursday, December 17, 2020, approved the following recommendation of its Budget Review Committee of the Whole:

That Correspondence Item BRC-C 4-2020, being a letter from B. Johnson, Chair, Niagara Peninsula Conservation Authority, dated December 4, 2020, respecting Proposed 2021 Operating and Capital Budgets, **BE RECEIVED**; and

That the Niagara Peninsula Conservation Authority 2021 Municipal Levy Apportionment to Niagara Region **BE APPROVED**.

The 2021 Budget for Niagara Region was approved on January 21, 2021.

If you require any additional information, please feel free to contact me.

Yours truly,



Ann-Marie Norio
Regional Clerk

CLK-C 2021-039

Report To: Board of Directors

Subject: 2020 Audited Financial Statements

Report No: FA-31-21

Date: May 21, 2021

Recommendation:

1. **THAT** Report No. FA-31-21 RE: 2020 Audited Financial Statements **BE RECEIVED**.
2. **THAT** the 2020 Audited Financial Statements and the 2020 Audit Findings Report **BE APPROVED**.

Purpose:

The purpose of this report is to seek the Board of Directors' approval of the 2020 Audited Financial Statements and the 2020 Audit Findings Report.

Background:

On May 5, 2021, the Finance Committee endorsed the Financial Statements and the 2020 Audit Findings Report for Board Approval (Recommendation No FC -12-2021)

Financial Implications:

There are no financial implications associated with this report.

Related Reports and Appendices:

Appendix 1 - Draft 2020 Audited Financial Statements

Appendix 2 - Draft 2020 Audit Findings Report

Authored by:

Original Signed by:

Lise Gagnon, CPA, CGA
Director, Corporate Services

Submitted by:

Original Signed by:

Chandra Sharma, MCIP, RPP
Chief Administrative Officer/Secretary-
Treasurer

Financial Statements of

**NIAGARA PENINSULA
CONSERVATION AUTHORITY**

And Independent Auditors' Report thereon

Year ended December 31, 2020



KPMG LLP
80 King Street, Suite 620
St. Catharines ON L2R 7G1
Canada
Tel 905-685-4811
Fax 905-682-2008

INDEPENDENT AUDITORS' REPORT

To the Board of Niagara Peninsula Conservation Authority

Opinion

We have audited the financial statements of Niagara Peninsula Conservation Authority (the Entity), which comprise:

- the statement of financial position as at December 31, 2020
- the statement of operations for the year then ended
- the statement of changes in net financial assets for the year then ended
- the statement of cash flows for the year then ended
- and notes to the financial statements, including a summary of significant accounting policies

(Hereinafter referred to as the “financial statements”)

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Entity as at December 31, 2020, and its results of operations, its changes in net financial assets and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the “**Auditors’ Responsibilities for the Audit of the Financial Statements**” section of our report.

We are independent of the Entity in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Entity's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion.

Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.



- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represents the underlying transactions and events in a manner that achieves fair presentation.
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Chartered Professional Accountants, Licensed Public Accountants

St. Catharines, Canada
May 20, 2021

NIAGARA PENINSULA CONSERVATION AUTHORITY

Statement of Financial Position

As at December 31, 2020, with comparative information for 2019

	2020	2019
Financial assets		
Cash and cash equivalents	\$ 4,079,157	\$ 3,454,034
Investments	4,467,229	4,381,512
Accounts receivable	732,551	666,214
	<u>9,278,937</u>	<u>8,501,760</u>
Liabilities		
Accounts payable and accrued liabilities	1,655,408	1,389,998
Employee future benefits (note 2)	74,200	66,300
Deferred revenue (note 4)	1,966,299	1,521,047
Long-term debt (note 3)	-	216,325
	<u>3,695,907</u>	<u>3,193,670</u>
Net financial assets	5,583,030	5,308,090
Non-financial assets		
Prepaid expenses	37,163	36,797
Tangible capital assets (note 5)	21,329,536	21,008,145
	<u>21,366,699</u>	<u>21,044,942</u>
Accumulated surplus (note 6)	\$ 26,949,729	\$ 26,353,032

See accompanying notes to financial statements

Chair

Chief Administrative Officer

NIAGARA PENINSULA CONSERVATION AUTHORITY

Statement of Operations

Year ended December 31, 2020, with comparative information for 2019

	Budget (note 9)	2020 Actual	2019 Actual
Revenues:			
Government transfers			
Province of Ontario – Ministry of Natural Resources and Forestry ("MNRF")	\$ 90,000	\$ 90,083	\$ 90,083
Province of Ontario - Other	259,185	264,520	223,482
Government of Canada	100,000	54,195	100,000
Municipal levies			
General	6,092,656	6,092,753	6,416,084
Special	2,776,265	1,453,445	635,001
Authority generated			
User fees, sales and admissions	2,016,850	1,421,260	2,148,195
Administration fees	387,108	439,317	401,000
Interest	90,000	108,624	214,063
Other	337,101	601,723	445,261
OPG - Welland river watershed	-	45,916	195,432
	12,149,165	10,571,836	10,868,601
Expenses:			
CAO and Administration	1,875,025	1,709,181	3,068,776
Watershed	2,380,944	2,080,522	1,868,308
Corporate Resources	5,826,481	6,185,436	7,121,476
	10,082,450	9,975,139	12,058,560
Annual surplus (deficit)	2,066,715	596,697	(1,189,959)
Accumulated surplus, beginning of year	26,353,032	26,353,032	27,542,991
Accumulated surplus, end of year	\$ 28,419,747	\$ 26,949,729	\$ 26,353,032

See accompanying notes to financial statements

NIAGARA PENINSULA CONSERVATION AUTHORITY

Statement of Change in Net Financial Assets

Year ended December 31, 2020, with comparative information for 2019

	2020	2019
Annual surplus (deficit)	\$ 596,697	\$ (1,189,959)
Acquisition of tangible capital assets	(1,407,844)	(1,744,615)
Fair value of tangible capital assets assumed	(650)	-
Amortization of tangible capital assets	897,530	864,071
Proceeds on disposal of tangible capital assets	45,900	47,569
Loss (gain) on disposal of tangible capital assets	143,673	(30,003)
Increase in prepaid expenses	(366)	(3,688)
	274,940	(2,056,625)
Net financial assets, beginning of year	5,308,090	7,364,715
Net financial assets, end of year	\$ 5,583,030	\$ 5,308,090

See accompanying notes to financial statements

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NIAGARA PENINSULA CONSERVATION AUTHORITY

Statement of Changes in Cash Flows

Year ended December 31, 2020, with comparative information for 2019

	2020	2019
Cash provided by (used in):		
Operations:		
Annual surplus (deficit)	\$ 596,697	\$ (1,189,959)
Item not involving cash:		
Amortization of tangible capital assets	897,530	864,071
Fair value of tangible capital assets assumed	(650)	-
Loss (gain) on disposal of tangible capital assets, net	143,673	(30,003)
Employee future benefits	7,900	(6,900)
Accrued interest on investments	2,452	1,961
Change in non-cash operating working capital:		
Accounts receivable	(66,337)	(387,228)
Prepaid expenses	(366)	(3,688)
Accounts payable and accrued liabilities	265,410	630,923
Deferred revenue	445,252	(255,932)
Net change in cash and cash equivalents from operations	2,291,561	(376,755)
Capital activities:		
Purchases of tangible capital assets	(1,407,844)	(1,744,615)
Proceeds from disposal of tangible capital assets	45,900	47,569
Net change in cash and cash equivalents from capital activities	(1,361,944)	(1,697,046)
Investing activities:		
Proceeds from sale of investments	4,377,200	4,250,000
Purchases of investments	(4,465,369)	(4,377,200)
Net change in cash and cash equivalents from investing activities	(88,169)	(127,200)
Financing activities:		
Repayment of long-term debt	(216,325)	(483,705)
Net change in cash and cash equivalents	625,123	(2,684,706)
Cash and cash equivalents, beginning of year	3,454,034	6,138,740
Cash and cash equivalents, end of year	\$ 4,079,157	\$ 3,454,034

See accompanying notes to financial statement.

NIAGARA PENINSULA CONSERVATION AUTHORITY

Notes to Financial Statements

Year ended December 31, 2020

The Niagara Peninsula Conservation Authority (“the Authority”) is established under The Conservation Authorities Act of Ontario to further the conservation, restoration, development and management of natural resources within the watershed boundary established for the Authority.

1. Significant accounting policies:

The financial statements of Niagara Peninsula Conservation Authority (the “Authority”) are prepared by management in accordance with Public Sector Accounting Standards (“PSAS”). Significant accounting policies adopted by the Authority are as follows:

(a) Basis of accounting:

Revenues and expenses are reported on the accrual basis of accounting. Revenues are recognized in the year in which they are earned and measurable. Expenses are recognized as they are incurred and measurable as a result of receipt of goods or services and the creation of a legal obligation to pay.

(b) Cash and cash equivalents:

Cash and cash equivalents include cash on hand, balances with banks and guaranteed investment certificates that mature within three months.

(c) Investments:

Investments consist of term deposits and are recorded at amortized cost. Investments held by the Authority have a market value that approximates cost given their fixed interest rate nature and maturity date within one year. When there has been a loss in value that is other than a temporary decline in value, the respective investment is written down to recognize the loss. Investment income earned on investments are reported as revenue in the period earned.

(d) Deferred revenue:

Deferred revenues represent government transfers and user fees which have been collected but for which related expenses or related services have yet to be performed. These amounts will be recognized as revenues in the fiscal year the services are performed.

(e) Non-financial assets:

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. Tangible capital assets have useful lives extending beyond the current year and are not intended for sale in the ordinary course of operations.

NIAGARA PENINSULA CONSERVATION AUTHORITY

Notes to Financial Statements (continued)

Year ended December 31, 2020

1. Significant accounting policies (continued):

(e) Non-financial assets (continued):

(i) Tangible capital assets:

Tangible capital assets are recorded at cost. Cost includes all directly attributable expenses in the acquisition, construction, development and/or betterment of the asset. The Authority does not capitalize interest costs associated with the acquisition or construction of tangible capital assets.

Cost, less residual value of tangible capital assets are amortized on a straight line basis over their estimated useful life. Land is considered to have an infinite life without amortization. Full year amortization is charged in the year of acquisition. Work-in-progress assets are not amortized until the asset is available for productive use.

Amortization is based on the following classifications and useful lives:

Asset	Useful Life - Years
Land Improvements	20 years
Buildings	30 years
Dams	15 to 100 years
Gauge stations	15 to 30 years
Equipment	10 years
Vehicles	5 years
Office equipment	5 years

Contributed tangible capital assets are capitalized at their estimated fair value upon acquisition and recognized as revenue in the year of contribution.

NIAGARA PENINSULA CONSERVATION AUTHORITY

Notes to Financial Statements (continued)

Year ended December 31, 2020

1. Significant accounting policies (continued):

(f) Revenue recognition:

i) Government transfers

Government transfers are recognized as revenue in the financial statements when the transfer is authorized, any eligibility criteria are met and a reasonable estimate of the amount can be made except when, and to the extent that, stipulations by the transferor give rise to an obligation that meet the definition of a liability. Government transfers that meet the definition of a liability are recognized as revenue as the liability is extinguished.

ii) Municipal levies

Municipal levies are recognized as revenue in the year in which they meet the definition of an asset, the levy is authorized and the levy event has occurred.

iii) Authority generated

User fees, sales and admissions and other income is reported as revenue in the period earned.

(g) Employee future benefits:

The Authority provides certain employee benefits which will require funding in future periods. These benefits include extended health and dental benefits for early retirees to age 65. The employee future benefits represent management's best estimates of the cost of premiums on benefits up to the date of retirement.

(h) Use of estimates:

The preparation of financial statements in accordance with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the period. Actual results could differ from management's best estimates as additional information becomes available in future. Significant estimates include assumptions used in the estimation of employee future benefits.

NIAGARA PENINSULA CONSERVATION AUTHORITY

Notes to Financial Statements (continued)

Year ended December 31, 2020

2. Employee future benefits:

The Authority provides extended life, health and dental benefits to a closed group of early retirees to age 65 which will require funding in future periods. The Authority recognizes these retirement benefit costs in the period in which the service is rendered. The accrued benefit liability at December 31, 2020 was estimated by management to be \$74,200 (2019 - \$66,300). Information about the Authority's benefit plan is as follows:

	2020	2019
Accrued benefit obligation:		
Balance, beginning of year	\$ 66,300	\$ 73,200
Current benefit cost	20,913	14,195
Benefits paid	(13,013)	(21,095)
Accrued benefit obligation, end of year	\$ 74,200	\$ 66,300

3. Long-term debt:

	2020	2019
The Authority has assumed responsibility for the payment of principal and interest charges on long-term debt issued by the Region of Niagara	\$ -	\$ 216,325
	\$ -	\$ 216,325

Long-term debt bears interest at rates ranging from 4.5% - 4.8%. Long-term debt was fully repaid during the year.

The Authority paid \$5,030 (2019 - \$27,980) in interest on long-term debt during the year.

4. Deferred revenue:

Deferred revenues consist of the following:

	Balance at December 31, 2019	Externally restricted inflows	Revenue earned	Balance at December 31, 2020
User fees and other	\$ 199,980	\$ 66,392	\$ (42,837)	\$ 223,535
Government grants	254,157	6,126	(37,018)	223,265
Canada Emergency Wage Subsidy	-	494,365	-	494,365
Welland river watershed- Ontario Power Generation ("OPG")	1,066,910	-	(45,916)	1,020,994
Other	-	4,140	-	4,140
Total	\$ 1,521,047	\$ 571,023	\$ (125,771)	\$ 1,966,299

NIAGARA PENINSULA CONSERVATION AUTHORITY

Notes to Financial Statements (continued)

Year ended December 31, 2020

5. Tangible capital assets:

Cost	Balance at December 31, 2019	Additions	Transfers/ Disposals	Balance at December 31, 2020
Land	\$ 9,192,450	\$ 650	\$ (9,062)	\$ 9,184,038
Land improvements	6,340,128	244,353	(1,263,685)	5,320,796
Buildings	6,061,641	200,631	(275,513)	5,986,759
Dams	4,986,642	177,688	-	5,164,330
Gauge stations	403,351	-	-	403,351
Equipment	2,300,540	766,386	(582,318)	2,484,608
Vehicles	284,696	-	(101,878)	182,818
Office equipment	970,672	-	(262,308)	708,364
Work-in-progress	512,258	1,407,844	(1,389,058)	531,044
Total	\$ 31,052,378	\$ 2,797,552	\$ (3,883,822)	\$ 29,966,108

Accumulated Amortization	Balance at December 31, 2019	Additions	Transfers/ Disposals	Balance at December 31, 2020
Land	\$ -	\$ -	\$ -	\$ -
Land improvements	3,242,907	255,693	(1,136,055)	2,362,545
Buildings	2,498,325	198,600	(275,681)	2,421,244
Dams	1,772,126	73,891	-	1,846,017
Gauge stations	224,955	20,128	89	245,172
Equipment	1,291,092	243,454	(529,358)	1,005,188
Vehicles	243,066	20,816	(101,878)	162,004
Office equipment	771,762	84,948	(262,308)	594,402
Total	\$ 10,044,233	\$ 897,530	\$ (2,305,191)	\$ 8,636,572

NIAGARA PENINSULA CONSERVATION AUTHORITY

Notes to Financial Statements (continued)

Year ended December 31, 2020

5. Tangible capital assets (continued):

	Net Book Value December 31, 2019	Net Book Value December 31, 2020
Land	\$ 9,192,450	\$ 9,184,038
Land improvements	3,097,221	2,958,251
Buildings	3,563,316	3,565,515
Dams	3,214,516	3,318,313
Gauge stations	1,009,448	158,179
Equipment	178,396	1,479,420
Vehicles	41,630	20,814
Office equipment	198,910	113,962
Work-in-progress	512,258	531,044
Total	\$ 21,008,145	\$ 21,329,536

Work-in-process, having a value of \$531,044 (2019 - \$512,258) has not been amortized. Amortization of these assets will commence when the asset is put into service.

Contributed tangible capital assets have been recognized at fair value at the date of contribution. The fair value of contributed assets received during the year is \$650 (2019 - \$ nil) comprised of land) and has been recognized as revenue in the Statement of Operations. Tangible capital assets recognized at nominal value include land used in the operations and conservation management. There were no amounts recognized at nominal value during the year or 2019.

During the year, the Authority recognized write-downs of tangible capital assets no longer in service. The loss on write-downs have been recognized in the Statement of Operations in Corporate Resources in the amount of \$166,007 (2019 - \$nil). During the year, the Authority also disposed of assets in the normal course of operations, recognizing a gain on disposal of \$22,334 (2019 - \$30,003).

6. Accumulated surplus:

Accumulated surplus consists of the following:

	2020	2019
Invested in tangible capital assets	\$ 21,329,536	\$ 20,791,820
Reserves set aside by the Board of the Authority for specific purpose	5,694,393	5,627,512
Unfunded employee future benefits liability	(74,200)	(66,300)
	\$ 26,949,729	\$ 26,353,032

NIAGARA PENINSULA CONSERVATION AUTHORITY

Notes to Financial Statements (continued)

Year ended December 31, 2020

6. Accumulated surplus (continued):

Reserves set aside by the Board of the Authority for specific purpose consists of the following:

	2020	2019
General capital	\$ 557,530	\$ 548,734
Operating reserve	1,426,539	1,507,903
Equipment	-	-
Flood protection	307,705	281,773
Levy differential	32,126	31,619
Land acquisitions	2,972,934	2,926,032
Restoration	318,809	251,038
Tree by-law	78,750	80,413
	\$ 5,694,393	\$ 5,627,512

7. Credit facility:

The Authority's credit facility includes an overdraft lending account of \$765,000 bearing interest at prime. As at December 31, 2020, \$nil (2019 - \$nil) was drawn on this facility. As at December 31, 2020, \$23,333 (2019 - \$35,000) was issued by way of a letter of credit to a municipality for which the Authority receives levies in exchange for construction work on-going within the municipal boundaries.

8. Pension plan:

The Authority makes contributions to the Ontario Municipal Employees Retirement System ("OMERS"), which is a multi-employer plan, on behalf of the 55 (2019 - 56) members of its staff. The plan is a defined benefit plan that specifies the amount of the retirement benefit to be received by the employees based on the length of service and rates of pay. Employees and employers contribute jointly to the plan.

Since OMERS is a multi-employer pension plan, the Authority does not recognize any share of the pension plan deficit of \$3.2 billion (2019 - \$3.4 billion) based on the fair market value of the Plan's assets, as this is a joint responsibility of all Ontario municipal entities and their employees. Contributions were made in the 2020 calendar year at rates ranging from 9.3% to 14.6% depending on the member's designated retirement age and level of earnings. Employer contributions for current and past service are included as an expense in the Statement of Operations. Employer contributions to OMERS for 2020 current and past service was \$442,787 (2019 - \$394,201) and were matched by employee contributions.

NIAGARA PENINSULA CONSERVATION AUTHORITY

Notes to Financial Statements (continued)

Year ended December 31, 2020

9. Budget data:

The budget data presented in these financial statements is based upon the 2020 operating budget approved by the Board of the Authority on September 11, 2019 and capital budget approved October 16, 2019. Amortization was not incorporated in the development of the budget and, as such, were not provided on the statement of changes in net financial assets. The chart below reconciles the approved budget to the budget figures reported in these financial statements:

	Budget Amount
Revenues	
Operating	
Approved budget	\$ 9,401,245
Capital	3,852,780
Less:	
Transfers from reserves	(1,104,860)
Total revenues	12,149,165
Expenses:	
Operating	
Approved budget	9,401,245
Capital	
Approved budget	3,852,780
Add:	
Amortization	897,530
Less:	
Tangible capital assets included in operating expense	(3,852,780)
Debt principal payments	(216,325)
Total expenses	10,082,450
Annual surplus	\$ 2,066,715

10. Contingencies:

The Authority is involved from time to time in litigation, which arises in the normal course of business. The exact outcome of these actions is not determinable as at the date of reporting. In respect of certain outstanding claims, the Authority believes that insurance coverage is adequate and that no material exposure exists on the eventual settlement of such litigation, therefore no provision has been made in the accompanying financial statements.

11. Related party transactions:

During the year, the Authority incurred \$36,273 (2019 - \$67,184) in expenditures for per diems, honorariums, and mileage which was paid to and on behalf of members of the Board of Directors for the Authority.

NIAGARA PENINSULA CONSERVATION AUTHORITY

Notes to Financial Statements (continued)

Year ended December 31, 2020

12. Contractual rights:

The Authority has contractual rights under contract with various Ministry agencies to receive funds in exchange for services to be provided under those contracts. The Authority is expecting up to \$81,194 in future revenues based on anticipated services to be performed.

13. Segmented information:

The Authority provides a wide range of services which are categorized by department. Certain departments that have been separately disclosed in the segmented information, along with the services they provide, are as follows:

CAO and Administration

CAO and administration services is comprised of the administration services of the Authority.

Watershed

The watershed department is the umbrella for three divisions dedicated to monitoring, regulating, protecting and improving the health and safety of our watersheds.

Corporate Resources

The corporate resources department is the umbrella for three divisions dedicated to conservation land management, conservation land programming and development and managing the Authority's vehicles and equipment. Conservation land management is the administration department for the conservation areas. Conservation land programming and development is responsible for maintenance and improvements to the conservation areas. The vehicles and equipment department accounts for the cost of maintaining the vehicles and equipment.

For each reported segment, revenues and expenses represent both amounts that are directly attributable to the segment and amounts that are allocated on a reasonable basis. Municipal levies have been allocated to the segments based upon budgeted levies for the segment. Interest earned on investments has been allocated to the corporate resources segment.

NIAGARA PENINSULA CONSERVATION AUTHORITY

Notes to Financial Statements (continued)

Year ended December 31, 2020

13. Segmented information (continued)

2020				
	CAO and Administration	Watershed	Corporate Resources	Total
Revenues:				
MNRF transfers	\$ 15,200	\$ 74,883	\$ -	\$ 90,083
Government transfers	8,513	119,260	190,942	318,715
Municipal levies	1,698,820	1,618,657	4,228,721	7,546,198
User fees, sales and administration	-	-	1,421,260	1,421,260
Administration fees	-	439,317	-	439,317
Interest	-	-	108,624	108,624
Other	19,579	290,133	269,027	578,739
Land acquisition (note 5)	-	650	-	650
Gain on disposal	-	-	22,334	22,334
OPG – Welland River Watershed	-	45,916	-	45,916
Total revenues	1,742,112	2,588,816	6,240,908	10,571,836
Expenses:				
Salaries and benefits	1,171,905	1,672,549	3,035,204	5,879,658
Materials and supplies	120,934	58,831	1,273,650	1,453,415
Contracted services	-	28,107	274,057	302,164
Professional fees	144,835	170,058	249,093	563,987
Rent and financial expenses	-	-	538,365	538,365
Debt service	-	-	5,030	5,030
Marketing and promotion	110,498	-	58,486	168,983
Loss on disposal	-	-	166,007	166,007
Amortization	161,009	150,977	585,544	897,530
Total expenses	1,709,181	2,080,522	6,185,436	9,975,139
Annual surplus	\$ 32,931	\$ 508,294	\$ 55,472	\$ 596,697
2019				
	CAO and Administration	Watershed	Corporate Resources	Total
Revenues:				
MNRF transfers	\$ 15,200	\$ 74,883	\$ -	\$ 90,083
Government transfers	21,975	152,529	148,978	323,482
Municipal levies	1,754,956	1,207,344	4,088,785	7,051,085
User fees, sales and administration	-	-	2,148,195	2,148,195
Administration fees	-	401,000	-	401,000
Interest	-	-	214,063	214,063
Other	14,796	299,223	101,239	415,258
Gain on disposal	-	-	30,003	30,003
OPG - Welland river watershed	-	195,432	-	195,432
Total revenues	1,806,927	2,330,411	6,731,263	10,868,601
Expenses:				
Salaries and benefits	2,033,528	1,525,625	2,983,445	6,542,598
Materials and supplies	382,887	152,303	1,429,125	1,964,315
Contracted services	89,542	44,151	392,862	526,555
Professional fees	363,597	66,518	108,507	538,622
Rent and financial expenses	13,458	-	296,723	310,181
Debt service	-	-	27,980	27,980
Government transfer – levy differential	-	-	1,284,238	1,284,238
Amortization	185,764	79,711	598,596	864,071
Total expenses	3,068,776	1,868,308	7,121,476	12,058,560
Annual surplus	\$ (1,261,849)	\$ 462,103	\$ (390,213)	\$ (1,189,959)

Niagara Peninsula Conservation Authority

Audit Findings Report
for the year ended
December 31, 2020

May 5, 2021

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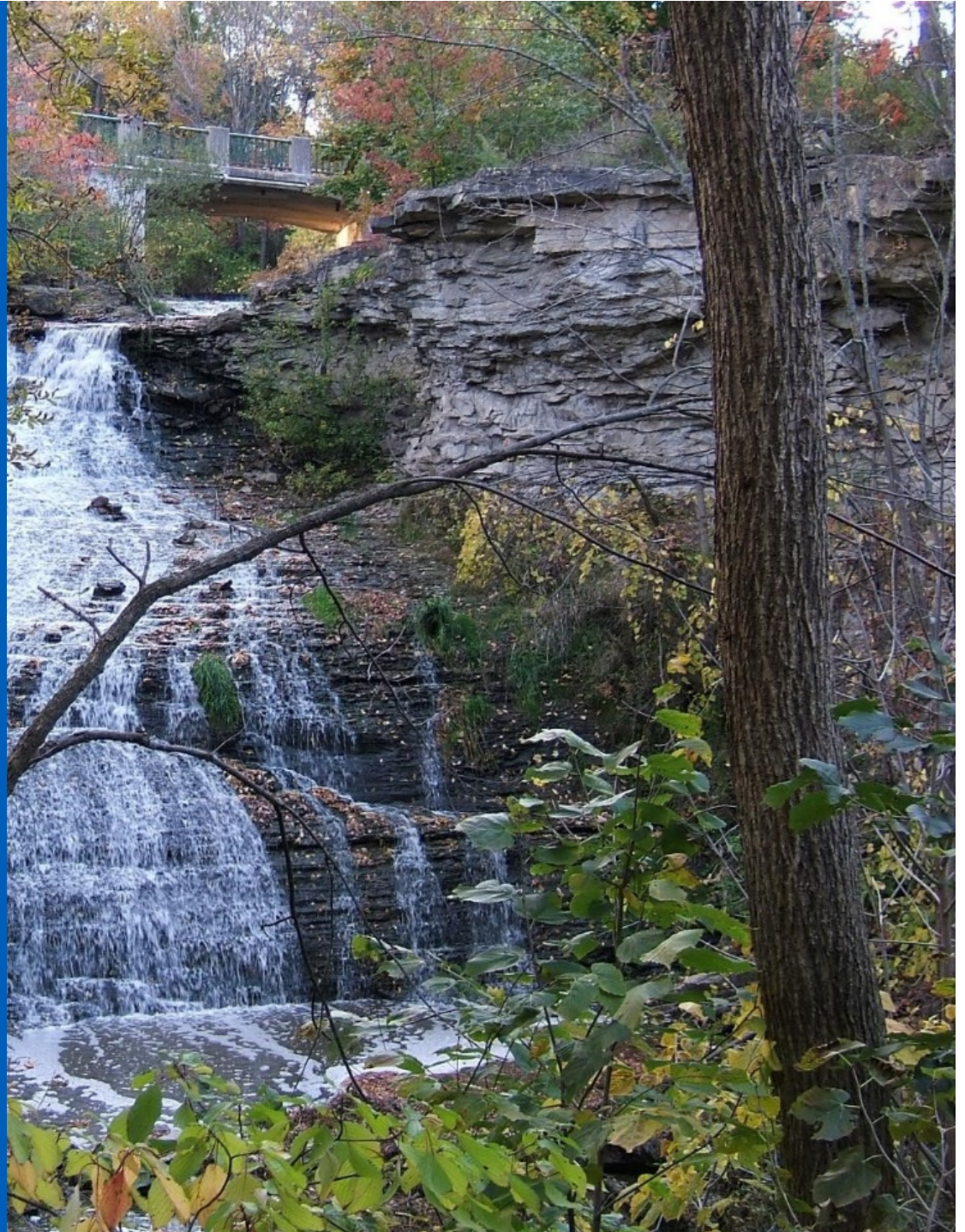


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Executive summary



Purpose of this report*

The purpose of this Audit Findings Report is to assist you, as a member of the audit and budget committee, in your review of the results of our audit of the financial statements of Niagara Peninsula Conservation Authority (the “Authority”) as at and for the year ended December 31, 2020.



Financial impact of COVID-19

We discussed the financial impact of the on-going COVID-19 pandemic on the operations of the Authority with management, and the Corporation’s response to the pandemic. We considered the relevant financial reporting impacts as well as performed thorough risk assessment activities to understand the impacts of COVID-19 in our audit. Refer to pages 10 – 11 for more information.



Finalizing the Audit

As of the date of this report, we have completed the audit of the financial statements, with the exception of certain remaining procedures, which include amongst others:

- Obtaining receipt of signed management representation letter
- Completing our discussions with the audit and budget committee
- Obtaining evidence of the Board’s approval of the financial statements

We will update the audit and budget committee, and not solely the Chair (as required by professional standards), on significant matters, if any, arising from the completion of the audit, including the completion of the above procedures. Our auditors’ report will be dated upon the completion of any remaining procedures.

*This Audit Findings Report should not be used for any other purpose or by anyone other than the Audit and Budget Committee. KPMG shall have no responsibility or liability for loss or damages or claims, if any, to or by any third party as this Audit Findings Report has not been prepared for, and is not intended for, and should not be used by, any third party or for any other purpose.





Executive summary



Audit risks and results

We have summarized our findings with respect to required auditing risks and key areas of audit focus.

See pages 3-6



Significant accounting policies and practices

No new significant accounting policies were adopted in the current fiscal year and there have been no changes to the significant accounting policies adopted from prior years. Refer to page 12 for additional insights into upcoming PSAB changes.



Independence

We are independent and have extensive quality control and conflict checking processes in place. We provide complete transparency on all services and follow Audit Committee approved protocols.



Misstatements

We did not identify any adjustments that remain uncorrected in the financial statements of the Authority that are other than clearly trivial. Adjustments posted to the Authority's financial statements are summarized on page 8.



Audit risks and results

We highlight our significant findings in respect of financial reporting risks required to be addressed in each and every audit under Canadian Auditing Standards.

Significant financial reporting risks

Fraud risk from revenue recognition

Why is it significant?

This is a presumed fraud risk.

We have rebutted this risk with respect to revenue recognition.

Our response and significant findings

We exercise professional judgment to rebut the presumed risk of fraud in revenue recognition after we consider and evaluate the facts and circumstances of the audit. We have rebutted this fraud risk as it is not applicable to NPCA where performance is not measured based on earnings and a significant portion of revenues can be agreed directly to municipal funding support. There are limited perceived opportunities to commit fraud and NPCA revenue sources require very minimal judgment.

Significant financial reporting risks

Fraud risk from management override of controls

Why is it significant?

This is a presumed fraud risk.

Our response and significant findings

Our audit methodology incorporates the required procedures in professional standards to address this risk. These procedures include testing of journal entries and other adjustments, performing a retrospective review of estimates and evaluating the business rationale of significant unusual transactions.

Data & Analytics tools were used to perform work in this area including testing of journal entries. We have not identified any instances of management override of controls as a result of our procedures performed.



Other area of focus

Why are we focusing here?

Risk of material misstatement related to the completeness, existence and accuracy of grant revenue including related deferred liabilities.

Substantive approach to revenue using third party grant funding agreements and related expenditures to ensure completeness and accuracy of revenue recorded.

Substantive approach over deferred revenue to ensure appropriate timing and revenue recognition.

Substantive approach over municipal levies in accordance with the approved budgets including review of approval of levy differential repayment.

No significant findings to report as a result of these procedures.

Why are we focusing here?

Risk of material misstatement related to the accuracy of authority generated revenue.

Substantive procedures to select samples for the testing of authority generated revenues.

Revenues across various revenue streams were agreed to supporting documentation and bank deposits.

No significant findings to report as a result of these procedures.



Audit risks and results

Other area of focus

Accounts Payable and Accrued Liabilities

Why are we focusing here?

Risk of material misstatement related to the completeness and accuracy of accounts payable and accrued liabilities.

Our response and significant findings

Substantive approach to testing accounts payables and accruals including a review of subsequent payment activity, minutes and relevant contracts to assess for completeness of recorded accruals

Substantive procedures over legal and potential severance accruals and receipt of legal confirmations for completeness of related accruals.

No significant findings to report as a result of these procedures.

Other area of focus

Operating Expenses

Why are we focusing here?

Risk of material misstatement with respect to the existence, accuracy and cut-off of operating expenditures.

Our response and significant findings

Substantive approach including analytical procedures and selecting expenditures for sampling as necessary.

No significant findings to report as a result of these procedures.



Audit risks and results

Other area of focus

Payroll expenditures (including Payroll Accruals)

Why are we focusing here?

Risk of material misstatement related to the completeness and accuracy of payroll expenditures.

Our response and significant findings

Substantive approach to testing payroll expenditures including testing of employee headcount.

Review of settlements and ensured appropriate accounting treatment and disclosure

No significant findings to report as a result of these procedures.

Other area of focus

Tangible Capital Assets (TCA)

Why are we focusing here?

Risk of material misstatement related to the completeness, accuracy and classification of tangible capital assets.

Our response and significant findings

Statistical sampling technique used to select samples for testing additions to TCA in the current year and assess capitalization in accordance with Public Sector Accounting Standards.

Vouching contributed tangible capital assets to ensure appropriate valuation.

We also had discussions with management surrounding impairment and contaminated sites and concurred with management's assessment that there are no impaired tangible capital assets and no contaminated sites in accordance with Public Sector Accounting Standards.

No significant findings to report as a result of these procedures.

Materiality

Materiality determination	Comments	Amount
Materiality	Determined to plan and perform the audit and to evaluate the effects of identified misstatements on the audit and of any uncorrected misstatements on the financial statements. The corresponding amount for the prior year's audit was \$260,000.	\$270,000
Benchmark	Based on 2020 revenues. This benchmark is consistent with the prior year.	\$10,868,601
% of Benchmark	The corresponding percentage for the prior year's audit was 2.5%	2.5%
Performance Materiality	Used 75% of materiality. The corresponding amount for the prior year's audit was \$195,000	\$202,500
[Audit Misstatement Posting Threshold (AMPT)]	Threshold used to accumulate misstatements identified during the audit. The corresponding amount for the prior year's audit was \$13,000.	\$13,500

Materiality has been used to scope the audit, identify risks of material misstatements and evaluate the level at which we think misstatements will reasonably influence users of the financial statements. It considers both quantitative and qualitative factors.

To respond to aggregation risk, we designed our procedures to detect misstatements at a lower level of materiality.

We will report to the Board:



Corrected audit misstatements



Uncorrected audit misstatements



Adjustments and differences



Adjustments and differences identified during the audit have been categorized as “Corrected adjustments” or “Uncorrected differences”. These include disclosure adjustments and differences.

Professional standards require that we request of management and the audit committee that all identified adjustments or differences be corrected. We have already made this request of management.

Corrected adjustments

The management representation letter includes all adjustments identified as a result of the audit, communicated to management and subsequently corrected in the financial statements.

Refer to the following page for a summary of the adjustments made during the audit.

Uncorrected differences

There are no adjustments that have been communicated to management that remain uncorrected in the Authority's December 31, 2020 year-end financial statements.

Adjustments and differences - Corrected



As at and year ended December 31, 2020	Income effect	Financial position		
Description of differences	(Decrease) Increase	Assets (Decrease) Increase	Liabilities (Decrease) Increase	Accumulated Surplus (Decrease) Increase
To correct the draw down of salary continuance for 2020	26,832	–	(26,832)	–
To reverse entries to equity	6,887	6,887	(1,405,635)	1,405,635
Total corrected differences	33,719	6,887	(1,432,467)	1,405,635

We held discussions with management around the nature of the corrected entry, specifically to adjust through deferred revenue (liabilities above) and accumulated surplus. We understand the nature in which you operate and desire to have reserve funds for specific purposes which can be used to offset future operational and capital requirements.

The nature of reserves are not the same as deferred revenue, as for both financial statements and reporting purposes have different treatment and considerations.

We provided recommendations to management on best practices around treatment of reserves and ensuring that directions for the Board are accounted for to reflect the appropriate reserve balance based on cumulative contributions and withdrawals.

Impact of COVID-19

We adapted our audit to respond to the continued changes in your business, including the impacts on financial reporting.

Area of Impact	Key Observations
Corporation's financial reporting impacts	<ul style="list-style-type: none"> — We considered impacts to financial reporting due to COVID 19 pandemic and the increased disclosures needed in the financial statements as a result of the significant judgements. Specific instances include considerations for impairment of trade receivables and tangible capital assets. — In areas of the financial statements where estimates involved significant judgements, we evaluated whether the method, assumptions and data used by Management to derive the accounting estimates, and their related financial statement disclosures were still appropriate per the relevant financial reporting framework given the changed economic conditions and increased estimation uncertainty.
Materiality	<ul style="list-style-type: none"> — We considered impacts to financial reporting on both the determination and the re-assessment of materiality for the audit of the financial statements.
Risk Assessment	<ul style="list-style-type: none"> — We performed a thorough risk assessment specifically targeted at the impacts of the COVID 19 pandemic, including an assessment of fraud risk factors (i.e., conditions or events that may be indicative of an incentive/pressure to commit fraud, opportunities to commit fraud, rationalizations of committing fraud). We did not identify any additional risks of material misstatement as a result of impacts to financial reporting, which required an audit response compared to the prior year.
Working remotely	<ul style="list-style-type: none"> — We used virtual work rooms, video conferencing, and internally shared team sites to collaborate in real-time, both amongst the audit team as well as with Management. — We used secure and innovative technologies to conduct our audit procedures including the use of our KPMG Client Collaboration site. — We increased our professional skepticism when evaluating electronic evidence received and performed additional procedures to validate the authenticity and reliability of electronic information used as audit evidence.
Direction and Supervision of the audit – overall	<ul style="list-style-type: none"> — The manager, and partner were actively involved in determining the impact that the COVID-19 pandemic had on the audit (as discussed above), including the impact on the Authority's financial reporting. — Managers and partners implemented new supervision processes to deal with working in a remote environment, and our audit approach allowed us to manage the audit using meaningful milestones and frequent touch points.

We adapted our audit to respond to the continued changes in your business, including the impacts on financial reporting.

Area of Impact

Key Observations

Substantive Testing – Response - CEWS

- During the year, the Authority applied for the Federal Government's Canada Emergency Wage Subsidy ("CEWS") program.
- Part of this application required a determination of an eligible entity under the guidance issued by the Government.
- In the fall of 2020 and into 2021, the Authority's CEWS claims were under review, specifically for the claim period September 27, 2020 to October 24, 2020. As a result of this review by the CRA, the claim was denied as the Authority was deemed to not be an eligible employer under the guidance issued by the CRA.
- Specifically, the Authority was deemed not to be a qualifying entity as the CRA determined the Authority to be a public institution as defined in the Income Tax Act.
- As a result, the CEWS funding received during the year has been recognized as a deferred revenue in the Authority's financial statements while the Authority challenges the ruling issued by the CRA. The CRA has suggested that the Authority cancel all previous claims. As of the date of this report, the Authority continues to explore all options and pursue a response to the CRA to challenge the CRA's assessment.
- As of the date of this report, there is still uncertainty surrounding treatment and whether or not the Authority will be successful in defending their position, along with other Conservation Authorities in Ontario, as to whether or not the Authority is an eligible entity under the CEWS program.
- We anticipate this issue being resolved in 2021.

Current developments and audit trends

Title	Details	Link
Public Sector Update – connection series	Public Sector Accounting Standards are evolving – Get a comprehensive update on the latest developments from our PSAB professionals. Learn about current changes to the standards, active projects and exposure drafts, and other items.	Contact your KPMG team representative to sign up for these webinars. Public Sector Minute Link

The following are upcoming changes that will be effective in future periods as they pertain to Public Sector Accounting Standards.

Standard	Summary and implications
Impact of COVID-19	<ul style="list-style-type: none"> – In response to the impact of COVID-19 on public sector entities, PSAB has approved deferral of all upcoming accounting standards by one year and will issue non-authoritative guidance on the effects of COVID-19.
Asset Retirement Obligations (applicable for the year ending December 31, 2022 with a retrospective application effective December 31, 2020)	<ul style="list-style-type: none"> – A new standard has been approved that is effective for fiscal years beginning on or after April 1, 2022 (the Authority's 2023 year- end). – The new standard addresses the recognition, measurement, presentation and disclosure of legal obligations associated with retirement of tangible capital assets in productive use. Retirement costs would be recognized as an integral cost of owning and operating tangible capital assets. PSAB currently contains no specific guidance in this area. – The ARO standard would require the public sector entity to record a liability related to future costs of any legal obligations to be incurred upon retirement of any controlled tangible capital assets ("TCA"). The amount of the initial liability would be added to the historical cost of the asset and amortized over its useful life. – As a result of the new standard, the public sector entity would have to: <ul style="list-style-type: none"> ○ consider how the additional liability will impact net debt, as a new liability will be recognized with no corresponding increase in a financial asset; ○ carefully review legal agreements, senior government directives and legislation in relation to all controlled TCA to determine if any legal obligations exist with respect to asset retirements; ○ begin considering the potential effects on the organization as soon as possible to coordinate with resources outside the finance department to identify AROs and obtain information to estimate the value of potential AROs to avoid unexpected issues.

Standard	Summary and implications
Revenue	<ul style="list-style-type: none"> – The new standard is effective for fiscal years beginning on or after April 1, 2023. The effective date was deferred by one year due to COVID-19. – The new standard establishes a single framework to categorize revenues to enhance the consistency of revenue recognition and its measurement. – The standard notes that in the case of revenues arising from an exchange transaction, a public sector entity must ensure the recognition of revenue aligns with the satisfaction of related performance obligations. – The standard notes that unilateral revenues arise when no performance obligations are present, and recognition occurs when there is authority to record the revenue and an event has happened that gives the public sector entity the right to the revenue.
Financial Instruments and Foreign Currency Translation	<ul style="list-style-type: none"> – The accounting standards, PS3450 <i>Financial Instruments</i>, PS2601 <i>Foreign Currency Translation</i>, PS1201 <i>Financial Statement Presentation</i> and PS3041 <i>Portfolio Investments</i> are effective for fiscal years commencing on or after April 1, 2022. The effective date was deferred by one year due to COVID-19. – Equity instruments quoted in an active market and free-standing derivatives are to be carried at fair value. All other financial instruments, including bonds, can be carried at cost or fair value depending on the public sector entity's choice and this choice must be made on initial recognition of the financial instrument and is irrevocable. – Hedge accounting is not permitted. – A new statement, the Statement of Remeasurement Gains and Losses, will be included in the financial statements. Unrealized gains and losses incurred on fair value accounted financial instruments will be presented in this statement. Realized gains and losses will continue to be presented in the statement of operations. – In July 2020, PSAB approved federal government narrow-scope amendments to PS3450 <i>Financial Instruments</i> which will be included in the Handbook in the fall of 2020. Based on stakeholder feedback, PSAB is considering other narrow-scope amendments related to the presentation and foreign currency requirements in PS3450 <i>Financial Instruments</i>. The exposure drafts were released in summer 2020 with a 90-day comment period.
Employee Future Benefit Obligations	<ul style="list-style-type: none"> – PSAB has initiated a review of sections PS3250 <i>Retirement Benefits</i> and PS3255 <i>Post-Employment Benefits, Compensated Absences and Termination Benefits</i>. In July 2020, PSAB approved a revised project plan. – PSAB intends to use principles from International Public Sector Accounting Standard 39 <i>Employee Benefits</i> as a starting point to develop the Canadian standard. – Given the complexity of issues involved and potential implications of any changes that may arise from the review of the existing guidance, PSAB will implement a multi-release strategy for the new standards. The first standard will provide foundational guidance. Subsequent standards will provide additional guidance on current and emerging issues.



Appendices



Appendix 1: Required communications



Appendix 2: KPMG's System of Quality Control



Appendix 3: Audit and Assurance Insights

Appendix 1: Required communications



In accordance with professional standards, there are a number of communications that are required during the course of and upon completion of our audit. These include:



Auditors' report

The conclusion of our audit is set out in our draft auditors' report attached to the draft financial statements.



Management representation letter

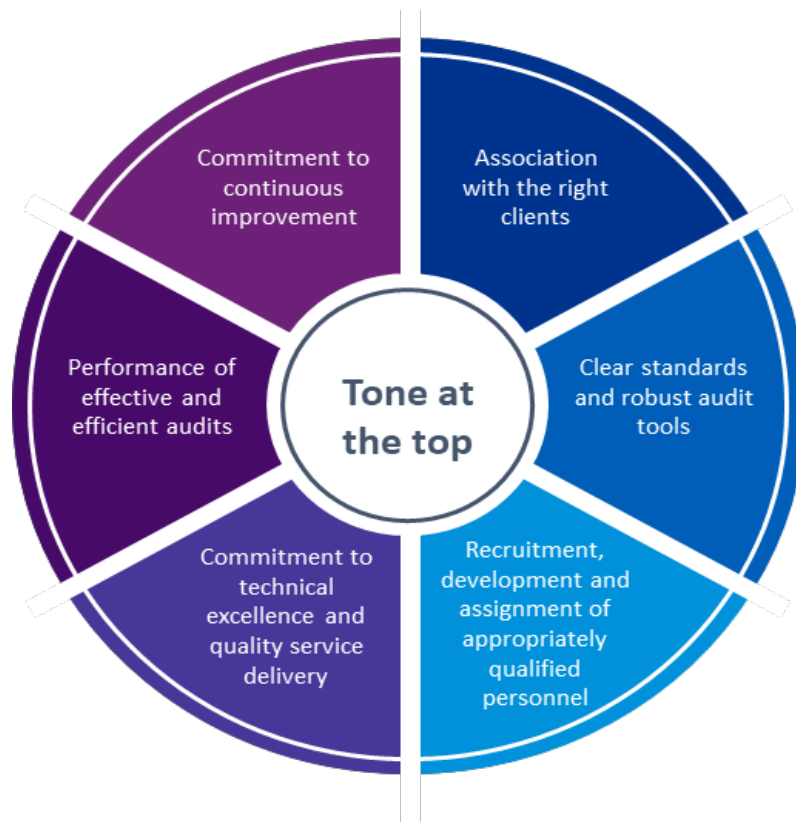
In accordance with professional standards, copies of the management representation letter can be provided by management.



CPAB Audit Quality Insights Report (October 2019) (formerly the "Big Four Firm Public Report")
CPAB Annual Inspections Results (March 2019)

Appendix 2: KPMG's System of Quality Control

Quality control is fundamental to our business and is the responsibility of every partner and employee. To help all audit professionals concentrate on the fundamental skills and behaviors required to deliver a quality audit, KPMG has developed the Audit Quality Framework shown below. These are the cornerstones of how we execute our responsibilities.



What do we mean by audit quality?

Audit Quality (AQ) is at the core of everything we do at KPMG.

We believe that it is not just about reaching the right opinion, but how we reach that opinion.

We define 'audit quality' as being the outcome when audits are executed consistently, in line with the requirements and intent of applicable professional standards within a strong system of quality controls.

All of our related activities are undertaken in an environment of the utmost level of **objectivity, independence, ethics, and integrity**.

Visit our [Transparency report](#) for more information including access to our [Transparency report](#).

Appendix 3: Audit and Assurance Insights

Our latest thinking on the issues that matter most to audit committees, Boards and Management.

Featured insight	Summary	Reference
Audit & Assurance Insights	Curated thought leadership, research and insights from subject matter experts across KPMG in Canada	Learn more
The business implications of coronavirus (COVID 19)	Resources to help you understand your exposure to COVID-19, and more importantly, position your business to be resilient in the face of this and the next global threat.	Learn more
	Financial reporting and audit considerations: The impact of COVID-19 on financial reporting and audit processes.	Learn more
	KPMG Global IFRS Institute - COVID-19 financial reporting resource center	Learn more
Accelerate 2020	Perspective on the key issues driving the audit committee agenda	Learn more
Momentum	A quarterly Canadian newsletter which provides a snapshot of KPMG's latest thought leadership, audit and assurance insights and information on upcoming and past audit events – keeping management and board members abreast on current issues and emerging challenges within audit.	Sign-up now
Current Developments	Series of quarterly publications for Canadian businesses including Spotlight on IFRS, Canadian Securities & Auditing Matters and US	Learn more
Board Leadership Centre	Leading insights to help board members maximize boardroom opportunities.	Learn more





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Report To: Board of Directors

Subject: Financial Report – Q4 - 2020

Report No: FA-32-21

Date: May 21, 2021

Recommendation:

THAT Report FA-32-21 RE: Financial Report – Q4 - 2020 **BE RECEIVED.**

Purpose:

The purpose of this Report is to provide the Board of Directors with a summary of operating (Appendix 1) and capital expenditures (Appendix 2) and to provide a comparison of actual results to the budget as approved by the Board. Appendix 3 provides variance analytics from prior year for the 2020 Statement of Operations in the audited financial statements.

Discussion:

The report confirms the general financial oversight and compliance with Public Sector Accounting Board Standards.

Background:

On May 5, 2021, the Finance Committee endorsed Financial Report – Q4 – 2020 through Recommendation No. FC-13-2021.

Financial Implications:

The Revenue and Expenditure lines are within budget allocations identified during the budget preparation and approval cycle.

Related Reports and Appendices:

Appendix 1 – 2020 Operating Statement – Q4 (FINAL)

Appendix 2 – Capital Projects 2020 – Q4

Appendix 3 – Variance Analysis – 2020 Statement of Operations

Prepared by:

Original Signed by:

Lise Gagnon, CPA, CGA
Director, Corporate Services

Submitted by:

Original Signed by:

Chandra Sharma, MCIP, RPP
Chief Administrative Officer/
Secretary-Treasurer

Niagara Peninsula Conservation Authority
2020 CONSOLIDATED OPERATING STATEMENT - As at December 31, 2020 (FINAL)

Appendix 1 - Report No. FA-32-21	Year to date				Annual Budget	Comments
	Actual	Budget	Variance	Var %		
Source of Funds						
Municipal Funding	6,115,976	6,121,000	- 5,024	-0.1%	6,121,000	Variance is not material
Provincial Funding	344,860	349,185	- 4,325	-1.2%	349,185	Variance is not material
Federal Funding	54,195	100,000	- 45,805	-45.8%	100,000	Shortfall will be recognized in Q1 2021 (agreement to March 31, 2021)
Park Operations	1,432,293	2,016,850	- 584,557	-29.0%	2,016,850	Covid-19 impact
Permits and Regulatory Fees	439,317	387,108	52,209	13.5%	387,108	Better than expected volumes/performance
Other Revenue	699,312	520,227	179,085	34.4%	520,227	Gain on asset disposal (\$23K), Landowner contributions (\$124K)
Total Revenues/Source of Funds	9,085,953	9,494,370	- 408,417	-28.2%	9,494,370	
Use of Funds						
Salaries and Benefits	5,710,243	6,141,278	- 431,035	-7.0%	6,141,278	Delay in filling operating positions + savings due to Covid-19
Other Employee Related Expenses	169,414	235,892	- 66,478	-28.2%	235,892	Covid-19 impact (mileage, training, staff exp) offset by H&S costs
Board and Volunteer	36,273	71,200	- 34,927	-49.1%	71,200	Covid-19 impact (mileage, board exp)
Professional Fees	563,987	661,500	- 97,513	-14.7%	661,500	Legal fees less than anticipated
Occupancy Costs	538,365	548,803	- 10,438	-1.9%	548,803	Variance not material
Vehicles and Equipment	252,652	246,020	6,632	2.7%	246,020	Variance not material
Park Maintenance	748,097	468,000	280,097	59.8%	468,000	Covid-19 impact - increased maintenance and staff capacity
Contractor Services	302,164	194,000	108,164	55.8%	194,000	Large restoration project
Debt Servicing	5,030	5,030	-	0.0%	5,030	No variance
Cost and Expenses	467,247	473,025	- 5,778	-1.2%	473,025	Variance not material
Materials and Supplies	115,152	196,622	- 81,470	-41.4%	196,622	Covid-19 impact and delays
Marketing and Promotion	168,983	253,000	- 84,017	-33.2%	253,000	Covid-19 impact
Total Expenses/Use of Funds	9,077,607	9,494,370	- 416,763	-58.5%	9,494,370	
Net Surplus as at Dec. 31, 2020	8,346	-	8,346	0	-	

Niagara Peninsula Conservation Authority - 2020 CAPITAL PROJECTS					Appendix 2 - Report No. FA-32-21		
Project Name	Funding Source	Budget Carried Forward	Board Approved Budget 2020	Revised Budget 2020	YTD Spend at 31-DEC-2019	YTD Spend at 31-DEC-2020	Total Project Spend at 31-DEC-2020
CAO/Board & Admin							
Multi-Media Equipment	Special Levy - ALL	\$ -	\$ 10,000	\$ 10,000	\$ -	\$ 10,534	\$ 10,534
Signage - Pollinator Gardens		\$ -	\$ 25,000	\$ 25,000	\$ -	NA	NA
Total - CAO/Board & Admin		\$ -	\$ 35,000	\$ 35,000	\$ -	\$ 10,534	\$ 10,534
Corporate Services							
Asset Management Capital Planning Program	Special Levy - ALL	\$ -	\$ 30,000	\$ 30,000	\$ -	\$ 33,010	\$ 33,010
Data Centre Cyclical Server Refresh	Special Levy - ALL	\$ -	\$ 23,000	\$ 23,000	\$ -	\$ 19,945	\$ 19,945
Annual PC Replacements	Special Levy - ALL	\$ -	\$ 45,000	\$ 45,000	\$ -	\$ 67,400	\$ 67,400
Office Network Backup and Archive	Special Levy - ALL	\$ -	\$ 6,500	\$ 6,500	\$ -	\$ 4,352	\$ 4,352
Phone System	Special Levy - ALL	\$ -	\$ 50,000	\$ 50,000	\$ -	\$ 38,113	\$ 38,113
Orthoimagery Acquisition - SWOOP	Special Levy - ALL	\$ -	\$ 10,000	\$ 10,000	\$ -	\$ -	\$ -
Natural Areas ELC Mapping Update	Special Levy - ALL	\$ -	\$ 200,000	\$ 200,000	\$ -	NA	NA
Balls Falls Internet Improvement & Infrastructure	Special Levy - Niagara	\$ -	\$ 40,000	\$ 40,000	\$ -	\$ 2,035	\$ 2,035
Board Microphones	Special Levy - ALL	\$ -	\$ 50,000	\$ 50,000	\$ -	NA	NA
Total - Corporate Services		\$ -	\$ 454,500	\$ 454,500	\$ -	\$ 164,856	\$ 164,856
Watershed							
OPG - Welland River Watershed (WS-2018-16)		\$ -	\$ -		\$ 195,432	\$ 45,916	\$ 241,348
Shriner's Creek Modifications	Special Levy - Niagara	\$ -	\$ 80,000	\$ 80,000	\$ -	\$ 124,391	\$ 124,391
Flood Plain Mapping - Beaver Creek	Special Levy - Niagara	\$ -	\$ 150,000	\$ 100,000	\$ -	\$ -	\$ -
Flood Plain Mapping - Grimsby/Lincoln	Special Levy - Niagara	\$ -	\$ 20,000	\$ 15,000	\$ 111,117	\$ (357)	\$ 110,760
Flood Plain Mapping - St. Catharines	Special Levy - Niagara	\$ -	\$ 25,000	\$ 10,000	\$ 63,921	\$ 12,430	\$ 76,351
Water Quality Equipment	Special Levy - Niagara	\$ -	\$ 35,000	\$ 35,000	\$ -	\$ 59,569	\$ 59,569
Virgil Dam Safety Study	Special Levy - Niagara	\$ -	\$ 60,000	\$ 60,000	\$ -	\$ 53,297	\$ 53,297
CityView Modules - Planning & Permits		\$ -	\$ -		\$ -	\$ 82,742	\$ 82,742
Stream Gauge Equipment	Special Levy - ALL	\$ -	\$ 20,000	\$ 20,000	\$ -	NA	NA
Karst Hazard Mapping	Special Levy - ALL	\$ -	\$ 50,000	\$ 50,000	\$ -	NA	NA
Total - Watershed		\$ -	\$ 440,000	\$ 370,000	\$ 370,470	\$ 377,988	\$ 748,458
Land Operations							
Treetop Trekking (BB-2019-21)		\$ 87,854	\$ -	\$ -	\$ 80,601	\$ -	\$ 80,601
Treetop Trekking Building & Amenities		\$ -	\$ 150,000	\$ 150,000	\$ -	\$ 73,517	\$ 73,517
Binbrook - Septic System	Special Levy - Hamilton	\$ -	\$ 1,500,000	\$ 750,000	\$ -	\$ 27,775	\$ 27,775
Water Treatment System Upgrades	Special Levy - Hamilton	\$ -	\$ 150,000	\$ 150,000	\$ -	\$ 37,582	\$ 37,582
Tyneside Trail Upgrades - Binbrook	Special Levy - Hamilton	\$ -	\$ 10,000	\$ 10,000	\$ -	\$ 7,473	\$ 7,473
Septic System Replacement Ball's Falls		\$ 57,323	\$ -	\$ -	\$ 21,177	\$ 88,079	\$ 109,256
Field Centre Restoration - Balls Falls	Special Levy - Niagara	\$ -	\$ 35,000	\$ 35,000	\$ -	\$ 6,754	\$ 6,754
Historical Building Restoration - Balls Falls	Special Levy - Niagara	\$ -	\$ 100,000	\$ 90,000	\$ -	\$ 101,664	\$ 101,664
Road Upgrade & Drainage - LB North Side		\$ 51,926	\$ 232,000	\$ 151,640	\$ 23,074	\$ 213,806	\$ 236,880
North Side Comfort Station - Long Beach	Special Levy - Niagara	\$ 246,438	\$ 110,000	\$ 110,000	\$ 3,562	\$ 73,371	\$ 76,933
New Park Signage (CW-2019-37)		\$ 28,625	\$ -	\$ -	\$ 21,375	\$ 1,500	\$ 22,875
Equipment Sustainment - Land Operations	Special Levy - ALL	\$ -	\$ 228,280	\$ 151,034	\$ -	\$ 143,156	\$ 143,156
Cistern - Gainsborough	Special Levy - Niagara	\$ -	\$ 40,000	\$ 40,000	\$ -	\$ -	\$ -
Workshop Upgrades - Gainsborough	Special Levy - Niagara	\$ -	\$ 100,000	\$ 50,000	\$ -	\$ 98,968	\$ 98,968
Centre for Conservation - Gallery Upgrades	Special Levy - Niagara	\$ 80,000	\$ 80,000	\$ 80,000	\$ -	\$ (27,180)	\$ (27,180)
Septic Design & Scope - Chippawa Creek	Special Levy - Niagara	\$ -	\$ 10,000	\$ 10,000	\$ -	NA	NA
Barn - Wedding Updates	Special Levy - Niagara	\$ -	\$ 90,000	\$ -	\$ -	NA	NA
Electrical and Water (Ridge) - Long Beach	Special Levy - Niagara	\$ -	\$ 88,000	\$ 88,000	\$ -	NA	NA
Total - Land Operations		\$ 552,166	\$ 2,923,280	\$ 1,865,674	\$ 149,789	\$ 846,465	\$ 996,254
GRAND TOTAL		\$ 552,166	\$ 3,852,780	\$ 2,725,174	\$ 520,259	\$ 1,399,843	\$ 1,920,102
These projects have been deferred.			127				

NIAGARA PENINSULA CONSERVATION AUTHORITY
Appendix 3 - Report No. FA-32-21

Statement of Operations

Year ended December 31, 2020, with comparative information for 2019

	2020 Budget	2020 Actual	2019 Actual	Actual Variance	Comments
Revenues:					
Government transfers					
Province of Ontario – MNRF	\$ 90,000	\$ 90,083	\$ 90,083	\$ -	No variance
Province of Ontario – Other	259,185	264,520	223,482	41,038	Niagara River RAP funding greater in 2020 (\$0 for Q1 of 2019)
Government of Canada	100,000	54,195	100,000	- 45,805	Niagara River RAP funding - legal agreement for \$100K to March 2021
Municipal levies					
General	6,092,656	6,092,753	6,416,084	- 323,331	Approved general levy increase by 3 municipal partners
Special	2,776,265	1,453,445	635,001	818,444	2019 - capital \$0 (Niagara) / 2020 - capital, LTD and special projects
Authority generated					
User fees, sales and admissions	2,016,850	1,421,260	2,148,195	- 726,935	Covid-19 impact on Land Operations and special events
Administration fees	387,108	439,317	401,000	38,317	Better than expected performance in Planning and Permitting
Interest	90,000	108,624	214,063	- 105,439	Interest on bank balances + investments / lower interest rates
Other	337,101	601,723	445,261	156,462	Restoration landowner contributions + educational programming
OPG - Welland river watershed	-	45,916	195,432	- 149,516	Recognition of deferred revenue from OPG for approved projects
	12,149,165	10,571,836	10,868,601	- 296,765	
Expenses:					
CAO and Administration	1,875,025	1,709,181	3,068,776	1,359,595	2019 - legal fees and settlements
Watershed	2,380,944	2,080,522	1,868,308	- 212,214	Salaries and benefits - approved growth positions (2)
Corporate Resources	5,826,481	6,185,436	7,121,476	936,040	Levy differential payout 2019 (\$1.284M)
	10,082,450	9,975,139	12,058,560	2,083,421	
Annual (deficit) surplus	2,066,715	596,697	- 1,189,959		
Accumulated surplus, beginning of year	26,353,032	26,353,032	27,542,991		
Accumulated surplus, end of year	\$ 28,419,747	\$ 26,949,729	\$ 26,353,032		

Report To: Board of Directors

Subject: Financial Report – Q1 - 2021

Report No: FA-33-21

Date: May 21, 2021

Recommendation:

THAT Report FA-33-21 RE: Financial Report – Q1 - 2021 **BE RECEIVED.**

Purpose:

The purpose of this report is to provide the Board of Directors with a summary of operating and capital expenditures and to provide a comparison of actual results to the budget as approved by the Board.

Background:

On May 5, 2021, the Finance Committee endorsed Financial Report – Q1 – 2021 through Recommendation No. FC-14-2021.

Discussion:

The report confirms the general financial oversight and compliance with Public Sector Accounting Board Standards.

Financial Implications:

The Revenue and Expenditure lines are within budget allocations identified during the budget preparation and approval cycle.

Related Reports and Appendices:

Appendix 1 – 2021 Operating Statement – Q1

Appendix 2 – Capital Projects 2021 - Q1

Prepared by:

Original Signed by:

Lise Gagnon, CPA, CGA
Director, Corporate Services

Submitted by:

Original Signed by:

Chandra Sharma, MCIP, RPP
Chief Administrative Officer/
Secretary-Treasurer

Niagara Peninsula Conservation Authority
2021 CONSOLIDATED OPERATING STATEMENT - Q1 - January 1 to March 31, 2021

Appendix 1 - Report No. FA-33-21	Year to date				Annual Budget	Comments
	Actual	Budget	Variance	Var %		
Source of Funds						
Municipal Funding	-	1,553,369	- 1,553,369	-100.0%	6,213,479	Timing - Q1 levy payments April 2021
Provincial Funding	90,223	44,303	45,920	103.6%	383,594	Front ended Provincial payments
Federal Funding	5,226	-	5,226	0.0%	70,000	Variance not material
Park Operations	66,463	49,640	16,823	33.9%	2,183,045	Timing - sale of season's passes
Permits and Regulatory Fees	113,390	124,500	- 11,110	-8.9%	498,000	Covid-19 impacts on revenue in compliance and plan review
Other Revenue	65,330	95,625	- 30,295	-31.7%	517,000	Timing - will self correct
Total Revenues/Source of Funds	340,632	1,867,437	- 1,526,805	-81.8%	9,865,118	
Use of Funds						
Salaries and Benefits	1,289,859	1,393,935	- 104,076	-7.5%	6,625,056	Delay in filling operating positions
Other Employee Related Expenses	36,104	62,045	- 25,941	-41.8%	236,649	Covid-19 impact - mileage/staff exp, uniforms
Board and Volunteer	-	15,900	- 15,900	-100.0%	63,600	Covid-19 impact / timing of Q1 payment (April 2021)
Professional Fees	45,473	177,126	- 131,653	-74.3%	759,843	Legal - \$20K / timing of contractor serv and lab analysis billings
Occupancy Costs	118,140	131,562	- 13,422	-10.2%	543,250	March office lease payment processed in April 2021
Vehicles and Equipment	30,800	50,982	- 20,182	-39.6%	275,240	Delivery delay - vehicles budgeted for full year
Park Maintenance	47,888	87,104	- 39,216	-45.0%	514,890	Calendarization - will self correct (tree removal, water main, etc)
Cost and Expenses	51,526	71,698	- 20,172	-28.1%	347,400	Covid-19 impact (awards canceled) / timing on prog expenses
Materials and Supplies	23,364	32,796	- 9,432	-28.8%	216,690	Calendarization in Watershed cost centres - will self-correct
Marketing and Promotion	83,781	117,128	- 33,347	-28.5%	282,500	Covid-19 impacts + timing delays on advertising and marketing
Total Expenses/Use of Funds	1,726,935	2,140,276	- 413,341	-19.3%	9,865,118	
Net Surplus as at Dec. 31, 2020	- 1,386,303	- 272,839	- 1,113,464		-	

Niagara Peninsula Conservation Authority - 2021 CAPITAL PROJECTS								Appendix 2 - Report No. FA-33-21		
Project Name	Location	Funding Source	Munic.	Funding			Budget Carried Forward	YTD Spend at 31-DEC-2020	YTD Spend at 31-MAR-2021	Total Project Spend at 31-MAR-2021
				External	2021	Total Project				
Corporate Services										
Annual PC replacements	Various	Special Levy - ALL	All		45,000	45,000	-	-	5,073	5,073
Data Centre Network Upgrades	HQ - Welland	Special Levy - ALL	All	-	37,000	37,000	-	-	4,686	4,686
Digital Terrain Model Update	Various	Special Levy - ALL	All	-	150,000	150,000	-	-	-	-
Natural Areas ELC Mapping Update	Various	Other	All	-	150,000	150,000	-	-	-	-
Records Management - phased	HQ - Welland	Special Levy - ALL	All	-	40,000	40,000	-	-	-	-
2020 Restoration & Watershed Plan Data Update	Various			-	-	-	150,000	-	-	-
2020 Restoration Site Design - Lakewood	Lakewood			-	-	-	50,000	-	-	-
2020 Financial Reporting & Budgeting Module	HQ - Welland			-	-	-	42,100	-	-	-
TOTAL - Corporate Services				\$ -	\$ 422,000	\$ 422,000	\$ 242,100	\$ -	\$ 9,759	\$ 9,759
Land Operations										
Deferred Projects - BF Septic System:										
- 2020 Flood Plain Mapping - Beaver Creek	Beaver Creek	Other	Niagara	150,000	-	150,000	-	-	-	-
- 2020 CFC Gallery Upgrades	Balls Falls	Other	Niagara	49,870	15,130	65,000	-	(27,180)	16,038	(11,142)
- 2020 Equipment Sustainment	Various	Other	All	-	54,586	54,586	-	-	-	-
- 2020 Balls Falls Internet Upgrade	Balls Falls	Other	Niagara	-	40,000	40,000	-	2,035	2,035	4,070
- 2020 Asset Management Program	Various	Other	All	-	30,000	30,000	-	33,010	-	33,010
Field Centre Restoration - Phase 2	Balls Falls	Special Levy - Niagara	Niagara	-	47,500	47,500	-	-	-	-
Roadway Improv - Phase 1 - Chippawa	Chippawa Creek	Special Levy - Niagara	Niagara	-	100,000	100,000	-	-	3,434	3,434
St John's - Heritage Building Restoration	Central Workshop	Special Levy - Niagara	Niagara	-	130,000	130,000	-	-	-	-
Mowers (Chippawa and Binbrook)	Central Workshop	Special Levy - ALL	All	-	35,000	35,000	-	-	931	931
RTV (CW)	Vaious - Niagara	Special Levy - Niagara	Niagara	-	20,000	20,000	-	-	-	-
Skid Steer (Central Workshop)	Central Workshop	Special Levy - ALL	All	-	26,000	26,000	-	-	-	-
Mini Excavator	Central Workshop	Special Levy - ALL	All	-	70,000	70,000	-	-	61,056	61,056
Cave Springs Parking Lot	Central Workshop	Special Levy - Niagara	Niagara	-	105,000	105,000	-	-	6,051	6,051
Rollon/rolloff - dual axle 7600 Int'l Truck	Central Workshop	Special Levy - ALL	All	-	140,000	140,000	-	-	-	-
2020 North Side Comfort Station	Long Beach			-	-	-	397,100	76,933	55,467	132,400
2020 - Water Treatment System Upgrades	Binbrook			-	-	-	155,000	37,582	1,910	39,492
2020 - Treetop Trekking Building & Amenities	Binbrook			-	-	-	203,000	73,517	45,901	119,418
2020 - Septic System - Binbrook	Binbrook			-	-	-	852,000	27,775	5,276	33,051
2020 - Field Centre Restoration	Balls Falls			-	-	-	35,000	6,754	18,619	25,373
TOTAL - Land Operations				\$ 199,870	\$ 813,216	\$ 1,013,086	\$ 1,642,100	\$ 230,426	\$ 216,718	\$ 447,144
Watershed										
Floodplain Mapping - Big Forks Creek	Niagara	Special Levy - Niagara	Niagara	150,000	-	150,000	-	-	-	-
Water Quality Equipment	Pelham	Special Levy - Niagara	Niagara	-	20,000	20,000	-	-	-	-
Stream Gauge Equipment	Various	Special Levy - ALL	All	-	10,000	10,000	-	-	-	-
Virgil Dam - Remedial Measures	Niagara	Special Levy - Niagara	Niagara	-	200,000	200,000	-	-	-	-
TOTAL - Watershed				\$ 150,000	\$ 230,000	\$ 380,000	\$ -	\$ -	\$ -	\$ -
GRAND TOTAL				\$ 349,870	\$ 1,465,216	\$ 1,815,086	\$ 1,884,200	\$ 230,426	\$ 226,477	\$ 456,903

**PUBLIC ADVISORY COMMITTEE
ONLINE VIDEO CONFERENCE
MEETING MINUTES**

**Thursday April 29th 2021
5:00 p.m.**

MEMBERS PRESENT:	B. Johnson, NPCA Board (Acting Committee Chair) J. Ariens C. Ecker-Flagg M. Kauzlaric D. Kelly H. Korosis B. Mackenzie, NPCA Board J. Musso J. Schonberger D. Speranzini
MEMBERS ABSENT:	J. Oblak (Committee Chair) D. Pont
STAFF PRESENT:	C. Sharma, Chief Administrative Officer / Secretary – Treasurer N. Green, Project Manager, Niagara River Remedial Action Plan K. Royer, Coordinator, Community Outreach

By consensus, in the absence Committee Chair Oblak, NPCA Board Chair Johnson agreed to Chair the PAC meeting on her behalf. Chair Johnson called the meeting to order at 5:06 p.m.. Chair Johnson welcomed the Members and sent regrets on behalf of Committee Chair Oblak.

1. APPROVAL OF AGENDA

Recommendation No. PAC-07-2021

Moved by Member Kauzlaric

Seconded by Member Schonberger

THAT the agenda for the April 29, 2021 NPCA Public Advisory Committee meeting **BE ADOPTED** with item 8 b) Verbal Discussion RE: Recording of Video Conference Public Advisory Committee meetings during the Pandemic be moved to be directly following the Declarations of Conflict of Interest.

CARRIED

2. DECLARATIONS OF CONFLICT OF INTEREST

D. Speranzini declared that her opinions are her own and not that of her employer Agriculture and AgriFood Canada.

8. DISCUSSION ITEMS (As per Recommendation No. PAC-07-2021)

8. b) Verbal Discussion RE: Recording of Video Conference Public Advisory Committee meetings during this Pandemic – This item of business was moved up to be addressed immediately following Declarations of Conflict of Interest as per Recommendation No. PAC-07-2021.

Recommendation No. PAC-08-2021

Moved by Member Korosis

Seconded by Member Musso

1. **THAT** the NPCA Public Advisory Committee meetings **BE RECORDED** for the remainder of the pandemic video conference meetings.
2. **AND THAT** recordings **BE POSTED** to the NPCA website within one (1) week of each meeting.

CARRIED

3. PRESENTATIONS

None.

4. DELEGATIONS

None.

5. APPROVAL OF MINUTES

- 5 a) Minutes of the NPCA Public Advisory Committee dated February 25, 2021

Recommendation No. PAC-09-2021

Moved by Member Ecker-Flagg

Seconded by Member Furney

THAT the minutes of the NPCA Public Advisory Committee meeting dated February 25, 2021 **BE APPROVED**.

CARRIED

6. CORRESPONDENCE

None.

7. CONSENT ITEMS

None.

8. DISCUSSION ITEMS (Continued)

- 8 a) Strategic Planning Progress Update and Input on Draft Strategic Priorities, Natalie Green – Presentation and Discussion - Natalie Green presented the status of the NPCA Strategic Plan, Draft priorities and gave a reminder about the public survey currently open until May 6th. She outlined next steps and noted that the Draft Strategic Plan will likely be coming back to the PAC for input in spring 2021 NPCA is aiming for end of June 2021 for next round of public outreach and engagement on the draft Strategic Plan. A roundtable discussion ensued with each member providing input on the draft strategic priorities and direction of the strategic plan to date.

Recommendation No. PAC-10-2021

Moved by Member Ecker-Flagg

Seconded by Member Furney

THAT the Strategic Planning Progress Update and Input on Draft Strategic Priorities presentation by Natalie Green **BE RECEIVED**.

8. b) Verbal Discussion RE: Recording of Video Conference Public Advisory Committee meetings during this Pandemic – This item of business was moved up to be addressed immediately following Declarations of Conflict of Interest as per Recommendation No. PAC-07-2021.

9. COMMITTEE REPORTS

None.

10. NEW BUSINESS

None.

11. ADJOURNMENT

Resolution No. PAC-11-2021

Moved by Member Speranzini

Seconded by Member Ariens

THAT this meeting of the NPCA Public Advisory Committee **BE** hereby **ADJOURNED** at 6:01 p.m..

CARRIED

Brenda Johnson
Public Advisory Committee Acting Chair

Chandra Sharma
Chief Administrative Officer / Secretary –
Treasurer