



Grey Sauble Conservation Authority

Minutes

Full Authority Board of Directors
 Wednesday, July 9th, 2014 – 1:15 p.m.

The Grey Sauble Conservation Authority Board of Directors meeting was held at the Conservation Authority Administration Centre located on Inglis Falls Road.

1. Call to Order

Chair Dick Hibma called the meeting to order.

Directors Present

Dick Hibma, Dave Clarke, Paul Eagleson, Judy Gay, Jan Chamberlain, Bob Lennox, Terry McKay, Michael Martin, Harley Greenfield, and Paul McKenzie

Director Absent – Mike Poetker

Staff Present – John Cottrill, Doreen Robinson, Alison Armstrong, John Bittorf, Chris Hachey, and Krista McKee

2. Approval of Agenda

Motion No.:	Moved by:	Terry McKay
FA-14-067	Seconded by:	Bob Lennox

THAT the Grey Sauble Conservation Authority Board of Directors approve the agenda of July 9th, 2014, with the addition of the following items:

Under Item 7 f) Add Item #4 - Updating of furniture for basement boardroom;

Under Item 9, Add Item d) - Jones Falls;

Carried

3. Disclosure of Pecuniary Interest

The Directors were reminded to disclose any pecuniary interest that may arise during the course of the meeting. No disclosures of pecuniary interest were expressed at this time.

4. Approval of Minutes

Motion No.:	Moved by:	Dave Clarke
FA-14-068	Seconded by:	Harley Greenfield

THAT the Grey Sauble Conservation Authority Board of Directors approve the Full Authority minutes of June 11th, 2014.

Carried

Chair Hibma updated the Directors on the removal of the spirit tree from Ainslie Wood to the Georgian Bay Metis Council property. Both the artist of the spirit tree, Don Williams, and Metis Council are very happy with the spirit tree being moved to this location. The Metis Council are holding a fish bbq at Hibou Conservation on July 19th. Everyone is welcome.

5. Business Out of Minutes

1) Reserves Investment

Background: The Grey Sauble Conservation Authority (GSCA) is seeking assistance in preparing and implementing an investment strategy to optimize our returns through the investment of a portion of current funds held in reserve. The value of current reserves is \$1.5 million.

Suggested Action:

During recent discussions, you asked staff to approach a number of financial institutions and seek guidance on moving forward in the near future. We asked the four local banks to develop an investment strategy to guide our current and future use of our reserve funds.

Review of Submissions Received:

Submissions were received from the RBC, BMO, Scotiabank and the Toronto Dominion Bank (TD).

Staff have reviewed each submission, looking at the experience of the investment managers, proposals for asset allocation, expected returns, and fee schedules.

1. Experience – all firms outlined a team approach, with local contacts who could access professional advisors as required.
2. Asset Allocation – GSCA provided, as a guide, 60% equity and 40% fixed income. All firms submitted packages with a mix close to the requested range.
3. Expected Returns – all firms listed comparable historic annual rates of return, with all fixed income options around 2%, and equities showing a wide rate of return depending on the year.
4. Fee Schedules

BMO – 1.26 %	TD – 1.03 %
RBC – 1.4% to 1.55%	Scotia - .945 %

Summaries:

BMO:

In Appendix C, the investment strategy is illustrated, and the historical rates of return are shown. The second page of Appendix C shows the performance summary for the recommended portfolio “Balanced – Income” with returns of 5.1 % to 12.5 %.

Appendix D outlines a rationale for substituting bonds and debentures for GIC’s, with much better yields.

TD:

Page 23 outlines a suggested asset mix and expected return. Page 24 outlines the short term investment portfolio with a return of 2.8%.

Pages 26 to 31 outlines two long term options with expected returns from 3% to 6.5%.

On pages 35 and 36, they outline their commitment to responsible investing, and environmental responsibilities beyond their own business.

RBC:

The RBC report suggests a Ladder Strategy for the Fixed Income portion of the Investment Strategy.

This will provide an annual return of 2.24% to 2.9% over six years.

For the Equity portion of the Fund, RBC provided three options:

1. A Pension Style Money Management Platform – with performance estimates over 1 to 10 years (p 7) and a detailed income forecast for one year (p 22)
2. Structured Notes – suggest a 4% annual return
3. A traditional Equity Portfolio – a long list of securities (stocks) with a potential yield of 3.88%. (see p 12)

Scotia:

Page 10 of the report outlines a balanced objective including cash, fixed income and equities with expected rates of return of 2.5% for cash, 3.75% for fixed income and 7.75 % for equities. The chart on page 11 shows sample historic returns for the last 5 years.

All submissions would meet our required objectives in both the short term and long term. GSCA Staff are recommending that further discussions be held with two banks: TD and Scotia. Given TD's stated commitment to responsible investing, it may be worth our while to explore this financial institution to help develop an investment strategy.

Motion No.: **Moved by:** **Harley Greenfield**
FA-14-069 **Seconded by:** **Judy Gay**

THAT the Grey Sauble Conservation Authority Board of Directors authorize staff to meet with representatives from the TD and Scotia banks for further discussions to develop an investment strategy for responsible investing for the Authority.

Carried

6. Correspondence - nothing at this time

7. Business Items

a) Water Management - nothing at this time

b) Environmental Planning

1) Section 28 Permits

Motion No.: **Moved by:** **Dave Clarke**
FA-14-070 **Seconded by:** **Bob Lennox**

THAT the list of permits under Ontario Regulation 151/06 - "Development, Interference, with Wetlands and Alterations to Shorelines and Watercourses Regulation", for the period June 3rd to July 2nd, 2014, be received by the Grey Sauble Conservation Authority Board of Directors.

Carried

c) Lands Management

1) Town of Blue Mountains - Recreation Land Agreement

Chris Hachey made the following presentation on a Recreation Land Agreement between the Town of Blue Mountains and the Authority.

The Blue Mountains currently manages community park land and trails located on land owned by Grey Sauble Conservation. These lands include:

- Fireman's Park – Beaver river access in Clarksburg, picnic grounds, a vault washroom and parking
- Clarksburg Floodplain – community stone dust trail system and interpretive signage (not including "Haines Dam")
- Peasemarsch Beach – beach access and parking

Grey Sauble Conservation and The Blue Mountains would like to formalize this arrangement with a renewable 5 year Land Use Agreement. The agreement would include the following details:

- The Blue Mountains shall have exclusive use to develop, operate, and maintain as park land for recreational purposes
- The Blue Mountains shall not construct, reconstruct, alter or remove any facility, trail, sign or natural feature whatsoever without the approval in writing of the Authority
- The Blue Mountains shall assume the full cost and responsibility for development and maintenance of the said lands
- The Blue Mountains covenants and agrees to indemnify and save harmless the Authority

The Directors suggested that examples be listed for what "develop" entails.

Motion No.: **Moved by:** **Michael Martin**
FA-14-071 **Seconded by:** **Judy Gay**

THAT Grey Sauble Conservation and The Blue Mountains mutually develop (with examples of what "develop" entails") and maintain a 5 year renewable Recreation Land Use Agreement to include Fireman's Park, Clarksburg Floodplain and Peasemash Beach.

Carried

- d) Forestry, Fish, and Wildlife - nothing at this time
- e) Communications/Public Relations

Krista McKee made a presentation on the following two items.

- 1) Great Outdoors Adventure Camp

The first week and week 6 of day camp enrolment is low, with all other weeks full – with a few children over on some days and waiting list started.

- 2) Extra Ordinary Tree Project

Committee Members– Stephen Hogbin, Woodworker, Petal Furness, Grey Roots Museum, Heather Hughes and Robert Alton Tom Thomson Art Gallery

This will be an event June 12 – September 18, 2016 featuring:

Art and Exhibitions – Iconic Trees, Outdoor Installations, Resonance of the Tree, Events – photo Contest,

History – Tom Thomson, Ancient Cedar Trees on the Escarpment, Trees in Architecture,

Science – Self Guided Tours in Owen Sound, What's an Arboretum, Conservation and Management Areas

Our next meeting to finalize the first Event – Photo & Story Contest is July 10th – launch and closing date of July? 2015 – Exhibit – 2016 to be determined at next meeting.

The Chair asked if this would be something in which the Memorial Forest Committee would be interested.

f) Administration

1) Receipts and Expenses - June 2014

Motion No.:	Moved by:	Michael Martin
FA-14-072	Seconded by:	Harley Greenfield

THAT the Grey Sauble Conservation Authority Board of Directors approve the receipts and expenses for June 2014.

Carried

2) Audited Financial Statement as of December 31st, 2013 as prepared by BDO

Each Director was given a copy of the audited financial statement as of December 31st, 2013, as prepared by BDO.

3) Request for Proposal for Audit Services - Closing date of August 15th, 2014

Request for proposals for audit services for a five year term beginning with the 2014 Audit for Grey Sauble Conservation Authority has been sent to five firms with a closing date of August 15th, 2014.

4) **Quotes on furniture for the basement boardroom**

Quotations have been received from three office furniture companies - Coates and Best, Staples Advantage, and Locking Furniture - for chairs for the basement boardroom.

The financing for the purchase of the chairs would come from the Administration Reserve. A recommendation for the purchase will be presented at the September board meeting.

8. **Chairman's Report**

A quiet month since our last meeting, other than the provincial election which

- Resulted in the return of local MPP's Walker, Wilson, and Thompson
- New cabinet brings new people to roles of Minister in Natural Resources, Environment, and others CA's interface with

June 23rd was the Conservation Ontario meeting

- Presentations received on Opportunities for Small Waterpower Development in Southern Ontario as well as a National Floodplain Management Framework

We're still looking to schedule a Forestry Committee meeting.

9. **Other Business**

- a) Foundation Minutes - June 11th, 2014
Savannah MacDonald has applied and been accepted for the Mac Kirk Scholarship. She will be making a presentation to the Foundation Directors at 4:00 p.m. today.
- b) Staff Minutes - June 19th, 2014
- c) Next Meeting - Wednesday, September 10th, 2014 at 1:15 p.m.

d) Jones Falls

Bob Lennox expressed his concerns of the view of Jones Falls not being visible to persons driving by it on King's Highway #21. A request has been made to Bob to have solar lights put over the Falls. Also, the trees have grown up so much that you can't see the Falls. Bob feels that if the trees were trimmed back and solar lights placed over the Falls, that this would be beneficial in people seeing Jones Falls from the road. Chris Hachey advised that the sign on the Highway will be changed to indicate where Jones Falls Conservation is located. Several Directors agreed that Jones Falls is not visible and that something could be done to change this. Staff will review this in the field. Bob Lennox offered to meet Authority staff on site.

10. In-Camera

Motion No.:	Moved by:	Terry McKay
FA-14-073	Seconded by:	Dave Clarke

THAT the Grey Sauble Conservation Authority Board of Directors now move In Camera to consider property items.

Carried

Motion No.:	Moved by:	Harley Greenfield
FA-14-074	Seconded by:	Judy Gay

THAT the meeting now move to the Regular Full Authority meeting to consider the matters listed on the July 9th, 2014, agenda and any other business that may be lawfully conducted.

Carried

11. Adjournment

On motion by Harley Greenfield, the meeting adjourned at 3:35 p.m.

for Lave Clark, Vice Chair
Dick Hibma, Chairman

Doreen Robinson
Doreen Robinson
Administrative Assistant