

**SAUGEEN VALLEY  
CONSERVATION AUTHORITY**

**FINANCIAL REPORT**

**DECEMBER 31, 2021**

# SAUGEEN VALLEY CONSERVATION AUTHORITY

DECEMBER 31, 2021

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**BAKER TILLY SGB LLP**  
**CHARTERED PROFESSIONAL ACCOUNTANTS**

**INDEPENDENT AUDITOR'S REPORT**

To the Members of **Saugeen Valley Conservation Authority**:

**Opinion**

We have audited the financial statements of Saugeen Valley Conservation Authority (the Authority), which comprise the statement of financial position as at December 31, 2021 and the statements of operations and changes in net assets and cash flow for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Authority as at December 31, 2021, and results of its operations 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 Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Authority in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical 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.

**Other Matter**

Management is responsible for the other information. The other information comprises the schedules on pages 16 through 22 of the Saugeen Valley Conservation Authority financial statements.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

**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 Authority'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 Authority or to cease operations, or has no realistic alternative but to do so.

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

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**BAKER TILLY SGB LLP**  
**CHARTERED PROFESSIONAL ACCOUNTANTS**

**Auditor's 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 auditor's 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 these 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 Authority'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 Authority's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's 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 auditor's report. However, future events or conditions may cause the Authority 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 represent the underlying transactions and events in a manner that achieves fair presentation.

We 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.



**BAKER TILLY SGB LLP**  
**CHARTERED PROFESSIONAL ACCOUNTANTS**  
**LICENSED PUBLIC ACCOUNTANTS**

Walkerton, Ontario  
March 17, 2022

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# SAUGEE VALLEY CONSERVATION AUTHORITY

## STATEMENT OF FINANCIAL POSITION AS AT DECEMBER 31

	2021	2020
	\$	\$
<b>Financial assets</b>		
Cash and cash equivalents (Note 2)	1,214,007	1,316,965
Accounts receivable (Note 4)	426,258	304,681
Temporary investments (Note 3)	2,752,458	2,692,319
	<b>4,392,723</b>	4,313,965
<b>Liabilities</b>		
Accounts payable and accrued liabilities	253,657	230,601
Deferred revenue (Note 5)	761,831	724,787
Post employment benefits (Note 6)	92,083	265,279
	<b>1,107,571</b>	1,220,667
Net financial assets	<b>3,285,152</b>	3,093,298
<b>Non-financial assets</b>		
Tangible capital assets (Note 7)	8,498,726	8,621,986
Prepaid expenses	53,867	26,707
	<b>8,552,593</b>	8,648,693
<b>Accumulated surplus (Page 6)</b>	<b>11,837,745</b>	11,741,991

Approved \_\_\_\_\_ Director

\_\_\_\_\_ Director

The accompanying notes are an integral part of  
these financial statements

# SAUGEEN VALLEY CONSERVATION AUTHORITY

## STATEMENT OF OPERATIONS FOR THE YEAR ENDED DECEMBER 31

	Budget 2021	Actual 2021	Actual 2020
	\$	\$	\$
	(Note 10)		
<b>Revenue (Page 4)</b>			
Government transfers and special programs	81,400	<b>164,747</b>	116,697
Municipal levies	1,827,060	<b>1,871,378</b>	1,797,128
Authority generated	1,622,600	<b>1,742,525</b>	1,577,413
Other	311,000	<b>544,332</b>	424,552
	3,842,060	<b>4,322,982</b>	3,915,790
<b>Expenses (Page 5)</b>	4,033,325	<b>4,227,228</b>	4,158,499
<b>Annual surplus (deficit)</b>	(191,265)	<b>95,754</b>	(242,709)
<b>Accumulated surplus, beginning of year</b>		<b>11,741,991</b>	11,984,700
<b>Accumulated surplus, end of the year (Page 6)</b>		<b>11,837,745</b>	11,741,991

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# SAUGEE VALLEY CONSERVATION AUTHORITY

## STATEMENT OF CHANGE IN NET FINANCIAL ASSETS FOR THE YEAR ENDED DECEMBER 31

	Budget 2021	Actual 2021	Actual 2020
	\$	\$	\$
	(Note 10)		
<b>Annual surplus (deficit)</b>	(191,265)	<b>95,754</b>	(242,709)
Acquisition of tangible capital assets	-	<b>(195,104)</b>	(103,421)
Amortization of tangible capital assets	-	<b>315,162</b>	314,760
Loss/(Gain) on disposal of tangible capital assets	-	<b>(6,973)</b>	1,706
Proceeds on disposal of tangible capital assets	-	<b>10,175</b>	2,600
Change in prepaid expenses	-	<b>(27,160)</b>	10,833
Change in net financial assets	(191,265)	<b>191,854</b>	(16,231)
Net financial assets, beginning of year		<b>3,093,298</b>	3,109,529
<b>Net financial assets, end of year</b>		<b>3,285,152</b>	3,093,298

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# SAUGEEN VALLEY CONSERVATION AUTHORITY

## SCHEDULE OF REVENUE FOR THE YEAR ENDED DECEMBER 31

	Budget 2021 \$ (Note 10)	Actual 2021 \$	Actual 2020 \$
<b>Revenues</b>			
<b>Government Transfers</b>			
Program operations	81,400	<b>81,396</b>	89,257
Capital programs	-	<b>29,929</b>	-
Saugeen parks & land management (Schedule 4)	-	<b>53,422</b>	27,440
	<b>81,400</b>	<b>164,747</b>	116,697
<b>Municipal Levies (Schedule 7)</b>			
General levies	1,732,919	<b>1,732,919</b>	1,705,350
Special levies	94,141	<b>138,459</b>	91,778
	<b>1,827,060</b>	<b>1,871,378</b>	1,797,128
<b>Authority Generated</b>			
Agricultural lands	15,500	<b>15,799</b>	14,935
Education program fees	29,150	<b>24,344</b>	19,774
Forestry products	180,000	-	145,838
Saugeen forestry service	187,750	<b>289,677</b>	123,757
Planning and regulation fees	565,800	<b>568,692</b>	535,529
Saugeen parks & land management (Schedule 4)	644,400	<b>842,428</b>	731,694
Water quality monitoring	-	<b>1,585</b>	5,886
	<b>1,622,600</b>	<b>1,742,525</b>	1,577,413
<b>Other</b>			
Interest earned	49,300	<b>67,312</b>	80,435
Vehicle and equipment recoveries (Schedule 6)	173,000	<b>121,553</b>	120,413
Donation revenue	7,000	<b>2,000</b>	241
Miscellaneous operations	3,600	<b>42,823</b>	28,204
Gain/(Loss) on disposal of tangible capital assets (Schedule 6)	-	<b>6,973</b>	(1,706)
Administration overhead	77,700	<b>81,818</b>	82,951
Special programs (Schedule 5)	-	<b>221,448</b>	113,545
Stream gauge maintenance contracts	400	<b>405</b>	469
	<b>311,000</b>	<b>544,332</b>	424,552
<b>Total Revenues</b>	<b>3,842,060</b>	<b>4,322,982</b>	<b>3,915,790</b>

The accompanying notes are an integral part of  
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# SAUGEEN VALLEY CONSERVATION AUTHORITY

## SCHEDULE OF EXPENSES FOR THE YEAR ENDED DECEMBER 31

	Budget 2021	Actual 2021	Actual 2020
	\$	\$	\$
	(Note 10)		
<b>Expenses</b>			
Administration (Schedule 1)	624,100	<b>634,883</b>	624,200
Program operations (Schedule 2)	2,131,825	<b>2,099,334</b>	2,057,003
Repairs and maintenance (Schedule 3)	10,000	<b>69,858</b>	10,000
Saugeen parks & land management (Schedule 4)	1,033,100	<b>926,334</b>	680,863
Vehicles and equipment (Schedule 6)	223,400	<b>92,630</b>	89,372
Agricultural lands	10,900	<b>4,288</b>	5,819
Other expenses	-	<b>5,769</b>	4,536
	4,033,325	<b>3,833,096</b>	3,471,793
Amortization (Note 7)	-	<b>315,162</b>	314,760
	4,033,325	<b>4,148,258</b>	3,786,553
Total Special Program Expenses (Schedule 5)	-	<b>78,970</b>	371,946
<b>Total Expenses</b>	4,033,325	<b>4,227,228</b>	4,158,499

The accompanying notes are an integral part of  
these financial statements

# SAUGEEN VALLEY CONSERVATION AUTHORITY

## SCHEDULE OF ACCUMULATED SURPLUS FOR THE YEAR ENDED DECEMBER 31, 2021

	Opening Balance	From Operations	To Operations	Closing Balance
	\$	\$	\$	\$
<b>Reserves</b>				
Agricultural Lands	68,705	12,663	40,000	41,368
Computer Upgrades	23,295	17,537	-	40,832
Environmental Planning	56,881	1,236	-	58,117
Forest Management	313,114	6,684	67,152	252,646
House Repairs	41,211	896	-	42,107
Kincardine Maintenance	139,909	2,890	565	142,234
Land Management	96,685	17,336	2,860	111,161
Legal Fees	54,539	16,636	20,000	51,175
LTD/OMERS/Benefits	21,090	458	-	21,548
Office Equipment	39,436	857	-	40,293
Ortho Imagery	29,218	4,608	13,684	20,142
Property Acquisition	164,436	3,574	-	168,010
Resource Centre	4,779	104	-	4,883
Retiree Benefits	30,570	654	881	30,343
Saugeen Parks	550,800	192,847	20,970	722,677
Self Insured Damaged	27,057	588	-	27,645
Short Term Disability	31,066	675	-	31,741
Stewardship	113,783	2,468	2,661	113,590
Vehicle Replacement	36,642	16,324	-	52,966
Water Management	-	130,361	-	130,361
Wetland Acquisition	57,082	1,241	-	58,323
Working Capital	1,219,707	170,019	212,868	1,176,858
	<b>3,120,005</b>	<b>600,656</b>	<b>381,641</b>	<b>3,339,020</b>
Tangible Capital Assets	8,621,986	226,529	349,790	8,498,725
	<b>11,741,991</b>	<b>827,185</b>	<b>731,431</b>	<b>11,837,745</b>

The accompanying notes are an integral part of  
these financial statements

# SAUGEE VALLEY CONSERVATION AUTHORITY

## STATEMENT OF CASH FLOW FOR THE YEAR ENDED DECEMBER 31

	2021	2020
	\$	\$
<b>Cash flows from (for):</b>		
<b>Operating activities</b>		
Annual surplus (deficit)	95,754	(242,709)
Non-cash items:		
Amortization of tangible capital assets	315,162	314,760
Loss/(Gain) on disposal of tangible capital assets	(6,973)	1,706
	<b>403,943</b>	<b>73,757</b>
Changes in non-cash working capital balances (Note 12)	(261,835)	467,423
<b>Net change in cash from operations</b>	<b>142,108</b>	<b>541,180</b>
<b>Capital activities</b>		
Acquisition of tangible capital assets	(195,104)	(103,421)
Proceeds on disposal of tangible capital assets	10,175	2,600
	<b>(184,929)</b>	<b>(100,821)</b>
<b>Investing activities</b>		
Proceeds on sale of investments	-	1,281,250
Acquisition of investments	(60,137)	(1,352,457)
	<b>(60,137)</b>	<b>(71,207)</b>
<b>Net change in cash position</b>	<b>(102,958)</b>	<b>369,152</b>
<b>Cash and cash equivalents, beginning of year</b>	<b>1,316,965</b>	<b>947,813</b>
<b>Cash and cash equivalents, end of year</b>	<b>1,214,007</b>	<b>1,316,965</b>

The accompanying notes are an integral part of  
these financial statements

# SAUGEEN VALLEY CONSERVATION AUTHORITY

## NOTES TO THE FINANCIAL STATEMENTS AS AT DECEMBER 31, 2021

### Nature of Operations

The Saugeen Valley Conservation Authority (the Authority) is established under the Conservation Authorities Act of Ontario to further the conservation, restoration, development and management of natural resources, other than gas, oil, coal and minerals, for the watersheds within its area of jurisdiction. The watersheds include areas in the Municipalities of Arran-Elderslie, Brockton, Kincardine, South Bruce, Grey Highlands, Morris-Turnberry and West Grey, the Townships of Huron-Kinloss, Chatsworth, Southgate, Howick, and North Wellington, and the Towns of Saugeen Shores, Hanover, and Minto.

The Authority is a registered charity and is exempt from income taxes.

### 1. Summary of Significant Accounting Policies

The financial statements have been prepared by the management of the Authority in accordance with Canadian generally accepted accounting principles for organizations operating in the local government sector as recommended by the Public Sector Accounting Board of The Chartered Professional Accountants of Canada. Significant aspects of the accounting policies adopted by the Authority are as follows:

#### (a) Basis of Accounting

Sources of revenue and expenses are reported on the accrual basis of accounting. The accrual basis of accounting recognizes revenues as they become available 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) Revenue Recognition

Government transfers are recognized in the financial statements in the period in which events giving rise to the transfer occur, providing the transfers are authorized, any eligibility criteria have been met and reasonable estimates of the amount can be made.

General and special municipal levies are recognized as revenue when the amounts are levied on the municipalities.

Authority generated revenue and special program revenue is recognized when the price is fixed or determinable, collectability is reasonably assured and services are provided to customers.

Other revenues are recognized on an accrual basis.

#### (c) Deferred Revenue

Revenue restricted by legislation, regulation, or agreement and not available for Authority purposes is reported as deferred revenue on the statement of financial position. The revenue is reported on the statement of operations in the year in which it is used for the specified purpose.

# SAUGEEN VALLEY CONSERVATION AUTHORITY

## NOTES TO THE FINANCIAL STATEMENTS AS AT DECEMBER 31, 2021

### 1. Summary of Significant Accounting Policies (continued)

(d) Internally Restricted Surplus

Appropriations are made from operations to reserves for future expenses and contingencies for such amounts as are deemed appropriate, and upon approval of the Authority members.

(e) Tangible Capital Assets

Tangible capital assets are recorded at cost, which includes all amounts that are directly attributable to acquisition, construction, development or betterment of the asset. Cost includes overheads directly attributable to construction and development.

Amortization is reflected on a declining balance basis over the estimated useful life of the assets at the following amortization rates:

Buildings	5%
Conservation Areas	5%
Erosion and Flood Control	5%
Equipment	15%
Floodwarning Equipment	5%
Vehicles	30%
Information Technology	3 year straight-line

Contributed tangible capital assets are recognized as assets and revenue at fair value at the time they are received.

(f) Classification of Expenses

To achieve consistency of reporting by the Conservation Authorities in Ontario, expenses are reported to follow the classifications set up by the Ministry of Natural Resources and Forestry. These are as follows:

General Administration expenses include those associated with head office functions other than technical staff and associated programs.

Program Operation expenses include technical and program operations support staff, operations and maintenance of water control structures, forest management and expenses at Saugeen Parks.

Other expenses include repairs and maintenance, vehicles and equipment, agricultural land expenses, property management, special employment projects, motor pool, etc.

(g) Vehicles and Equipment

The Authority operates a motor pool of vehicles and equipment. Internal charges for the use of vehicles and equipment are made to the various projects of the Authority based on an hourly or distance travelled rate, which is designed to recover all costs of operating the pool including replacement of equipment.

These internal charges are included in the appropriate expense classifications.

# SAUGEEN VALLEY CONSERVATION AUTHORITY

## NOTES TO THE FINANCIAL STATEMENTS AS AT DECEMBER 31, 2021

### 1. Summary of Significant Accounting Policies (continued)

#### (h) Use of Estimates

The preparation of financial statements in accordance with Canadian generally accepted accounting principles 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 reporting period. The principle estimates used in the preparation of these financial statements are the determination of the estimated useful life of tangible capital assets. Actual results could differ from management's best estimates as additional information becomes available in the future.

#### (i) Cash and Cash Equivalents

Cash and cash equivalents include cash on deposit, short-term deposits with a maturity of three months or less at acquisition and temporary bank overdrafts which form an integral part of the Authority's cash management.

#### (j) Pension Plan

The Authority offers a pension plan for its full-time employees through the Ontario Municipal Employee Retirement System ("OMERS"). OMERS is a multi-employer, contributory, public sector pension fund established for employees of municipalities, local boards and school boards in Ontario. Participating employers and employees are required to make plan contributions based on participating employees' contributory earnings. The Authority accounts for its participation in OMERS as a defined contribution plan and recognizes the expense related to this plan as contributions are made, even though OMERS is itself a defined benefit plan.

#### (k) Financial Instruments

##### *Initial recognition and measurement*

A financial asset or a financial liability is recognized when the Authority becomes a party to the contractual provisions of the financial instrument. Financial assets originated or acquired or financial liabilities issued or assumed in an arm's length transaction, are initially measured at their fair value.

##### *Subsequent measurement*

Changes in fair value of investments in equity instruments are recognized in annual surplus in the period incurred. All other financial assets and financial liabilities are measured at amortized cost.

##### *Impairment*

At the end of each reporting period, the Authority assesses whether there are any indications that financial assets measured at cost or amortized cost may be impaired.

# SAUGEEEN VALLEY CONSERVATION AUTHORITY

## NOTES TO THE FINANCIAL STATEMENTS AS AT DECEMBER 31, 2021

### 2. Cash and Cash Equivalents

	2021	2020
	\$	\$
Cash - Operating Funds	<b>1,214,007</b>	1,316,965

Included in the Operating Funds is an interest account which earns interest at 0.5%.

### 3. Temporary Investments

	2021	2020
	\$	\$
Guaranteed Investment Certificate, interest at 1.5%, matures August 20, 2022	<b>1,300,556</b>	1,281,336
Guaranteed Investment Certificate, interest at 2.9%, matures November 14, 2022	<b>1,451,902</b>	1,410,983
	<b>2,752,458</b>	2,692,319

The GICs are carried at cost which approximates the fair market value.

### 4. Accounts Receivable

	2021	2020
	\$	\$
Municipal Levies	<b>141,614</b>	99,558
Trade Accounts Receivable	<b>284,644</b>	205,123
	<b>426,258</b>	304,681

### 5. Deferred Revenue

	2021	2020
	\$	\$
Individual Programs	<b>143,541</b>	89,091
Ministry of Natural Resources and Forestry, and Municipalities	<b>106,498</b>	136,427
Bruce Power Funding	<b>265,174</b>	284,004
Other Deferred Revenue	<b>246,618</b>	215,265
	<b>761,831</b>	724,787

# SAUGEE VALLEY CONSERVATION AUTHORITY

## NOTES TO THE FINANCIAL STATEMENTS AS AT DECEMBER 31, 2021

### 6. Post Employment Benefits

The Authority has incurred \$NIL (2020 - \$306,050) expense to provide post employment benefits. Monthly payments will continue until September 30, 2022. The post employment benefits were drawn down \$173,193 (2020 - \$40,771) during the year. The Authority determined the benefits on a present value basis, using a 1% interest rate, which is current investing rates.

### 7. Tangible Capital Assets

	Balance 2020	Additions	Disposals	Balance 2021
<b>Cost</b>	\$	\$	\$	\$
Land	3,944,957	-	-	3,944,957
Buildings	1,671,169	15,371	-	1,686,540
Conservation Areas	1,013,974	33,646	-	1,047,620
Erosion and Flood Control	13,419,193	-	-	13,419,193
Equipment	388,033	53,526	(21,640)	419,919
Floodwarning Equipment	234,037	8,007	(5,000)	237,044
Vehicles	402,269	72,980	-	475,249
Information Technology	160,799	11,575	(7,988)	164,386
	21,234,431	195,105	(34,628)	21,394,908
<b>Accumulated Amortization</b>	\$	\$	\$	\$
Buildings	947,266	36,963	-	984,229
Conservation Areas	581,844	21,794	-	603,638
Erosion and Flood Control	10,247,833	158,571	-	10,406,404
Equipment	266,761	25,343	(20,140)	271,964
Floodwarning Equipment	144,246	5,001	(3,297)	145,950
Vehicles	277,946	54,992	-	332,938
Information Technology	146,549	12,498	(7,988)	151,059
	12,612,445	315,162	(31,425)	12,896,182
<b>Net Book Value</b>	\$			\$
Land	3,944,957			3,944,957
Buildings	723,903			702,311
Conservation Areas	432,130			443,982
Erosion and Flood Control	3,171,360			3,012,789
Equipment	121,272			147,955
Floodwarning Equipment	89,791			91,094
Vehicles	124,323			142,311
Information Technology	14,250			13,327
	8,621,986			8,498,726

# SAUGEEN VALLEY CONSERVATION AUTHORITY

## NOTES TO THE FINANCIAL STATEMENTS AS AT DECEMBER 31, 2021

### 8. Revolving Credit Facility

The Authority has available a Royal Bank of Canada revolving credit facility with a maximum limit of \$200,000. The facility bears interest at bank prime plus 1.25% and is due on demand. As at December 31, 2021, the balance is \$NIL (2020 - \$NIL). The Authority also has a \$75,000 VISA credit limit facility available.

### 9. Pension Plan

The employees of the Authority participate in the Ontario Municipal Employees Retirement Saving Plan ("OMERS"). Although the plan has a defined retirement benefit for employees, the related obligation of the Authority cannot be identified. The Authority has applied defined contribution plan accounting as it has insufficient information to apply defined benefit plan accounting.

The amount contributed to OMERS for 2021 was \$165,158 (2020 - \$155,506) for current service costs and is included as an expense on the statement of operations.

### 10. Budget Amounts

The 2021 budget amounts for Saugeen Valley Conservation Authority were approved by the Authority members and have been restated to conform to the basis of presentation of the revenues and expenses on the statement of operations and change in net financial assets. The budget numbers have not been audited.

### 11. Commitments

The Authority has entered into an operating lease agreement for a Xerox C8055 copier requiring 16 quarterly payments of \$610 commencing December 2019. The lease expires December 2023.

The Authority has entered into an agreement for the operation of an online reservation system for two campgrounds requiring escalating annual payments, starting at \$8,400 in 2018 and increasing \$1,400 each year until 2022. The agreement is for 5 years, beginning 2018 and ending in 2022.

The Authority has entered into an agreement for the operation of phone system requiring monthly payments of \$425 commencing September 2021. The agreement is for 3 years, expires September 2024.

The minimum annual payments on these commitments for the next three years are as follows:

2022	\$21,540
2023	\$7,540
2024	\$3,825

# SAUGEEN VALLEY CONSERVATION AUTHORITY

## NOTES TO THE FINANCIAL STATEMENTS AS AT DECEMBER 31, 2021

### 12. Cash Flow Information

The net change in non-cash working capital balances consists of:

	2021	2020
	\$	\$
Accounts Receivable	(121,577)	105,182
Prepaid Expenses	(27,160)	10,833
Accounts Payable and Accrued Liabilities	23,053	37,734
Deferred Revenue	37,045	48,395
Post Employment Benefits	(173,196)	265,279
	(261,835)	467,423

### 13. Financial Instruments

The Authority's financial instruments consist of cash, accounts receivable, temporary investments and accounts payable. The significant financial risk the Authority is exposed to is Credit Risk. It is management's opinion that the organization is not exposed to significant currency risk, interest rate risk, liquidity risk or market risk.

Credit Risk is the risk that one party to a financial instrument will cause a loss for the other party by failing to pay for its obligation. The Authority is exposed to credit risk in connection with the collection of its accounts receivable. The Authority mitigates this risk by maintaining credit approval and payment policies and the Authority does not anticipate significant loss for non-collection. Much of the accounts receivable are from participating municipalities and HST, that should not be exposed to credit risk.

### 14. Covid-19 Pandemic

On March 17, 2020, the Ontario government enacted a declaration of emergency to protect the public and ordered specific businesses to close and on March 23, 2020 ordered mandatory closure of all non-essential workplaces to fight the spread of Covid-19. Early May 2020, the Ontario government implemented a Covid-19 response framework including regional restrictions and sector specific guidelines to limit the transmission and allow businesses to reopen in phases. Most businesses were able to reopen by mid-spring of 2020 operating under public health guidelines. A second province wide shutdown of all non-essential workplaces was implemented effective December 26, 2020.

In response to the pandemic during 2021, the Authority:

- Closed the main office to the public with the exception of appointments only;
- Re-opened the main office to employees at 50% of capacity, unless under a provincial stay at home order, then the main office was closed completely;
- Opened campsites when able to do so safely, and was able to keep sites open later in the season

The pandemic and temporary lockdowns continue. The extent of operations is dependent on government pandemic guidelines. The full impact of the Covid-19 outbreak continues to evolve at the date of this report. The Authority continues to operate with modified operations. The financial effect on the Authority is not considered to be significant.

**SAUGEEN VALLEY  
CONSERVATION AUTHORITY**

**UNAUDITED SCHEDULES**

**DECEMBER 31, 2021**

# SAUGEEN VALLEY CONSERVATION AUTHORITY

## SCHEDULE 1 SCHEDULE OF ADMINISTRATION EXPENSES FOR THE YEAR ENDED DECEMBER 31 (UNAUDITED)

	Budget 2021	Actual 2021	Actual 2020
	\$	\$	\$
<b>General Administration</b>			
Wages and benefits	420,000	<b>427,157</b>	418,639
Board of Directors' allowances	26,000	<b>23,376</b>	22,212
Staff mileage and expenses	13,800	<b>2,388</b>	4,102
Equipment, purchases and rentals	1,000	-	-
Materials and supplies	19,000	<b>20,103</b>	17,421
Insurance	22,000	<b>27,651</b>	23,962
Property taxes	8,000	<b>7,745</b>	7,502
Conservation Ontario levy	30,000	<b>28,600</b>	28,813
Other	4,500	<b>3,087</b>	2,188
Administrative centre operating expenses	48,800	<b>45,212</b>	48,277
Consultant fees	-	<b>3,639</b>	-
Legal, audit fees and bank charges	12,500	<b>17,043</b>	27,448
Health and safety expenses	12,000	<b>24,876</b>	18,413
Advertising and staff development	2,500	<b>264</b>	1,281
Resource Centre operating expenses	4,000	<b>3,742</b>	3,942
	624,100	<b>634,883</b>	624,200
Less amounts capitalized	-	-	-
	624,100	<b>634,883</b>	624,200

# SAUGEE VALLEY CONSERVATION AUTHORITY

## SCHEDULE 2 SCHEDULE OF PROGRAM OPERATION EXPENSES FOR THE YEAR ENDED DECEMBER 31 (UNAUDITED)

	Budget 2021	Actual 2021	Actual 2020
	\$	\$	\$
<b>Flood Control</b>			
Flood control structures	170,300	<b>167,913</b>	171,564
Flood warning, river forecasting and operation of dams	211,500	<b>200,336</b>	211,675
<b>Land Management</b>			
Taxes on provincially significant lands	35,000	<b>41,697</b>	40,550
Property and land management	-	-	81,172
Forest management	328,100	<b>324,229</b>	265,433
Geographical information systems / information technology	145,525	<b>166,483</b>	138,592
<b>Water Management</b>			
Plan input and review and regulation enforcement	918,250	<b>908,175</b>	752,027
Water quality	99,400	<b>112,510</b>	99,736
<b>Community Relations</b>			
Conservation information	129,500	<b>102,480</b>	232,678
Conservation education	94,250	<b>95,093</b>	91,927
	2,131,825	<b>2,118,916</b>	2,085,354
Less amounts capitalized	-	<b>(19,582)</b>	(28,351)
<b>Total Program Operation Expenses</b>	2,131,825	<b>2,099,334</b>	2,057,003
<b>Capital Acquisitions</b>			
GIS - IT infrastructure		-	17,362
Flood warning - Equipment		<b>8,007</b>	10,989
Environmental planning - IT infrastructure		<b>11,575</b>	-
		<b>19,582</b>	28,351

# SAUGEEN VALLEY CONSERVATION AUTHORITY

## SCHEDULE 3 SCHEDULE OF REPAIRS AND MAINTENANCE FOR THE YEAR ENDED DECEMBER 31 (UNAUDITED)

	Budget 2021	Actual 2021	Actual 2020
	\$	\$	\$
<b>Water Management Surveys, Studies and Capital Projects</b>			
Durham Dam Safety & Repair	-	<b>43,914</b>	-
Lake Huron Centre for Coastal Conservation	10,000	<b>10,000</b>	10,000
Meux Creek Repair	-	<b>15,944</b>	-
	10,000	<b>69,858</b>	10,000
<b>Recreational Capital Projects</b>			
Brucedale C.A. - Electricity Upgrades	-	-	5,640
Durham C.A. - Control gates	-	<b>6,835</b>	-
Saugeen Bluffs C.A. - Barrier Free Doors	-	<b>5,840</b>	-
Saugeen Bluffs C.A. - Playground	-	<b>20,970</b>	-
	-	<b>33,645</b>	5,640
<b>Other Capital Projects</b>			
Land Management	-	<b>15,371</b>	-
	-	<b>15,371</b>	-
	10,000	<b>118,874</b>	15,640
Less amounts capitalized	-	<b>(49,016)</b>	(5,640)
	10,000	<b>69,858</b>	10,000
<b>Capital Acquisitions</b>			
Saugeen Bluffs, Playground		<b>20,970</b>	-
Saugeen Bluffs, Barrier Free Doors		<b>5,840</b>	-
Land Management, Shop Furnace & Ventilation		<b>15,371</b>	-
Durham, New Gate Reader		<b>6,835</b>	-
Brucedale, Hydro to sites		-	5,640
		<b>49,016</b>	5,640

# SAUGEEN VALLEY CONSERVATION AUTHORITY

## SCHEDULE 4 SCHEDULE OF REVENUES AND EXPENSES OF SAUGEEN PARKS & LAND MANAGEMENT FOR THE YEAR ENDED DECEMBER 31 (UNAUDITED)

	Budget 2021	Actual 2021	Actual 2020
	\$	\$	\$
<b>Revenue from Revenue Producing Conservation Areas</b>			
Brucedale C.A.	89,300	<b>99,295</b>	97,289
Durham C.A.	269,300	<b>320,143</b>	280,754
Saugeen Bluffs C.A.	268,000	<b>399,078</b>	336,895
	626,600	<b>818,516</b>	714,938
<b>Government Grant</b>	-	<b>53,422</b>	27,440
	626,600	<b>871,938</b>	742,378
<b>Expenses from Revenue Producing Conservation Areas</b>			
Brucedale C.A.	71,900	<b>69,532</b>	67,955
Durham C.A.	286,600	<b>269,537</b>	221,232
Saugeen Bluffs C.A.	316,000	<b>327,044</b>	238,026
	674,500	<b>666,113</b>	527,213
<b>Excess of Revenue Over Expenses (Expenses over Revenue) for the Year for Revenue Producing Conservation Areas</b>			
	(47,900)	<b>205,825</b>	215,165
<b>Revenue from Non-Revenue Producing Conservation Areas</b>			
Donations	-	<b>3,472</b>	583
Admission Tours	-	-	(89)
Miscellaneous revenues	17,800	<b>20,440</b>	16,262
	17,800	<b>23,912</b>	16,756
<b>Expenses from Non-Revenue Producing Conservation Areas</b>			
	358,600	<b>260,221</b>	153,650
<b>Excess of Expenses Over Revenue for the Year for Non-Revenue Producing Conservation Areas</b>			
	(340,800)	<b>(236,309)</b>	(136,894)

# SAUGEEN VALLEY CONSERVATION AUTHORITY

## SCHEDULE 5 SCHEDULE OF REVENUES AND EXPENSES OF SPECIAL PROGRAMS FOR THE YEAR ENDED DECEMBER 31 (UNAUDITED)

	Actual 2021	Actual 2020
	\$	\$
<b>Revenue</b>		
Aquatic Habitat Stewardship	-	1,500
Brockton Tree Planting Project	-	1,518
Bruce Power Program	18,659	9,094
CAP Stewardship	15,829	72,294
Penetangore Watershed Group	4,932	4,596
NWMO Water Testing	162,239	-
Power Work Camp	12,000	9,000
Saugeen Valley Children's Safety Village	3,213	3,951
Stewardship Project	-	11,592
Well Decommissioning Stewardship	4,576	-
	<b>221,448</b>	<b>113,545</b>
<b>Expenses</b>		
Aquatic Habitat Stewardship	-	1,500
Brockton Tree Planting Project	-	1,518
Bruce Power Program	18,659	9,094
CAP Stewardship	15,829	72,294
NWMO Water Testing	32,114	-
Penetangore Watershed Group	4,932	4,596
Post-Employment Benefits	-	265,279
Saugeen Valley Children's Safety Village	2,265	2,977
Stewardship Project	-	11,592
Valard Maintenance	595	3,096
Well Decommissioning Stewardship	4,576	-
	<b>78,970</b>	<b>371,946</b>
<b>Excess of Revenue Over Expenses (Expenses over Revenue) for the Year</b>	<b>142,478</b>	<b>(258,401)</b>

# SAUGEE VALLEY CONSERVATION AUTHORITY

## SCHEDULE 6 SCHEDULE OF REVENUES AND EXPENSES OF VEHICLES AND EQUIPMENT FOR THE YEAR ENDED DECEMBER 31 (UNAUDITED)

	Budget 2021	Actual 2021	Actual 2020
	\$	\$	\$
<b>Revenue</b>			
Vehicles	135,000	<b>96,986</b>	91,385
Equipment	20,000	<b>24,567</b>	22,353
Office equipment	12,000	-	6,675
Gain on disposal of vehicles and equipment	6,000	<b>6,973</b>	(1,706)
	<b>173,000</b>	<b>128,526</b>	118,707
<b>Expenses</b>			
Vehicles			
Operating costs	67,400	<b>55,947</b>	53,244
Repairs and maintenance	12,500	<b>10,090</b>	14,905
Equipment			
Operating costs	45,500	<b>3,306</b>	1,573
Repairs and maintenance	8,000	<b>15,200</b>	11,215
Office equipment			
Operating costs	10,000	<b>8,087</b>	8,435
	<b>143,400</b>	<b>92,630</b>	89,372
<b>Excess of Revenue Over Expenses for the Year, Before Leasing of Vehicles and Equipment</b>	29,600	<b>35,896</b>	29,335
<b>Purchasing and Leasing of Vehicles and Equipment</b>	80,000	<b>126,507</b>	69,430
	(50,400)	<b>(90,611)</b>	(40,095)
Less amounts capitalized	(80,000)	<b>(126,507)</b>	(69,430)
<b>Excess of (Deficiency in) Revenue Over Expenses for the Year</b>	29,600	<b>35,896</b>	29,335
<b>Capital Acquisitions</b>			
John Deere Loader Tractor		<b>53,526</b>	-
Vehicles		<b>72,981</b>	69,430
		<b>126,507</b>	69,430
<b>Capital Disposals</b>			
Tractors		<b>21,640</b>	-
Vehicles		-	25,533
		<b>21,640</b>	25,533

# SAUGEEN VALLEY CONSERVATION AUTHORITY

## SCHEDULE 7 SCHEDULE OF MUNICIPAL LEVIES FOR THE YEAR ENDED DECEMBER 31 (UNAUDITED)

	Modified Current Market Value in Watershed	Apportionment	2021 General Levies	2021 Special Levies
	\$	%	\$	\$
Arran-Elderslie	369,886,879	2.5425	44,049	34,343
Brockton	1,267,307,409	8.7112	150,947	11,507
Chatsworth	439,692,901	3.0224	52,364	-
Grey Highlands	638,114,596	4.3863	75,997	-
Hanover	953,317,843	6.5529	113,545	-
Howick	40,070,875	0.2754	4,762	-
Huron-Kinloss	822,226,601	5.6518	97,930	1,500
Kincardine	2,575,372,011	17.7025	306,760	8,397
Minto	387,226,808	2.6617	46,114	-
Morris-Turnberry	27,973,418	0.1923	3,490	-
Saugeen Shores	3,014,815,328	20.7232	359,105	4,250
South Bruce	702,386,975	4.8281	83,655	-
Southgate	971,501,302	6.6779	115,711	-
Wellington North	576,365,392	3.9618	68,644	-
West Grey	1,761,770,723	12.1100	209,846	78,462
	<b>14,548,029,061</b>	<b>100</b>	<b>1,732,919</b>	<b>138,459</b>