

Alberta Conservation Association

Minutes of the December 13, 2018 Board of Directors Meeting



Four Points by Sheraton
7230 Argyll Road, Edmonton, AB
9:00 AM – 4:00 PM

- PRESENT
- Bill Abercrombie (Chairman) – Alberta Trappers Association
 - Robert Gruszecki (Vice Chairman) – Alberta Hunter Education Instructors Association
 - Greg Shyba (Secretary) – Public At Large, CE Region
 - Sandra Mellon (Treasurer) – Public At Large, NW Region
 - Ken Ambrock (Director) – Public At Large, Northern Alberta Board Liaison
 - Brian Bildson (Director) - Public At Large, Business Representative
 - Mark Boyce (Director) – ACA / U of A Chair in Fisheries & Wildlife
 - Fred Calverley (Director) – Trout Unlimited Canada
 - Randy Collins (Director) – Alberta Fish and Game Association
 - Lee Foote (Director) – Academic Representative
 - Brian Joubert (Director) – Nature Alberta
 - Perry McCormick (Alternate) – Pheasants Forever Alberta Council
 - Travis Ripley (Director) – Alberta Environment and Parks
 - Sander Duffheus (Alternate) – Alberta Professional Outfitters Society
 - Richard Stamp (Director) – Public At Large, SO Region
 - Chuck Priestley (Director) – Public At Large – NE Region
- Todd Zimmerling – President & CEO, ACA
Debora Dueck – Recording Secretary, ACA
- REGRETS
- Matt Mellon – Wild Sheep Foundation Alberta
 - Michael Perkins (Director) – Pheasants Forever Alberta Council
 - Jeana Schuurman (Director) – Alberta Professional Outfitters Society
 - Vacant - Treaty 8

1. CALL TO ORDER

Chairman Bill Abercrombie called the meeting to order December 13, 2018 at 9:00 AM.

2. WELCOME AND INTRODUCTIONS

Chairman Bill Abercrombie welcomed everyone to the meeting, round table introductions were made.

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3. APPROVAL OF THE AGENDA & MEETING TIME LIMIT

- Additions: 7 b. BOD Group Photo
10 b. AEP DM - Correspondence.

MOTION # 44/18

Moved by: Lee Foote
Seconded by: Greg Shyba

Move that the December 13, 2018 agenda be accepted with additions.

MOTION CARRIED

The meeting is anticipated to conclude by 4:00 PM.

4. ACCEPTANCE OF THE MINUTES

- a. August 14, 2018 Board of Directors' Meeting – Electronic Motion: 42/18EV
(Attachment A – Minutes of the August 14, 2018 BOD Meeting)

MOTION # 45/18

Moved by: Brian Bildson
Seconded by: Randy Collins

Move that the ACA Board of Directors' agree that this is an accurate reflection of the votes placed and therefore ratify Electronic Motion: 42/18EV stating: "Move that the Minutes of the August 14, 2018 Board of Directors' meeting, be accepted as presented".

MOTION CARRIED

5. BUSINESS ARISING

- a. Review of Action Items
(Attachment B – Action Items)

Action Items were reviewed and updates were provided.

6. COMMITTEE REPORTS

- a. Chairman / Executive Committee

Bill Abercrombie, Chairman, provided a report to BOD:

- Correspondence recently received from Deputy Minister Bev Yee regarding moving forward with the program agreement.

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- Central Region PAL position 3 year term has been reached, opportunity to reappoint for an additional 3 year term. In discussion with the executive committee, the incumbent desires to continue on in this role. Recommendation from the Executive Committee that Greg Shyba be reappointed to the position of Central Region PAL for an additional term of 3 years.

MOTION # 46/18

Moved by: Lee Foote
Seconded by: Brian Bildson

Move that the ACA Board of Directors' appoint Greg Shyba to the position of Central Region Public At Large for an additional 3 year term, with an expiry date of December 2021.

MOTION CARRIED

- Indigenous Representation on the ACA BOD – Chairman has been investigating ways for the ACA to engage with the indigenous community. Some progress is being made with Treaty 8, discussions on a role for Treaty 8 at the board level, no formal engagement at this point. Other discussion in regard to having an Indigenous BOD Liaison position created. Chairman would like to put forward the name of Robert Grandchamp, he can't represent Treaty 8, but could be an indigenous voice on the ACA Board of Directors.

MOTION # 47/18

Moved by: Brian Bildson
Seconded by: Mark Boyce

Move that the ACA Board of Directors' create a Board Liaison position to incorporate indigenous representation on the Board of Directors.

MOTION CARRIED

ACTION ITEM: Governance Committee to create a Terms of Reference for Board Liaison position to incorporate indigenous representation and name appropriately.

b. President & CEO
(Attachment C)

The President & CEO report was reviewed and highlights were discussed and noted:

- It has been a fairly busy fall wrapping up field work, dealing with unseasonably cold weather in September and October, preparing for winter aeration and meeting AEP regarding our Annual Operating Plan and future program agreements.
- Relationships/Partnerships: We are making progress on potential partnerships with a range of corporations. Few are as large as the oil and gas partners we have dealt with in the past, but we are

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making some progress. In addition, I have talked with representatives from both APOS and WSFA in the last few months and both groups have expressed interest in partnering with ASA on a wildlife related project, similar to the type of partnership we have with the ATA.

- Sponsorship / CPIC: We recruit new sponsor/partner dollars for ACA projects with a focus on multi-year commitments as Corporate Partners in Conservation. We have the following new and ongoing partnerships: New – Covenant Health (peregrine camera); Nutrien Redwater (peregrine camera); Backroad Mapbooks (KCC, WW, TPE, HYO). Ongoing: Honda Canada; Fortis; McMillan LLP; Shell; MD of Greenview; Saddle Hills County; ConocoPhillips; Cenovous; NuVista; Open Door Technology.
- Grants: Business Development applies for and supports project leads in applying for grants. Summary of the grants submitted in the 2017-18 fiscal year, as per the President & CEO Report. Please note: the summary does not include grants that were submitted in past fiscal years that are still active in the 2017-18 fiscal year.

c. Finance & Audit Committee
(Attachments D)

Sandra Mellon, Treasurer, presented the Levy Revenue Analysis Year to Date report as at October 31, 2018. Points noted:

Total revenue decreased from the prior fiscal year by \$ (401,978)

- Levy revenues are \$ (496,817) lower than received in the prior year. This demonstrates the impact of weather as spring-like conditions arrived later this year. The effects of the reduction in senior's licensing will not be evident until later in the fiscal year. We expect a shortfall in levies this year and are looking at cost savings to offset the impact.
- Miscellaneous revenue includes advertising fees for the Conservation Guide, magazine and raffles. The Pheasant Festival raffles went on sale later this year than last. Revenue should approximate last year in the next quarter.
- Donations include amounts donated for Kids Can Catch which increased this year.

Revenue are \$ (360,529) lower than annual budgeted amounts.

- Levy revenue surpassed the budgeted levels by \$15,168. In looking at prior year's receipts, we anticipate being under budget with levy revenues this year, possibly up to \$500,000 less than budget.
- Partner revenue is lower than the year-to-date budget by \$ (423,337). The revenue received mainly came from partners in conservation site maintenance carried forward from prior year and the MULTISAR group of projects. The offset for Predator Compensation from the Federal Government is contained in this budget and will show a variance if predator claims decrease from previous levels. Currently \$300,000 of the shortfall is stemming from reduced Predator Compensation claims as compared to budget.
- Grants and funds are under budget by \$ (220,473). These were funds primarily budgeted for partner offsets to our CCE Grants and Biodiversity Challenge Grant.

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Operating expenses (expenses that are controllable by management) were \$529,880 higher than previous year levels. Although individual expense categories vary, the overall expenditure is consistent with anticipated expenditures with the exceptions noted in the Financial Overview report.

- The organization is \$(2,270,617) under budgeted year to date expenditures. Explanations of the major item variances as noted in the Financial Overview report.

An operating surplus (excess of revenue over expenditures for management-controlled items including actual interest revenue which is outside of management control) of \$3,548,166 exists, which is lower compared to the results of the prior year where a surplus of \$4,480,024 was recorded. We expect there will be impacts from license changes made by the Province but will not know the extent until later in the year. Management is monitoring progress to ensure we are reducing expenditures where possible in anticipation of reduced levies.

When adjustments are made to recognize realized and unrealized investment gains and losses, asset disposals, and removing revenue from donations that was allocated to land purchases, the result ends in an accounting surplus of \$3,468,507 for the period compared to \$4,781,602 in the prior year. This surplus demonstrates the discrepancy between revenue inflows and expense outflows in that levy revenue inflows create artificial surplus results until the end of the fiscal year.

ACA reported an accounting or total organizational surplus of \$3,548,166, an amount that included interest income, realized (actual changes from sold investments) and unrealized (changes in book value due to cost versus market fluctuations) results for investments and asset disposals that are not in management control. The realized gain on investments was \$64,021; the unrealized loss on investments was \$(190,685). Interest revenue was \$52,284, and the gain on asset disposal (amount received for sold assets over the remaining book value of the asset) was \$47,004, which occurred from sales of surplus assets through an online auction.

Cash Flow Statement

- Cash flows from operating activities resulted in a cash increase of \$2,040,865 for the period. Inflows were used to purchase capital assets, the largest being our land assets. The resulting increase of cash when added to opening cash balance, provides a cash position of \$2,491,834. This balance consists of the Operating account balance of \$1,283,332 as well as cash in designated accounts not available for operating expenses, such as the Restricted account and Land Trust fund.

Statement of Financial Position

- Current assets have increased by 4% from recorded levels at October 31, 2017. In the prior year, we did not access our operating line to the extent we have in the current year. Accounts Receivable is comprised of receivables from partners and contributors, with the majority being the accrual for levy revenue that spanned month end and for Predator Compensation reimbursement. These amounts are expected to be collected in the next 30 days.
- The Endowment Fund balance is \$1,977,595 up from 3.2% last year. Contributions to the fund this year were for the ALT Grant and Suncor money designated from land purchases. Half the increase in the fund on a yearly basis due to interest and gains (not including increase because of additional

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principle investment) is directed towards enhancement and/or management of ACA lands, and half is retained to grow the fund on an annual basis (to allow for monies to be removed from the fund the interest and gains retained must at a minimum match the rate of inflation for the previous year). The interest and gains removed from the fund will first be directed to cover taxes and other fees. Any excess generated may then be directed to other enhancement or management initiatives related to ACA lands. This transfer happens in February based on December fund balances.

- Land purchases and donations in this period were \$1,623,897 from Porter and Chinook property purchases. Equipment comprises the remaining asset additions. The largest equipment changes were in vehicles and trailers, with adjustments stemming from the 2017-18 audit, and purchases of computer equipment.
- The total fair market value of the investments is \$6,077,258 representing a decrease (or loss) of 1.9% over the fair market value at October 31, 2017. Of the total 57.36% are held in equities with the remainder held in Cash and Fixed Income instruments which meets the Investment Policy set by the Board of Directors. This also meets the contingent minimum balance requirement for board wind up activities as well as the bank covenant for lending purposes. The estimated amount for the minimum balance is approximately \$4.5 million.
- The Habitat Securement Fund had a balance at prior year end of \$276, 811. Transfers were made to replenish the fund to \$476,811. This was used to fund the Chinook Property purchase in June with a remaining balance of \$40,410.

Payment of Existing Loans from the Investment Fund - Recommendation from the Finance & Audit Comment that the payment of the existing loans in the amount of \$3,231,110.00 – Golden Ranches and ACA Corporate Office, be made from the Investment Fund which currently has a balance of \$6,155,203.67.

MOTION # 48/18

Moved by: Sandra Mellon

Seconded by: Greg Shyba

Move that the ACA Board of Directors' approve the payment of the existing loans in the amount of \$3,231,110.00 (Three Million, Two Hundred and Thirty-One Thousand, One Hundred and Ten Dollars) – Golden Ranches and ACA Corporate Office from the Investment Fund which currently has a balance \$6,155,203.67 (Six Million, One Hundred and Fifty- Five Thousand, Two Hundred and Three Dollars and Sixty-Seven cents).

MOTION CARRIED

1 Opposed

1 Abstention – AEP Representative declared a conflict of interest.

Discussion on the existing investments and loans, and the benefits of paying off the loans from the investment fund (Golden Ranches Home Quarter and Corporate Office).

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d. Communications Committee

Randy Collins, Committee Chair advised that the Communications Manager, Don Myhre attended the committee meeting and provided updates. Key points noted below:

- Discussion on magazine and guide – print vs digital.
- ACA has an active facebook and twitter presence.

Committee Chair thanked the Communications Manager for an excellent presentation. Board members can reference/review the Communications Update included in the President & CEO's report.

e. ACA Grants Program Committee

Lee Foote, Committee Chair advised that no committee meeting was conducted. Grant applications are being received and reviewed, preparing for adjudication.

f. Operations Standards Review Committee

Mark Boyce, Committee Chair provided an update from the committee meeting, points noted:

- AGMAG Meeting – ACA not in attendance due to President & CEO being missed on the email notification.
- Proposal to post harvest survey – implementation of a \$25.00 service charge if they don't complete the survey.
- Student is working on an Elk Harvest and Optimization of Harvest Strategies.
- GOA database - several deficiencies in data. AEP requested to provide an update on what data is being used to make decisions and figure out a way to work together.
- Student thesis is being used to harvest data along with composition counts.

g. Recruitment Committee

No meeting conducted – nothing to report.

h. Governance Committee Report

Brian Joubert, Committee Chair provided an update from the Governance Committee:

- Working on a procedure for the annual review of the President & CEO, making edits to the draft document for presentation at the next meeting.
- BOD input questionnaire for the President & CEO annual review – present draft at the next meeting.

- *ACTION ITEM: Administration - Oath of Confidentiality – Rescind current document.*
- *ACTION ITEM: Governance Committee to develop a document that reflects the fiduciary responsibility of the board members.*
- Honorarium Form and Expense Claim Form – no changes required.
- *ACTION ITEM: Administration - Directors Honorarium Board Policy – Complete a comparison of per diem rates with like organizations.*
- *ACTION ITEM: Governance Committee - Board Staff Relationship Policy – review, revise and present at the next meeting for approval.*
- Big Horn Open House RMH – update provided.

i. PAL Member Committee

Lee Foote, PAL Member Committee Chair provided an update:

- Open discussion regarding PAL Member roles was held.
- Discussed work plans and the purpose of a work plan.
- Discussed the purpose of the self-evaluation form.

j. Organizational Risk Report
(Attachment E)

Organizational Risk Report was presented by Todd Zimmerling, President & CEO, no major risks were identified at this time.

k. Northern Board Liaison Report – Verbal Report

Ken Ambrock provided an update to the Board of Directors on the activities of the Northern Board Liaison from August 2018 – December 2018. Points noted:

- In the new year, plan to send correspondence to the Premier and Minister regarding the wildlife and fisheries in the St. Paul area, no surveys have been completed in the last 10 years.
- Mule deer, cougar, wolf, and bear are at a all time high. Would like to see good information on what management decisions are based on.
- More and more lakes are being put on draws.
- Alberta has the most restrictive regulations in North America.

l. Director Emeritus Report
(Attachment F)

Tom Bateman, Director Emeritus submitted a report on his activities from August 2018 – December 2018.

m. Business Representative Report - Handout
(Agenda Item "6m")

Brian Bildson provided an update on the activities of the Business Representative from August 2018 – December 2018.

n. **AEP Representative Report**

Travis Ripley, AEP Representative provided an update, points noted:

The end of November marks the end of most hunting seasons across Alberta. Preliminary licence sales indicate that:

- 133,000 hunters purchased hunting licences in 2018 generating over \$15M in licensing revenue.
- Almost 12,000 senior hunters took advantage of the new hunting licence pricing, noting a participation increase of over 5%.
- 7,600 youth hunters under the age of 18 purchased licences; a 3.5% decline over 2017.
- Over 11,500 non Albertan hunters visited Alberta to partake in Alberta's many hunting opportunities marking a 3% increase over 2017.

BSA – Biodiversity Stewardship Area – proposed protected area (Wildland Park) comprised of 166,000 hectares south of wood buffalo national park.

Metis Harvesting Policy update – policy drafted and will be soon communicated publicly.

Proposed angling and hunting regulations being drafted and reviewed. We are submitting early indication of proposed changes in December.

AFWA relevancy work.

Surface water allocation directive – near final.

Wetland replacement program now in place under our Wetland Policy.

Canadian Council of Fisheries and Aquaculture Ministers update – National Aquatic Invasive species and federal fisheries act updates.

7. **Presentation 12:00 PM – John Pattison**

- a. John Pattison delivered a presentation on the Grants Database.

8. **Old Business**

No old business outstanding.

9. Reports

a. Draft AOP 2019-2020

(Uploaded to BOD Website)

The Draft AOP 2019-2020 was reviewed and changes recommended as follows:

- AEP requested the exclusion of the forest moose declines project from Page 18 of the document.

MOTION # 49/18

Moved by: Sandra Mellon
Seconded by: Randy Collins

Move that the ACA Board of Directors' approve the Draft AOP 2019-2020 with noted amendments.

MOTION CARRIED

10. New Business

a. Electronic Motion: 43/18EV - Ratification

(Attachment G)

MOTION # 50/18

Moved by: Brian Bildson
Seconded by: Sandra Mellon

Move that the ACA Board of Directors' agree that this is an accurate reflection of the votes placed and therefore ratify Electronic Motion 43/18E:

"Move that the ACA Board of Directors' approve the wire transfer to Dentons LLP (In Trust) in the amount of \$438,000.00 (Four Hundred and Thirty-Eight Thousand Dollars) representing the Funds to Close for the MacConnachie Conservation Site (Welsh). NE 35-054-11-W4M & SE 35-054-11-W4M (#09 Acres). Closing Date: December 7, 2018.

MOTION CARRIED

b. Deputy Minister Correspondence – Bev Yee

Chairman Bill Abercrombie brought forward the correspondence received from the Deputy Minister earlier in December which was shared with the Board of Directors via email. Requesting input from the BOD on how can ACA leverage the expertise of both organizations to maintain good alignment on priorities. Please forward any input to the Chairman and President & CEO.

c. Election of Officers and Committee Appointments
(Attachment H)

For the position of Chairman

- Brian Bildson nominated Bill Abercrombie.
- Bill Abercrombie accepted the nomination.
- Seeing no other nominations, nominations cease, **Bill Abercrombie** is appointed by acclamation to the position of **Chairman**.

For the position of Vice-Chairman

- Bill Abercrombie nominated Robert Gruszecki.
- Robert Gruszecki accepted the nomination.
- Seeing no other nominations, nominations cease, **Robert Gruszecki** is appointed by acclamation to the position of **Vice-Chairman**.

For the position of Treasurer

- Brian Bildson nominated Sandra Mellon.
- Sandra Mellon accepted the nomination.
- Seeing no other nominations, nominations cease, **Sandra Mellon** is appointed by acclamation to the position of **Treasurer**.

For the position of Secretary

- Sandra Mellon nominated Greg Shyba.
- Greg Shyba accepted the nomination.
- Seeing no other nominations, nominations cease, **Greg Shyba** is appointed by acclamation to the position of **Secretary**.

MOTION # 51/18

Moved by: Brian Bildson
Seconded by: Sandra Mellon

Move that the ACA Board of Directors' accept the names put forward for the Standing Committees as presented.

MOTION CARRIED

11. In-Camera Session

No In-camera session required.

12. Date and Location of Next Meeting

2018 Meeting Calendar (*Attachment O*)

The next scheduled BOD Meeting – March 27 - 28, 2019 – Edmonton, AB

- March 27, 2019 (Wednesday) – To be scheduled. Committee Meetings
- March 28, 2019 (Thursday) – 9:00AM – 4:00 PM Regular BOD Meeting

13. ADJOURNMENT

MOTION # 52/18

Move that the BOD Meeting be adjourned.

Moved by: Fred Calverley
Seconded by: Randy Collins

MOTION CARRIED

The Board of Director's meeting was adjourned at 2:45 PM.



(Chairman)



(Secretary)