
HALDIMAND COUNTY

Report PDD-37-2020 Long Point Region Conservation Authority and Niagara Peninsula Conservation Authority 2021 Levy



For Consideration by Council in Committee on December 8, 2020

OBJECTIVE:

To advise Council of the upcoming Long Point Region Conservation Authority (LPRCA) and Niagara Peninsula Conservation Authority (NPCA) 2021 levy budgets, both of which require funding from Haldimand County.

RECOMMENDATIONS:

1. THAT PDD-37-2020 Long Point Region Conservation Authority and Niagara Peninsula Conservation Authority 2021 Levy be received as information.

Prepared by: Shannon VanDalen, MCIP, RPP, CMMI, Manager of Planning and Development

Respectfully submitted: Mike Evers, MCIP, RPP, BES, General Manager of Community & Development Services

Approved: Craig Manley, MCIP, RPP, Chief Administrative Officer

EXECUTIVE SUMMARY:

Historically, in advance of the Operating Budget, a report is prepared that outlines the impact of the Conservation Authority (CA) levies. That is the main purpose of this report, with its focus being on the municipal levy notices of the Long Point Region Conservation Authority (LPRCA) and the Niagara Peninsula Conservation Authority (NPCA). The notice from Grand River Conservation Authority (GRCA)—the third of the three CAs covering the County—has yet to be received and is anticipated early in the new year.

Haldimand County has been provided with information outlining a proposed 2021 levy of \$293,461.00 for the LPRCA, an increase of 2.17% over last year's levy representing a \$6,230 increase to Haldimand. The Authority's meeting to approve this proposed budget is scheduled for January 13, 2021.

Haldimand County has also received correspondence from the NPCA outlining that the draft approved budget was passed by the Board of Directors October 29, 2020 and are seeking municipal feedback prior to final approval in 2021-Q1. The NPCA is seeking a 2021 municipal levy of \$136,717.00, an increase of 8.87% over last year's levy representing a \$11,142.00 increase to Haldimand.

A protocol developed many years ago between Conservation Ontario and the Association of Municipalities of Ontario gives municipalities control over only the amount of non-matching conservation authority levies to be set annually (i.e. special assessments/projects). These levies are set by the Authority Board and are allocated to member municipalities based on their share of assessment in the watershed. Appointees to each Authority are expected to vote on proposed Conservation Authority levies based on the direction of their respective Municipal Council. Given the small magnitude of change, and the fact that there are no special levies proposed, staff have not

recommended that any specific direction be given to this municipality's appointees regarding the general levies proposed by the LPRCA and NPCA for 2021.

BACKGROUND:

Haldimand County funds three Conservation Authorities whose watersheds fall within this municipality's boundaries. The general levy for each Conservation Authority is apportioned to its watershed municipalities on the basis of a "modified current value assessment" model as set out in Ontario Regulation 670/2000.

The *Conservation Authorities Act* (the "Act") requires Conservation Authorities to provide notice to their member municipalities regarding the coming year's levies. Ontario Regulations 139/96 and 106/98 both state that 30 days notice must be provided to the municipality of a meeting being held by the Conservation Authority to approve the non-matching levy. As well, this notice is to include the amount of the non-matching levy to be voted on. The LPRCA has provided the requisite notice, while the NPCA has not, with the latter already approving its budget.

The non-matching levy is for Conservation Authority programs that do not qualify for provincial subsidies. These can be special one time and/or multi-year projects such as the recently completed Lake Erie Hazard Mapping and Risk Assessment project. The non-matching portion is the discretionary part of the levy which municipalities, through their appointees, will vote on. The final non-matching levy for a given year is decided by the "weighted majority" of the member municipalities, with the weighting determined by the percentage of "modified" current value assessment for each municipality. As noted above, there are no special levies proposed by either CA.

In past years' reports on this matter, Haldimand Council members have questioned their authority and role in regards to the approval of the annual levies of Conservation Authorities. Such information is available through Report CS-GM-07-2010 if any Member wishes to review it again. The *Conservation Authorities Act* (the Act) states that appointed members are to "generally act on behalf of their respective municipalities", recognizing that the Authority members and their Executive have a responsibility to the Authority as a whole, as well as to their local municipality.

Both the Long Point Region Conservation Authority (LPRCA) and Niagara Peninsula Conservation Authority (NPCA) have provided the County with information regarding their 2021 municipal levies (Attachments 1 and 2, respectively). The LPRCA has requested input from its member municipalities prior to its Board of Directors meeting of January 13, 2021. NPCA has voted on the draft budget, with a staff report due back based on communications with participating municipal staff to the 2021 Q1 Finance Committee meeting.

ANALYSIS:

The County's share of the total general municipal levy for 2021 for the LPRCA is 14.23% and 1.43% for the NPCA. As reflected by these percentages, Haldimand County does not comprise the weighted majority membership of either Conservation Authority. As a result, there may be little control or influence that the County's appointees can exert on the decisions of the authorities in setting their 2021 budget for the general levy component. Any proposed special levies are subject to the approval of only the benefiting municipality.

The table below shows the total impact of the municipal levies of the two Conservation Authorities (CAs)—LPRCA and NPCA—that are the subject of this report. The GRCA information is anticipated early in the new year.

	2020 Levy	2021 Levy	Increase (\$)	Increase (%)
LPRCA	\$287,231.00	\$293,461.00	\$6,230.00	2.17
NPCA	\$125,575.00	\$136,717.00	\$11,142.00	8.87

Generally, appointees to each Conservation Authority are to vote on the proposed levy apportionment based on the direction of their respective Municipal Councils. Given the overall minor impact in costs to the County, staff have not recommended that any specific direction be given to Haldimand's appointees regarding the 2021 levies proposed by either of the two Conservation Authorities discussed in this report and funded by this municipality. If the current Council supports the same approach in 2021, this report need only be received as information; otherwise, specific direction by resolution should be given to the County's appointees.

As Council is aware, the Province has proposed changes to the *Conservation Authorities Act* through Bill 229, *Protect, Support and Recover from COVID-19 Act (Budget Measures)*, 2020. At this point, there remain many unknowns regarding the potential impact of the Bill. Through discussions with the CAs with jurisdiction in the County, they have indicated there is no impact from Bill 229 on the 2021 conservation authority budgets or municipal levy. Given the large number of unknowns regarding implementation, this will be monitored (by County staff along with the CAs) and in coming months it is anticipated that the Province will be prescribing specific regulations related to programs and levy. Guidance on transition provisions will also be provided which will need to be reviewed for future budgets.

FINANCIAL/LEGAL IMPLICATIONS:

In the past, Haldimand County Council chose to allow each of its Board appointees to "vote their conscience" at the budget approval meetings. If the current Council supports the same approach, this report need only be received as information. Otherwise, specific direction by resolution should be given to the County's appointees as to how they should vote on the upcoming Long Point Region Conservation Authority and the Niagara Peninsula Conservation Authority 2021 Budget.

STAKEHOLDER IMPACTS:

Not applicable.

REPORT IMPACTS:

Agreement: No

By-law: No

Budget Amendment: No

Policy: No

ATTACHMENTS:

1. Letter from Long Point Region Conservation Authority dated November 13, 2020 RE: 30-Day Notice to Affected Municipalities – 2021 Draft LPRCA Budget.
2. Copy of Niagara Peninsula Conservation Authority 2021 Draft Operating and Capital Budget (Report: FA-59-20), dated November 19, 2020.