

Financial Statements of

**NOTTAWASAGA VALLEY  
CONSERVATION AUTHORITY**

And Independent Auditors' Report thereon

Year ended December 31, 2021



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## INDEPENDENT AUDITORS' REPORT

To the Members of Nottawasaga Valley Conservation Authority

### ***Opinion***

We have audited the accompanying financial statements of Nottawasaga Valley Conservation Authority (the "Authority"), which comprise:

- the statement of financial position as at December 31, 2021
- the statement of operations and accumulated surplus for the year then ended
- the statement of changes in net financial assets for the year then ended
- the statement of cash flows for the year then ended
- and notes and schedule to the financial statements, including a summary of significant accounting policies

(Hereinafter referred to as the "financial statements")

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 its results of operations and accumulated surplus, its changes in net financial assets 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 "***Auditors' 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 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.

### ***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.

### ***Auditors' Responsibility 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 auditors' 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 the 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 auditors' 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 auditors' report. However, future events or conditions may cause the Authority to cease to continue as a going concern.



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- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represents the underlying transactions and events in a manner that achieves fair presentation.
- 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.

*KPMG LLP*

Chartered Professional Accountants, Licensed Public Accountants

Sudbury, Canada

April 22, 2022

# NOTTAWASAGA VALLEY CONSERVATION AUTHORITY

## Statement of Financial Position

December 31, 2021, with comparative information for 2020

	2021	2020
<b>Financial Assets</b>		
Cash	\$ 3,925,434	\$ 2,129,471
Accounts receivable (note 2)	263,973	255,940
Investment	-	522,186
	<u>4,189,407</u>	<u>2,907,597</u>
<b>Financial Liabilities</b>		
Accounts payable and accrued liabilities	500,328	481,386
Deferred revenue (note 4)	1,496,405	1,158,707
	<u>1,996,733</u>	<u>1,640,093</u>
Net financial assets	2,192,674	1,267,504
<b>Non-Financial Assets</b>		
Tangible capital assets (note 3)	8,712,545	8,845,972
Prepaid expenses	47,690	39,333
	<u>8,760,235</u>	<u>8,885,305</u>
Contingent liabilities (note 7)		
Commitments (note 13)		
Accumulated surplus (note 5)	\$ 10,952,909	\$ 10,152,809

See accompanying notes to financial statements.

On behalf of the Board:

\_\_\_\_\_ Chair

\_\_\_\_\_ CAO/Secretary - Treasurer

# NOTTAWASAGA VALLEY CONSERVATION AUTHORITY

## Statement of Operations and Accumulated Surplus

Year ended December 31, 2021, with comparative information for 2020

	2021 Budget (note 11)	2021 Total	2020 Total
<b>Revenue:</b>			
Municipal levies			
- general matching	\$ 97,307	\$ 97,307	\$ 97,307
- general non-matching	2,569,541	2,562,542	2,528,356
- special	16,000	3,000	4,938
Municipal grants	55,000	100,122	50,714
<b>Total municipal funding</b>	<b>2,737,848</b>	<b>2,762,971</b>	<b>2,681,315</b>
Government - provincial grants (schedule)	312,807	334,824	316,030
- federal grants (schedule)	114,510	947,388	174,295
User fees (schedule)	1,370,040	1,302,434	1,027,319
Contributions and donations	501,040	485,093	572,965
Interest income	25,000	11,903	19,273
Miscellaneous	-	755	7,126
	5,061,245	5,845,368	4,798,323
<b>Expenses (note 9):</b>			
Planning services	1,392,395	1,357,656	1,416,403
Administrative support	535,416	562,770	565,208
Healthy waters	596,245	608,578	574,274
Reforestation	350,694	343,232	357,462
Flood forecast and warning	318,213	271,833	334,491
Tiffin Centre infrastructure maintenance	329,675	300,556	311,317
Corporate governance	317,283	334,499	316,933
Watershed science	463,507	452,460	410,021
Environmental education	185,237	219,045	172,142
GIS technical support	267,517	266,175	262,727
Conservation lands	193,239	248,579	200,730
Workshop vehicles and equipment	-	168	219
Engineering and technical services	-	79,717	9,101
	4,949,421	5,045,268	4,931,028
<b>Annual surplus (deficit)</b>	<b>111,824</b>	<b>800,100</b>	<b>(132,705)</b>
Accumulated surplus, beginning of year	10,152,809	10,152,809	10,285,514
<b>Accumulated surplus, end of year</b>	<b>\$ 10,264,633</b>	<b>\$ 10,952,909</b>	<b>\$ 10,152,809</b>

See accompanying notes to financial statements.

# NOTTAWASAGA VALLEY CONSERVATION AUTHORITY

## Statement of Changes in Net Financial Assets

Year ended December 31, 2021, with comparative information for 2020

	2021 Budget (note 11)	2021 Total	2020 Total
Annual surplus (deficit)	\$ 111,824	\$ 800,100	\$ (132,705)
Acquisition of tangible capital assets	(264,574)	(65,801)	(47,532)
Amortization of tangible capital assets	120,000	198,974	206,702
Loss on disposition of tangible capital assets	-	254	-
	(32,750)	933,527	26,465
Acquisition of prepaid expenses	-	(47,690)	(39,333)
Use of prepaid expenses	-	39,333	34,250
	-	(8,357)	(5,083)
Change in net financial assets	(32,750)	925,170	21,382
Net financial assets, beginning of year	1,267,504	1,267,504	1,246,122
Net financial assets, end of year	\$ 1,234,754	\$ 2,192,674	\$ 1,267,504

See accompanying notes to financial statements.

# NOTTAWASAGA VALLEY CONSERVATION AUTHORITY

## Statement of Cash Flows

Year ended December 31, 2021, with comparative information for 2020

	2021	2020
Cash flows from operating activities:		
Annual surplus (deficit)	\$ 800,100	\$ (132,705)
Items not involving cash:		
Amortization of tangible capital assets	198,974	206,702
Loss on disposition of capital assets	254	-
	999,328	73,997
Changes in non-cash working capital:		
Accounts receivable	(8,033)	(18,417)
Prepaid expenses	(8,357)	(5,083)
Accounts payable and accrued liabilities	18,942	121,811
Deferred revenue	337,698	255,605
	1,339,578	427,913
Investing activities:		
Redemption of investments	522,186	508,111
	522,186	508,111
Capital activities:		
Purchase of tangible capital assets	(65,801)	(47,532)
	(65,801)	(47,532)
Increase in cash	1,795,963	888,492
Cash, beginning of year	2,129,471	1,240,979
Cash, end of year	\$ 3,925,434	\$ 2,129,471

See accompanying notes to financial statements.



# NOTTAWASAGA VALLEY CONSERVATION AUTHORITY

## Notes to Financial Statements

Year ended December 31, 2021

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Nottawasaga Valley Conservation Authority (the "Authority") is a land and water management agency established under the provisions of the Conservation Authorities Act of Ontario. The Authority is a registered charitable organization and is exempt from income taxes under the Canadian Income Tax Act.

### 1. Significant accounting policies:

The financial statements for the Authority are the responsibility of and prepared by management in accordance with the Chartered Professional Accountants of Canada Public Sector Accounting Handbook, that sets out generally accepted accounting principles for government not-for-profit organizations in Canada. The financial statements have been prepared in accordance with Canadian Public Sector Accounting Standards (PSAS), excluding Sections PS4200 and PS4270, with the following significant accounting policies:

(a) Basis of accounting:

The financial statements are prepared using an accrual basis of accounting which recognizes the effect of transactions and events in the period in which the transactions and events occur, regardless of whether there has been a receipt or payment of cash or its equivalent. Accrual accounting recognizes an asset until the future economic benefit underlying the asset is partly or wholly used or lost.

(b) Tangible capital assets:

Tangible capital assets are recorded at cost less accumulated amortization. Cost includes all costs directly attributable to acquisition or construction of the tangible capital asset including transportation costs, installation costs, designed and engineering fees, legal fees and site preparation costs. Contributed capital assets are recorded at fair value at the time of donation, with a corresponding amount recorded as revenue. Amortization is being recorded at the following rates and methods commencing once the asset is available for productive use as follows:

Asset	Basis	Rate
Small equipment	Declining-balance	20%
Equipment and vehicles	Declining-balance	25%
Computer equipment	Straight-line	5 years
Furniture and fixtures	Straight-line	10 years
Site utilities	Straight-line	15 years
Buildings	Straight-line	50 years
Dam and structures	Straight-line	50 years

Tangible capital assets are written down when conditions indicate they are no longer able to contribute to the Authority's ability to provide goods or services, or when the value of future economic benefits associated with the tangible capital asset are less than their net book value. The net write-downs are accounted for as expenses in the statement of operations and accumulated surplus.

# NOTTAWASAGA VALLEY CONSERVATION AUTHORITY

Notes to Financial Statements (continued)

Year ended December 31, 2021

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## 1. Significant accounting policies (continued):

(c) Cash:

Cash consists of cash on hand.

(d) Deferred revenue:

Funds received for specific purposes which are for future services are accounted for as deferred revenue on the statement of financial position. The revenue is recognized in the statement of operations in the year in which services are provided.

(e) Pension plan:

The Authority is an employer member of the Ontario Municipal Employees Retirement System (OMERS), which is a multi-employer, defined benefit pension plan. The Board of Trustees, representing plan members and employers, is responsible for overseeing the management of the pension plan, including investment of the assets and administration of the benefits. The Authority has adopted defined contribution plan accounting principles for this plan because insufficient information is available to apply defined benefit plan accounting principles. The Authority records as pension expense the current service cost, amortization of past service costs and interest costs related to the future employer contributions to the plan for the past employee service.

(f) Reserves:

The Authority internally allocates its accumulated surplus to capital reserves to finance the cost of tangible capital assets, purchases, maintenance and related expenditures and operating reserves in order to ensure funds are available for financial relief in the event of a significant loss of revenues or other financial emergency for which no other source of funding is available. These reserve allocations are directed by the Board of Directors of the Authority.

(g) Revenue recognition:

Provincial, federal and municipal grant funding revenues are recognized in the year to which the program relates and when the related expenses are incurred. Amounts unused at year end are deferred to subsequent years. Municipal levies are recognized in the year they are levied to member municipalities. User fees are recognized as revenue over the period the services are performed. Other revenues are recognized when they are received or receivable and collectability is reasonably assured.

# NOTTAWASAGA VALLEY CONSERVATION AUTHORITY

Notes to Financial Statements (continued)

Year ended December 31, 2021

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## 1. Significant accounting policies (continued):

(h) Use of estimates:

The preparation of the financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the year. Significant items subject to such estimates and assumptions include the carrying amounts of tangible capital assets, the allowance for doubtful accounts and deferred revenue. Actual results could differ from those estimates.

## 2. Accounts receivable:

	2021	2020
HST recoverable	\$ 10,572	\$ 6,168
Fees for services and other	207,575	237,877
Government grants	59,376	25,445
Allowance for doubtful accounts	(13,550)	(13,550)
	<u>\$ 263,973</u>	<u>\$ 255,940</u>

# NOTTAWASAGA VALLEY CONSERVATION AUTHORITY

Notes to Financial Statements

Year ended December 31, 2021

### 3. Tangible capital assets:

Cost	Balance at December 31, 2020	Additions and Transfers	Disposals and Write-offs	Balance at December 31, 2021
Land	\$ 6,499,787	\$ -	\$ -	\$ 6,499,787
Buildings	1,978,239	-	-	1,978,239
Dams and structures	3,063,418	-	-	3,063,418
Site utilities	637,331	4,818	-	642,149
Equipment and vehicles	460,884	-	3,217	457,667
Small equipment	260,157	13,024	-	273,181
Computer equipment	274,699	47,959	63,961	258,697
Furniture and fixtures	264,444	-	-	264,444
<b>Total</b>	<b>\$ 13,438,959</b>	<b>\$ 65,801</b>	<b>\$ 67,178</b>	<b>\$ 13,437,582</b>

Accumulated Amortization	Balance at December 31, 2020	Disposals and Write-offs	Amortization Expense	Balance at December 31, 2021
Land	\$ -	\$ -	\$ -	\$ -
Buildings	845,596	-	39,206	884,802
Dams and structures	2,237,897	-	55,910	2,293,807
Site utilities	539,557	-	17,502	557,059
Equipment and vehicles	346,776	(3,154)	28,463	372,085
Small equipment	187,523	-	17,132	204,655
Computer equipment	211,714	(63,770)	32,885	180,829
Furniture and fixtures	223,924	-	7,876	231,800
<b>Total</b>	<b>\$ 4,592,987</b>	<b>\$ (66,924)</b>	<b>\$ 198,974</b>	<b>\$ 4,725,037</b>

	Net book value, December 31, 2020	Net book value, December 31, 2021
Land	\$ 6,499,787	\$ 6,499,787
Buildings	1,132,643	1,093,437
Dams and structures	825,521	769,611
Site utilities	97,774	85,090
Equipment and vehicles	114,108	85,582
Small equipment	72,634	68,526
Computer equipment	62,985	77,868
Furniture and fixtures	40,520	32,644
<b>Total</b>	<b>\$ 8,845,972</b>	<b>\$ 8,712,545</b>

# NOTTAWASAGA VALLEY CONSERVATION AUTHORITY

Notes to Financial Statements (continued)

Year ended December 31, 2021

## 4. Deferred revenue:

Revenue from the following sources received that were unexpended for the year have been deferred:

	2021	2020
Unearned project revenue	\$ 65,738	\$ 49,862
Forestry – follow-up tending	42,639	49,185
Subdivision and condominium fees	496,133	403,138
Site planning	148,875	160,112
H John McDonald Foundation	73,110	7,498
Other	104,272	121,349
Department of Fisheries and Oceans	24,164	24,951
Compensation Funds	437,178	325,149
Forests Ontario	43,373	17,463
WWF	35,438	–
TD Friends of the Environment	25,485	–
	\$ 1,496,405	\$ 1,158,707

## 5. Accumulated surplus:

	2021	2020
Internally restricted reserves (note 8)	\$ 2,251,622	\$ 1,319,960
Investments in tangible capital assets	8,701,287	8,832,849
	\$ 10,952,909	\$ 10,152,809

## 6. Credit facilities:

The Authority has a demand loan facility with Scotiabank. This credit facility has an authorized credit limit of \$500,000 (2020 - \$500,000) and bears interest at the bank's prime rate less 0.5%. There is no balance outstanding on the demand loan facility as at December 31, 2021 (2020 - \$Nil).

## 7. Contingent liabilities:

### *Legal actions and claims:*

The Authority has received statements of claim as defendant under various legal actions resulting from its involvement in land purchases, fatalities, personal injuries and flooding on or adjacent to its properties. The Authority maintains insurance coverage against such risks and has notified its insurers of the legal actions and claims. It is not possible at this time to determine the outcome of these claims and, therefore, no provision has been made in these financial statements.

# NOTTAWASAGA VALLEY CONSERVATION AUTHORITY

Notes to Financial Statements (continued)

Year ended December 31, 2021

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## 8. Internally restricted reserve funds:

Appropriations are made from accumulated surplus to various reserve funds upon approval of the Board of Directors.

### *Operational Reserve:*

The Operational Reserve was established to provide funds to purchase equipment as required.

### *Forestry Reserve:*

The Forestry Reserve was established to provide funds to support the Forestry Program.

### *Watershed Science*

The Watershed Science Reserve was established to provide funds to the Watershed Science Program.

### *Environmental Education Reserve:*

The Environmental Education Reserve was established to cover future environmental equipment and material purchases.

### *Human Resources Reserve:*

The Human Resources Reserve was established to provide funds to cover human resource issues.

### *New Lowell Reserve Fund:*

The New Lowell Reserve Fund was established to cover future capital expenses for the New Lowell campground.

### *Capital Repair and Replacement Reserve:*

The Capital Repair and Replacement Reserve was established to cover future capital expenses.

### *Healthy Waters Reserve:*

The Healthy Waters Reserve was established to cover future expenses for the Healthy Waters program.

### *Land Management Acquisition Reserve:*

The Land Management Acquisition Reserve was established to assist with acquisitions of significant or environmentally sensitive lands. The reserve would compliment the ongoing acquisition program and partnership arrangements with Nature Conservancy Canada and the Ministry of Natural Resources for Minesing Swamp and Niagara Escarpment lands.

### *Planning Reserve:*

The Planning Reserve was established to cover legal activities and unexpected variations in planning revenue.

# NOTTAWASAGA VALLEY CONSERVATION AUTHORITY

Notes to Financial Statements (continued)

Year ended December 31, 2021

## 8. Internally restricted reserve funds (continued):

The internally restricted reserve funds consist of the following:

	2021	2020
Operational reserve fund	\$ 628,160	\$ 265,889
Forestry reserve fund	21,576	–
Watershed reserve fund	35,219	–
Environmental education fund	14,412	6,331
Human resources reserve fund	606,956	239,866
New Lowell reserve fund	30,873	57,136
Capital repair and replacement reserve fund	813,601	692,001
Healthy waters reserve fund	61,123	13,936
Land management acquisition reserve fund	39,702	44,801
Total internally restricted reserve funds	\$ 2,251,622	\$ 1,319,960

## 9. Expenses by object:

	2021	2020
Wages and benefits	\$ 3,724,338	\$ 3,648,149
Purchased supplies	645,820	600,254
Professional and consulting fees	136,683	159,815
Amortization of tangible capital assets	198,974	206,702
Occupancy costs	180,817	168,120
Travel and vehicle	37,648	31,074
Office supplies and expenses	27,340	31,573
Education and training	10,159	5,845
Licenses, memberships and dues	41,956	46,902
Advertising	12,465	12,967
Interest and bank	29,068	19,627
	\$ 5,045,268	\$ 4,931,028

# NOTTAWASAGA VALLEY CONSERVATION AUTHORITY

Notes to Financial Statements (continued)

Year ended December 31, 2021

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## 10. Pension plan:

OMERS provides pension services to more than 500,000 active and retired members and approximately 1,000 employers. Each year an independent actuary determines the funding status of OMERS Primary Pension Plan (the "Plan") by comparing the actuarial value of invested assets to the estimated present value of all pension benefits that members have earned to date. The most recent actuarial valuation of the Plan was conducted at December 31, 2021. The results of this valuation disclosed total going concern actuarial liabilities of \$120,796 million (2020 - \$113,055 million) in respect of benefits accrued for service with total going concern actuarial net assets at that date of \$117,665 million (2020 - \$109,844 million) indicating a going concern actuarial deficit of \$3,131 million (2020 - \$3,211 million). Because OMERS is a multi-employer plan, any pension plan surpluses or deficits are a joint responsibility of Ontario municipal organizations and their employees and the Authority's share is not determinable. As a result, the Authority does not recognize any share of the OMERS pension surplus or deficit.

The amount contributed to OMERS for 2021 was \$268,710 (2020 - \$281,627) and is included as an expense in the statement of operations and accumulated surplus.

## 11. Budget figures:

The budget adopted by the Board on December 11, 2020 includes the annual budget for capital additions and reserve transfers which are not reflected in the 2021 actual figures within the statement of operations. As a result, the budget figures presented in the statement of operations and accumulated surplus and change in net financial assets represent the financial plan adopted by the Board with adjustment as follows:

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Annual Surplus per budget approved by the Board	\$ -
Less: Contributions to reserves	(152,750)
Add: Capital additions	264,574
Surplus per financial statements	\$ 111,824

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## 12. Segmented reporting:

The Chartered Professional Accountants of Canada Public Sector Accounting Handbook Section PS2700, Segment Disclosures, establishes standards on defining and disclosing segments in a government's financial statements. Government organizations that apply these standards are encouraged to provide disclosures established by this section when their operations are diverse enough to warrant such disclosures.

The presentation of the items on the statement of operations and included within note 9 are considered sufficient to meet the requirements of PS2700, Segment Disclosures.



# NOTTAWASAGA VALLEY CONSERVATION AUTHORITY

Notes to Financial Statements (continued)

Year ended December 31, 2021

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## 13. Commitments:

### *Lease obligations:*

The Authority is presently leasing equipment with a quarterly rental payment of \$2,485 which matures in 2026. The minimum lease payments required over the next five years are as follows:

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2022	\$	9,940
2023		9,940
2024		9,940
2025		9,940
2026		4,971
	\$	44,731

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### *Rental arrangements:*

The Authority leases five pieces of property to three local municipalities and two not-for-profit organizations for no financial consideration. Under the terms of the agreements the municipalities and the not-for-profit organizations are responsible for all costs associated with their respective properties. The leases may be terminated by either party with written notice. The agreement with one local municipality extends to 2023 and the remaining two agreements with the local municipalities each extend to 2023 and 2025. The agreements with the two not-for-profit organizations extend to 2022 and 2023 respectively.

The Authority leases the New Lowell Campground and Conservation Park to two individuals who manage the park. Under the terms of the agreement which extends to April 14, 2023, the managers will pay the Authority a lease amount equal to \$18,815 plus HST per year with an additional 3% increase every year. The lease has a five year renewal option with the understanding that one year's notice must be given by either party to terminate the lease. The Authority is responsible for property taxes and property insurance while the managers are responsible for operational costs. Capital projects are paid for by the managers and become the property of the Authority.

The Authority leases various agricultural lands to farmers for minimal financial consideration under the terms of two agreements which both expire in 2024. The minimum future rental income to be received related to these leases varies depending on the tenant.

## 14. Comparative information:

Certain 2020 comparative information has been reclassified where necessary to conform to the current year presentation.

# NOTTAWASAGA VALLEY CONSERVATION AUTHORITY

Notes to Financial Statements (continued)

Year ended December 31, 2021

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## 15. Financial risks and concentration of risks:

### (a) Other risks:

The Authority's main sources of revenue are municipal levies, government operating grants and fees for services. In March 2020, the COVID-19 outbreak was declared a pandemic by the World Health Organization. This resulted in the Canadian and Provincial governments enacting emergency measures to combat the spread of the virus. The Authority halted in-person activity and closed its facilities to staff for a period of time and moved to delivery of essential services in a virtual environment based on recommendations from Public Health Ontario. In 2021, certain in person services restarted with the Authority currently utilizing a hybrid model for the delivery of services in compliance with Public Health regulations.

In response to the adverse impact the pandemic has had on certain revenue streams, the Authority has undertaken certain cost cutting measures. The Federal government has provided financial relief in the form of grants totaling \$740,879.

The impact of COVID-19 is expected to negatively impact operations for a duration that cannot be reasonably predicted. The further overall operational and financial impact is highly dependent on the duration of COVID-19, including the potential occurrence of additional waves of the pandemic, and could be affected by other factors that are currently not known at this time. Management is actively monitoring the effect of the pandemic on its financial condition, liquidity, operations, suppliers, and workforce. Given the daily evolution of the pandemic and the global responses to curb its spread, the Authority is not able to fully estimate the effects of the pandemic on its results of operations, financial condition, or liquidity at this time.

# NOTTAWASAGA VALLEY CONSERVATION AUTHORITY

## Schedule of Revenue

Year ended December 31, 2021, with comparative information for 2020

	2021	2020
Provincial government grants:		
Ministry of Natural Resources - Flood operations	\$ 97,307	\$ 97,305
Source Water Protection Planning	214,810	214,975
Other	15,207	-
Nottawasaga Watershed Improvement Program	7,500	3,750
<b>Total provincial funding</b>	<b>\$ 334,824</b>	<b>\$ 316,030</b>
<b>Federal government grants</b>	<b>\$ 947,388</b>	<b>\$ 174,295</b>
User fees:		
Planning	\$ 926,583	\$ 783,306
Environmental education	140,359	54,437
Conservation lands	111,599	71,358
Tiffin outreach	59,313	49,876
Stewardship services	57,910	36,678
GIS Technical Support	4,070	35
Watershed science	2,600	10,855
Healthy waters	-	15,995
Office and occupancy	-	4,779
	<b>\$ 1,302,434</b>	<b>\$ 1,027,319</b>