

**SAUGEEN VALLEY
CONSERVATION AUTHORITY**

FINANCIAL REPORT

DECEMBER 31, 2022

SAUGEEN VALLEY CONSERVATION AUTHORITY

DECEMBER 31, 2022

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SAUGEEN VALLEY CONSERVATION AUTHORITY

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL REPORT

The accompanying financial statements of the Saugeen Valley Conservation Authority (the "Authority") are the responsibility of the Authority's management and have been prepared in accordance with Canadian public sector accounting standards established by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada, as described in Note 1 to the financial statements.

The preparation of financial statements necessarily involves the use of estimates based on management's judgment, particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods.

The Authority's management maintains a system of internal controls designed to provide reasonable assurance that assets are safeguarded, transactions are properly authorized and recorded (in accordance with Canadian public sector accounting standards established by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada), and reliable financial information is available on a timely basis for preparation of the financial statements. These systems are monitored and evaluated by management. The Board meets with management and the external auditor to review the financial statements and discuss any significant financial reporting or internal control matters prior to their approval of the financial statements.

The financial statements have been audited by Baker Tilly SGB LLP, independent external auditor appointed by the Authority. The accompanying Independent Auditor's Report outlines their responsibilities, the scope of their examination and their opinion on the Authority's financial statements.

[Original signed by Jennifer Stephens]

General Manager/Secretary-Treasurer
March 16, 2023

[Original signed by Laura Molson]

Corporate Services Manager
March 16, 2023

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, 2022 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, 2022, 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 19 through 25 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.

AUDIT • TAX • ADVISORY

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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 16, 2023

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SAUGEEEN VALLEY CONSERVATION AUTHORITY

STATEMENT OF FINANCIAL POSITION AS AT DECEMBER 31

	2022	2021
	\$	\$
Financial assets		
Cash and cash equivalents (Note 2)	944,985	1,214,007
Accounts receivable (Note 4)	986,276	426,258
Temporary investments (Note 3)	2,814,288	2,752,458
	4,745,549	4,392,723
Liabilities		
Accounts payable and accrued liabilities	572,966	253,657
Deferred revenue (Note 5)	638,988	761,831
Post employment benefits (Note 6)	-	92,083
	1,211,954	1,107,571
Net financial assets	3,533,595	3,285,152
Non-financial assets		
Tangible capital assets (Note 7)	10,106,783	8,498,726
Prepaid expenses	37,006	53,867
	10,143,789	8,552,593
Accumulated surplus (Page 9)	13,677,384	11,837,745

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 2022	Actual 2022	Actual 2021
	\$	\$	\$
	(Note 10)		
Revenue (Page 7)			
Government transfers and special programs	81,400	136,015	164,747
Municipal levies	1,971,127	1,967,096	1,871,378
Authority generated	1,885,100	1,960,135	1,742,525
Other	320,400	2,910,493	544,332
	4,258,027	6,973,739	4,322,982
Expenses (Page 8)	4,493,675	5,134,100	4,227,228
Annual surplus (deficit)	(235,648)	1,839,639	95,754
Accumulated surplus, beginning of year		11,837,745	11,741,991
Accumulated surplus, end of the year (Page 9)		13,677,384	11,837,745

The accompanying notes are an integral part of
these financial statements

SAUGEE VALLEY CONSERVATION AUTHORITY

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

	Budget 2022	Actual 2022	Actual 2021
	\$	\$	\$
	(Note 10)		
Annual surplus (deficit)	(235,648)	1,839,639	95,754
Acquisition of tangible capital assets	-	(173,635)	(195,104)
Amortization of tangible capital assets	-	313,730	315,162
Loss/(Gain) on disposal of tangible capital assets	-	1,848	(6,973)
Proceeds on disposal of tangible capital assets	-	-	10,175
Contributed tangible capital assets (Note 7)	-	(1,750,000)	-
Change in prepaid expenses	-	16,861	(27,160)
Change in net financial assets	(235,648)	248,443	191,854
Net financial assets, beginning of year		3,285,152	3,093,298
Net financial assets, end of year		3,533,595	3,285,152

The accompanying notes are an integral part of
these financial statements

SAUGEEN VALLEY CONSERVATION AUTHORITY

SCHEDULE OF REVENUE FOR THE YEAR ENDED DECEMBER 31

	Budget 2022	Actual 2022	Actual 2021
	\$	\$	\$
	(Note 10)		
Revenues			
Government Transfers			
Program operations	81,400	81,396	81,396
Capital programs	-	1,468	29,929
Saugeen parks & land management (Schedule 4)	-	53,151	53,422
	81,400	136,015	164,747
Municipal Levies (Schedule 7)			
General levies	1,867,766	1,867,766	1,732,919
Special levies	103,361	99,330	138,459
	1,971,127	1,967,096	1,871,378
Authority Generated			
Agricultural lands	17,000	16,148	15,799
Education program fees	32,000	38,928	24,344
Saugeen forestry service	370,000	423,780	289,677
Planning and regulation fees	658,000	597,557	568,692
Saugeen parks & land management (Schedule 4)	808,100	883,722	842,428
Water quality monitoring	-	-	1,585
	1,885,100	1,960,135	1,742,525
Other			
Interest earned	50,000	105,422	67,312
Vehicle and equipment recoveries (Schedule 6)	167,000	157,587	121,553
Donation revenue	7,000	576	2,000
Miscellaneous operations	18,300	115,146	42,823
Gain/(Loss) on disposal of tangible capital assets (Schedule 6)	-	(1,848)	6,973
Administration overhead	77,700	112,317	81,818
Special programs (Schedule 5)	-	670,888	221,448
Stream gauge maintenance contracts	400	405	405
Contributed tangible capital assets (Note 7)	-	1,750,000	-
	320,400	2,910,493	544,332
Total Revenues	4,258,027	6,973,739	4,322,982

The accompanying notes are an integral part of
these financial statements

SAUGEEN VALLEY CONSERVATION AUTHORITY

SCHEDULE OF EXPENSES FOR THE YEAR ENDED DECEMBER 31

	Budget 2022	Actual 2022	Actual 2021
	\$	\$	\$
	(Note 10)		
Expenses			
Administration (Schedule 1)	690,000	737,098	634,883
Program operations (Schedule 2)	2,410,825	2,373,526	2,099,334
Repairs and maintenance (Schedule 3)	20,000	81,258	69,858
Saugeen parks & land management (Schedule 4)	1,194,950	1,080,402	926,334
Vehicles and equipment (Schedule 6)	167,500	129,946	92,630
Agricultural lands	10,400	3,958	4,288
Other expenses	-	8,006	5,769
	4,493,675	4,414,194	3,833,096
Amortization (Note 7)	-	313,730	315,162
	4,493,675	4,727,924	4,148,258
Total Special Program Expenses (Schedule 5)	-	406,176	78,970
Total Expenses	4,493,675	5,134,100	4,227,228

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, 2022

	Opening Balance	From Operations	To Operations	Closing Balance
	\$	\$	\$	\$
Reserves				
Agricultural Lands	41,368	13,556	-	54,924
Computer Upgrades	40,832	1,316	-	42,148
Environmental Planning	58,118	1,855	6,713	53,260
Forest Management	252,646	110,561	-	363,207
House Repairs	42,108	1,357	-	43,465
Kincardine Maintenance	142,234	4,398	823	145,809
Land Management	111,161	26,925	33,077	105,009
Legal Fees	51,174	1,614	13,195	39,593
LTD/OMERS/Benefits	21,548	695	-	22,243
Office Equipment	40,293	1,259	15,000	26,552
Ortho Imagery	20,142	4,719	-	24,861
Property Acquisition	168,010	5,189	34,124	139,075
Resource Centre	4,884	157	-	5,041
Retiree Benefits	30,343	930	2,845	28,428
Saugeen Parks	722,678	193,482	24,955	891,205
Self Insured Damaged	27,645	891	-	28,536
Short Term Disability	31,741	1,023	-	32,764
Stewardship	113,591	48,219	59,000	102,810
Vehicle Replacement	52,965	19,997	7,945	65,017
Water Management	130,361	267,332	-	397,693
Wetland Acquisition	58,322	1,881	-	60,203
Working Capital	1,176,856	84,553	362,651	898,758
	3,339,020	791,909	560,328	3,570,601
Tangible Capital Assets	8,498,725	1,962,528	354,470	10,106,783
	11,837,745	2,754,437	914,798	13,677,384

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

	2022	2021
	\$	\$
Cash flows from (for):		
Operating activities		
Annual surplus	1,839,639	95,754
Non-cash items:		
Amortization of tangible capital assets	313,730	315,162
Loss/(Gain) on disposal of tangible capital assets	1,848	(6,973)
Contributed tangible capital assets (Note 7)	(1,750,000)	-
	<u>405,217</u>	<u>403,943</u>
Changes in non-cash working capital balances (Note 12)	(438,774)	(261,835)
Net change in cash from operations	<u>(33,557)</u>	<u>142,108</u>
Capital activities		
Acquisition of tangible capital assets	(173,635)	(195,104)
Proceeds on disposal of tangible capital assets	-	10,175
	<u>(173,635)</u>	<u>(184,929)</u>
Investing activities		
Acquisition of investments	(61,830)	(60,137)
Net change in cash position	<u>(269,022)</u>	<u>(102,958)</u>
Cash and cash equivalents, beginning of year	<u>1,214,007</u>	<u>1,316,965</u>
Cash and cash equivalents, end of year	<u>944,985</u>	<u>1,214,007</u>

The accompanying notes are an integral part of
these financial statements

SAUGEEN VALLEY CONSERVATION AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS AS AT DECEMBER 31, 2022

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, 2022

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, 2022

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, 2022

2. Cash and Cash Equivalents

	2022	2021
	\$	\$
Cash - Operating Funds	944,985	1,214,007

Included in the Operating Funds is an interest account which earns interest at 4%.

3. Temporary Investments

	2022	2021
	\$	\$
Guaranteed Investment Certificate, interest at 4.25%, matures June 2, 2023	1,320,281	1,300,556
Guaranteed Investment Certificate, interest at 4.7%, matures November 14, 2023	1,494,007	1,451,902
	2,814,288	2,752,458

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

4. Accounts Receivable

	2022	2021
	\$	\$
Municipal Levies	99,615	141,614
Trade Accounts Receivable	886,661	284,644
	986,276	426,258

5. Deferred Revenue

	2022	2021
	\$	\$
Individual Programs	135,181	143,541
Ministry of Natural Resources and Forestry, and Municipalities	119,030	106,498
Bruce Power Funding	237,512	265,174
Other Deferred Revenue	147,265	246,618
	638,988	761,831

SAUGEE VALLEY CONSERVATION AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS AS AT DECEMBER 31, 2022

6. Post Employment Benefits

The Authority has incurred \$NIL (2021 - \$NIL) expense to provide post employment benefits. Monthly payments continued until September 30, 2022. The post employment benefits were drawn down \$92,083 (2021 - \$173,193) during the year.

7. Tangible Capital Assets

	Balance 2021	Additions	Disposals	Balance 2022
Cost	\$	\$	\$	\$
Land	3,944,957	1,750,000	-	5,694,957
Buildings	1,686,540	-	-	1,686,540
Conservation Areas	1,047,620	24,955	-	1,072,575
Erosion and Flood Control	13,419,193	-	-	13,419,193
Equipment	419,919	49,944	-	469,863
Floodwarning Equipment	237,044	7,816	(5,154)	239,706
Vehicles	475,249	47,945	-	523,194
Information Technology	164,386	42,973	(35,586)	171,773
	21,394,908	1,923,633	(40,740)	23,277,801
Accumulated Amortization	\$	\$	\$	\$
Buildings	984,229	35,116	-	1,019,345
Conservation Areas	603,638	21,953	-	625,591
Erosion and Flood Control	10,406,404	150,637	-	10,557,041
Equipment	271,964	28,935	-	300,899
Floodwarning Equipment	145,950	4,783	(3,306)	147,427
Vehicles	332,938	48,334	-	381,272
Information Technology	151,059	23,970	(35,586)	139,443
	12,896,182	313,728	(38,892)	13,171,018
Net Book Value	\$			\$
Land	3,944,957			5,694,957
Buildings	702,311			667,195
Conservation Areas	443,982			446,984
Erosion and Flood Control	3,012,789			2,862,152
Equipment	147,955			168,964
Floodwarning Equipment	91,094			92,279
Vehicles	142,311			141,922
Information Technology	13,327			32,330
	8,498,726			10,106,783

The Authority received two parcels of land by donation. This land contribution was recorded and recognized at fair market value.

SAUGEEN VALLEY CONSERVATION AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS AS AT DECEMBER 31, 2022

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, 2022, the balance is \$NIL (2021 - \$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 2022 was \$184,030 (2021 - \$165,158) for current service costs and is included as an expense on the statement of operations.

10. Budget Amounts

The 2022 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 the campgrounds requiring a yearly payment of \$16,100. The agreement is for the 2023 camping season, expiring October 2023.

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 Authority has entered into an agreement for a fee review, which was started in 2022 and is to be completed in 2023, and \$4920 remains to be paid.

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

2023	\$28,582
2024	\$3,825

SAUGEEN VALLEY CONSERVATION AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS AS AT DECEMBER 31, 2022

12. Cash Flow Information

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

	2022	2021
	\$	\$
Accounts Receivable	(560,020)	(121,577)
Prepaid Expenses	16,861	(27,160)
Accounts Payable and Accrued Liabilities	319,311	23,053
Deferred Revenue	(122,843)	37,045
Post Employment Benefits	(92,083)	(173,196)
	(438,774)	(261,835)

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.

**SAUGEEN VALLEY
CONSERVATION AUTHORITY**

UNAUDITED SCHEDULES

DECEMBER 31, 2022

SAUGEEN VALLEY CONSERVATION AUTHORITY

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

	Budget 2022	Actual 2022	Actual 2021
	\$	\$	\$
General Administration			
Wages and benefits	450,000	470,692	427,157
Board of Directors' allowances	26,000	21,146	23,376
Staff mileage and expenses	10,500	6,456	2,388
Equipment, purchases and rentals	1,000	-	-
Materials and supplies	19,500	24,424	20,103
Insurance	26,000	43,935	27,651
Property taxes	8,000	8,048	7,745
Conservation Ontario levy	30,000	27,481	28,600
Other	1,000	6,031	3,087
Administrative centre operating expenses	76,000	81,019	45,212
Consultant fees	2,000	5,376	3,639
Legal, audit fees and bank charges	13,500	18,899	17,043
Health and safety expenses	20,000	16,143	24,876
Advertising and staff development	2,500	2,106	264
Resource Centre operating expenses	4,000	5,342	3,742
	690,000	737,098	634,883
Less amounts capitalized	-	-	-
	690,000	737,098	634,883

SAUGEEEN VALLEY CONSERVATION AUTHORITY

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

	Budget 2022	Actual 2022	Actual 2021
	\$	\$	\$
Flood Control			
Flood control structures	168,150	157,632	167,913
Flood warning, river forecasting and operation of dams	216,000	189,885	200,336
Land Management			
Taxes on provincially significant lands	35,000	43,184	41,697
Property and land management	-	-	-
Forest management	438,500	377,676	324,229
Geographical information systems / information technology	161,875	197,051	166,483
Water Management			
Plan input and review and regulation enforcement	1,059,800	1,092,820	908,175
Water quality	109,650	148,122	112,510
Community Relations			
Conservation information	116,300	109,601	102,480
Conservation education	105,550	108,343	95,093
	2,410,825	2,424,314	2,118,916
Less amounts capitalized	-	(50,788)	(19,582)
Total Program Operation Expenses	2,410,825	2,373,526	2,099,334
Capital Acquisitions			
Flood warning - Equipment		7,815	8,007
Land Management - IT infrastructure		42,973	-
Water Management - IT infrastructure		-	11,575
		50,788	19,582

SAUGEEN VALLEY CONSERVATION AUTHORITY

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

	Budget 2022	Actual 2022	Actual 2021
	\$	\$	\$
Water Management Surveys, Studies and Capital Projects			
Durham Dam Safety & Repair	10,000	-	43,914
Water Infrastructure Inspections	-	34,197	-
Lake Huron Centre for Coastal Conservation	10,000	10,000	10,000
Meux Creek Repair	-	2,937	15,944
	20,000	47,134	69,858
Recreational Capital Projects			
Durham C.A. - Control gates	-	-	6,835
Durham C.A. - IT infrastructure	-	10,000	-
Saugeen Bluffs C.A. - Barrier Free Doors	-	-	5,840
Saugeen Bluffs C.A. - Playground	-	-	20,970
Saugeen Bluffs C.A - Control gates	-	14,955	-
	-	24,955	33,645
Other Capital Projects			
Land Management	-	-	15,371
Land transfer costs	-	34,124	-
	-	34,124	15,371
	20,000	106,213	118,874
Less amounts capitalized	-	(24,955)	(49,016)
	20,000	81,258	69,858
Capital Acquisitions			
Saugeen Bluffs, Control gates		14,955	-
Saugeen Bluffs, Playground		-	20,970
Saugeen Bluffs, Barrier Free Doors		-	5,840
Land Management, Shop Furnace & Ventilation		-	15,371
Durham, New Gate Reader		-	6,835
Durham, IT infrastructure		10,000	-
		24,955	49,016

SAUGEEN VALLEY CONSERVATION AUTHORITY

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

	Budget 2022	Actual 2022	Actual 2021
	\$	\$	\$
Revenue from Revenue Producing Conservation Areas			
Bruce Dale C.A.	110,500	117,298	99,295
Durham C.A.	306,700	324,879	320,143
Saugeen Bluffs C.A.	370,900	408,811	399,078
	788,100	850,988	818,516
Government Grant	-	53,151	53,422
	788,100	904,139	871,938
Expenses from Revenue Producing Conservation Areas			
Bruce Dale C.A.	97,250	74,957	69,532
Durham C.A.	299,300	313,189	269,537
Saugeen Bluffs C.A.	389,900	326,867	327,044
	786,450	715,013	666,113
Excess of Revenue Over Expenses (Expenses over Revenue) for the Year for Revenue Producing Conservation Areas			
	1,650	189,126	205,825
Revenue from Non-Revenue Producing Conservation Areas			
Donations	-	1,591	3,472
Admission Tours	-	-	-
Miscellaneous revenues	20,000	31,143	20,440
	20,000	32,734	23,912
Expenses from Non-Revenue Producing Conservation Areas			
	408,500	365,389	260,221
Excess of Expenses Over Revenue for the Year for Non-Revenue Producing Conservation Areas			
	(388,500)	(332,655)	(236,309)

SAUGEEN VALLEY CONSERVATION AUTHORITY

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

	Actual 2022	Actual 2021
	\$	\$
Revenue		
Bruce Power Program	-	18,659
CAP Stewardship	-	15,829
Healthy Lake Huron	23,751	-
Penetangore Watershed Group	16,761	4,932
NWMO Water Testing	499,651	162,239
Power Work Camp	12,000	12,000
RTO7 Bridge & Stairs	100,000	-
Saugeen Valley Children's Safety Village	3,621	3,213
Stewardship Project	7,748	-
Well Decommissioning Stewardship	7,356	4,576
	670,888	221,448
Expenses		
Bruce Power Program	-	18,659
CAP Stewardship	-	15,829
NWMO Water Testing	244,885	32,114
Penetangore Watershed Group	16,761	4,932
Post-Employment Benefits	4,096	-
RTO7 Bridge & Stairs	130,635	-
Saugeen Valley Children's Safety Village	2,280	2,265
Valard Maintenance	163	595
Well Decommissioning Stewardship	7,356	4,576
	406,176	78,970
Excess of Revenue Over Expenses (Expenses over Revenue) for the Year	264,712	142,478

SAUGEE VALLEY CONSERVATION AUTHORITY

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

	Budget 2022	Actual 2022	Actual 2021
	\$	\$	\$
Revenue			
Vehicles	135,000	129,063	96,986
Equipment	20,000	20,732	24,567
Office equipment	12,000	7,792	-
Gain on disposal of vehicles and equipment	-	(1,848)	6,973
	167,000	155,739	128,526
Expenses			
Vehicles			
Operating costs	68,500	87,595	55,947
Repairs and maintenance	12,500	12,374	10,090
Equipment			
Operating costs	28,500	8,658	3,306
Repairs and maintenance	10,000	13,917	15,200
Office equipment			
Operating costs	8,000	7,402	8,087
	127,500	129,946	92,630
Excess of Revenue Over Expenses for the Year, Before Leasing of Vehicles and Equipment			
	39,500	25,793	35,896
Purchasing and Leasing of Vehicles and Equipment			
	40,000	47,945	126,507
	(500)	(22,152)	(90,611)
Less amounts capitalized	(40,000)	(47,945)	(126,507)
Excess of (Deficiency in) Revenue Over Expenses for the Year	39,500	25,793	35,896
Capital Acquisitions			
John Deere Loader Tractor		-	53,526
Vehicles		47,945	72,981
		47,945	126,507
Capital Disposals			
Tractors		-	21,640
		-	21,640

SAUGEEN VALLEY CONSERVATION AUTHORITY

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

	Modified Current Market Value in Watershed	Apportionment	2022 General Levies	2022 Special Levies
	\$	%	\$	\$
Arran-Elderslie	372,248,900	2.5157	46,980	31,516
Brockton	1,274,775,507	8.6150	160,901	13,038
Chatsworth	443,568,531	2.9977	55,983	-
Grey Highlands	646,972,160	4.3723	81,655	-
Hanover	973,869,856	6.5815	122,920	-
Howick	40,931,707	0.2766	5,160	-
Huron-Kinloss	825,464,919	5.5785	104,187	1,500
Kincardine	2,601,952,902	17.5841	328,424	7,103
Minto	395,841,756	2.6751	49,958	-
Morris-Turnberry	28,336,892	0.1915	3,669	-
Saugeen Shores	3,099,401,113	20.9459	391,215	4,250
South Bruce	709,167,391	4.7926	89,508	-
Southgate	1,004,916,796	6.7913	126,839	-
Wellington North	586,287,364	3.9622	73,997	660
West Grey	1,793,423,612	12.1201	226,370	41,263
	14,797,159,406	100	1,867,766	99,330