

**GREY SAUBLE
CONSERVATION AUTHORITY**

**FINANCIAL REPORT
DECEMBER 31, 2020**

GREY SAUBLE CONSERVATION AUTHORITY

DECEMBER 31, 2020

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GREY SAUBLE CONSERVATION AUTHORITY

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL REPORT

The accompanying financial statements of the Grey Sauble 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 control designed to provide reasonable assurance that assets are safeguarded, transactions are properly authorized and recorded, 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 of Directors meet 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, the 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.

Tim Carthier

Chief Administrative Officer
May 26, 2021

Adriana

Finance Coordinator
May 26, 2021

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of Grey Sauble Conservation Authority:

Opinion

We have audited the financial statements of the Grey Sauble Conservation Authority ("the Authority"), which comprise the statement of financial position as at December 31, 2020, and the statements of operations, change in net financial 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, 2020, and its results of operations and 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.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of these 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 relating 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.

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
Collingwood, Ontario
May 26, 2021

GREY SAUBLE CONSERVATION AUTHORITY

STATEMENT OF FINANCIAL POSITION AS AT DECEMBER 31

	2020	2019
	\$	\$
Financial assets		
Cash - Operating fund (Note 2)	644,287	511,779
Cash - Reserve funds (Note 2)	546,191	484,602
Accounts receivable (Note 12)	221,089	144,848
Investment portfolio - Reserve funds (Note 3)	1,185,313	1,159,875
Accounts receivable - government partnership (Note 13)	96,851	96,851
	2,693,731	2,397,955
Liabilities		
Accounts payable and accrued liabilities	223,083	168,724
Other payables (Note 5)	68,359	44,662
Government remittances payable	49,139	43,615
Deferred revenue (Note 6)	116,313	212,443
	456,894	469,444
Net financial assets	2,236,837	1,928,511
Non-financial assets		
Prepaid expenses	24,583	22,199
Tangible capital assets (Note 8)	7,714,343	7,822,247
	7,738,926	7,844,446
Accumulated surplus (Note 9)	9,975,763	9,772,957

Approved



Director

Andrea Matrosov

Director

The accompanying notes are an integral part of
these financial statements

GREY SAUBLE CONSERVATION AUTHORITY

STATEMENT OF OPERATIONS FOR THE YEAR ENDED DECEMBER 31

	Budget 2020	Actual 2020	Actual 2019
	\$ (Note 11)	\$	\$
Revenue			
Municipal levies	1,431,597	1,431,597	1,388,556
Government grants - operating	122,325	147,619	135,605
Government grants - Risk assessment of flood hazards (Note 13)	-	2,357	47,530
Grey Sauble Forestry/Ontario Trees	233,342	201,747	231,715
Grey County Forest Management	151,016	152,220	144,362
Timber and wood sales	136,215	118,891	71,334
User fees	498,110	500,513	506,102
Sourcewater protection	186,811	189,190	165,391
Rental recoveries (net of \$48,223 expense; 2019 - \$55,112)	21,803	17,834	17,195
Donations	7,450	2,753	7,410
Risk management	76,679	58,700	69,011
Miscellaneous (Note 12)	32,177	21,499	29,337
Interest earned (Note 12)	2,000	5,636	15,264
Income on reserve accounts (Note 3)	-	43,171	53,856
	2,899,525	2,893,727	2,882,668
Expenses			
Water management	142,659	135,063	118,437
Environmental planning	567,749	530,402	558,536
Forestry			
-Operations on Authority land	151,970	137,440	132,655
-Grey Sauble Forestry/Ontario Trees	206,653	192,874	242,642
-Grey County Forest Management	151,016	131,760	126,778
Conservation lands policy and procedure	184,982	123,823	169,740
Conservation lands operations	248,851	252,901	245,031
Conservation information and education	154,414	96,320	121,685
Administrative support	550,680	513,462	494,916
Major projects	-	1,408	1,931
Miscellaneous	-	16,175	10,533
Source water risk management	47,584	52,537	78,949
Sourcewater protection	186,811	189,190	165,391
GIS/IT department	238,824	195,103	206,266
Risk assessment of flood hazards (Note 13)	-	2,721	46,894
Loss on disposal of tangible capital assets	-	282	1,141
Amortization of tangible capital assets	-	119,460	118,254
	2,832,193	2,690,921	2,839,779
Annual surplus (Note 11)	67,332	202,806	42,889
Accumulated surplus, beginning of year	9,772,957	9,772,957	9,730,068
Accumulated surplus, end of the year (Note 9)	9,840,289	9,975,763	9,772,957

The accompanying notes are an integral part of
these financial statements

GREY SAUBLE CONSERVATION AUTHORITY

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

	Budget 2020	Actual 2020	Actual 2019
	\$	\$	\$
	(Note 11)		
Annual surplus	67,332	202,806	42,889
Acquisition of tangible capital assets	159,300	(11,838)	(38,452)
Amortization of tangible capital assets	-	119,460	118,254
Loss on disposal of tangible capital assets	-	282	1,141
Change in prepaid expenses	-	(2,384)	11,859
Change in net financial assets	226,632	308,326	135,691
Net financial assets, beginning of year	1,928,511	1,928,511	1,792,820
Net financial assets, end of year	2,155,143	2,236,837	1,928,511

The accompanying notes are an integral part of
these financial statements

GREY SAUBLE CONSERVATION AUTHORITY

STATEMENT OF CASH FLOW FOR THE YEAR ENDED DECEMBER 31

	2020	2019
	\$	\$
Cash flows from (for):		
Operating activities		
Annual surplus	202,806	42,889
Non-cash items:		
Amortization of tangible capital assets	119,460	118,254
Loss on disposal of tangible capital assets	282	1,141
	322,548	162,284
Changes in:		
Accounts receivable	(76,241)	67,740
Accounts receivable - government partnership	-	(47,492)
Accounts payable and accrued liabilities	54,359	(23,857)
Other payables	23,697	12,258
Government remittances payable	5,524	13,004
Deferred revenue	(96,130)	33,667
Prepaid expenses	(2,384)	11,859
	231,373	229,463
Investing activities		
Increase in investment portfolio	(25,438)	(30,370)
Capital activities		
Acquisition of tangible capital assets	(11,838)	(38,452)
Net change in cash position	194,097	160,641
Cash, beginning of year	996,381	835,740
Cash, end of year	1,190,478	996,381
Comprised of:		
Cash - Operating fund	644,287	511,779
Cash - Reserve funds	546,191	484,602
	1,190,478	996,381

The accompanying notes are an integral part of
these financial statements

GREY SAUBLE CONSERVATION AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS AS AT DECEMBER 31, 2020

Nature of Operations

The Grey Sauble 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, Grey Highlands and Meaford, the Town of The Blue Mountains and the Town of South Bruce Peninsula, the Townships of Chatsworth and Georgian Bluffs and the City of Owen Sound.

The Authority's mission is:

"In partnership with the stakeholders of the watershed, to promote and undertake sustainable management of renewable natural resources and provide responsible leadership to enhance bio-diversity and environmental awareness."

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

1. Summary of Significant Accounting Policies

The financial statements are the representation of management prepared 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.

A government partnership exists where the Authority has a shared control over an entity. The Authority's pro-rata share of assets, liabilities, revenues and expenses are reflected in the financial statements using the proportionate consolidation method. The Authority's proportionate interest of the following government partnership is reflected in the financial statements:

Risk Assessment of Flood Hazards in the Georgian Bay Shoreline Areas of Grey County - 27.54%

(b) Cash and Cash Equivalents

Cash and cash equivalents include cash on deposit and short-term deposits with a maturity of less than three months at acquisition.

(c) Investment Portfolio

The investment portfolio is recorded at cost.

Gains and losses on sale of investments are recognized when the assets are sold. All other distributions from the portfolio investments are recognized when they are received or become receivable.

GREY SAUBLE CONSERVATION AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS AS AT DECEMBER 31, 2020

1. Summary of Significant Accounting Policies (continued)

(d) Revenue Recognition

Government grants 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 is recognized when the price is fixed or determinable, collectability is reasonably assured and services are provided to customers. Types of services include tree planting, site inspections, forest maintenance, property access fees, rentals and planning.

All other revenues are recognized on an accrual basis.

(e) Deferred Revenue

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

(f) 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 straight-line basis over the estimated useful life of the assets. The useful life of the assets is based on estimates made by management. The following rates are used:

Bridges and trails	6 - 30 years
Buildings	40 years
Dams and weirs	50 years
Equipment	15 years
Flood forecast equipment	10 - 20 years
Information technology infrastructure	3 - 15 years
Office furniture	20 years
Vehicles	10 years

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

GREY SAUBLE CONSERVATION AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS AS AT DECEMBER 31, 2020

1. Summary of Significant Accounting Policies (continued)

(g) Vehicles and Equipment

The Authority operates a 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. Expenditures incurred by the motor pool for operating costs are netted against the internal charges and are reported in the statement of operations.

(h) 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.

(i) 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 and valuation of tangible capital assets when testing for possible impairment. Actual results could differ from management's best estimates as additional information becomes available in the future.

2. Cash

On December 31, 2020 the Authority had cash of \$1,190,478 (2019 - \$996,381) at one chartered bank. The Canada Deposit Insurance Corporation (CDIC) insures up to a maximum of \$100,000 per depositor at a CDIC member institution. Included in operating cash is \$116,313 (2019 - \$212,443) of funds restricted for the purposes as described in Note 6.

3. Investment Portfolio

The investment portfolio includes Canadian, U.S. and International equities, as well as bonds and cash. The fair market value of the investments at year end was \$1,230,478 (2019 - \$1,227,360). During the year, the investment portfolio generated investment revenue of \$41,982 (2019 - \$49,583), realized capital loss of \$1,679 (2019 - capital loss of \$5,552) and incurred management fees in the amount of \$13,499 (2019 - \$12,302). Income on reserve accounts, as reported on the statement of operations, includes all income and losses generated by the portfolio in addition to interest earned from reserve cash accounts.

GREY SAUBLE CONSERVATION AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS AS AT DECEMBER 31, 2020

4. Pension Plan

The employees of the Authority participate in the Ontario Municipal Employees Retirement System ("OMERS"). Although the plan has a defined retirement benefit for employees, the related obligation of the Municipality cannot be identified. The Authority has applied defined contribution plan accounting as it has insufficient information to apply defined benefit plan accounting. The OMERS plan has several unrelated participating municipalities and costs are not specifically attributed to each participant. Amounts paid to OMERS for 2020 were \$146,703 (2019- \$141,554) for current service.

OMERS is a multi-employer plan, therefore any pension plan surpluses or deficits are a joint responsibility of Ontario municipal organizations and their employees. The most recent actuarial valuation of the Plan was conducted at December 31, 2020.

5. Other Payables

The Authority holds monies collected by the Beaver River Water Initiative ("BRWI"), Friends of Hibou, Fishing Islands Phragmites group and the Arboretum Alliance. These funds are distributed when these organizations require payment for expenses which they have incurred. As at December 31, 2020 the Authority held \$14,840 (2019 - \$14,177) on behalf of the BRWI, \$2,486 (2019 - \$1,073) on behalf of Friends of Hibou, \$10,837 (2019 - \$4,874) on behalf of Fishing Islands Phragmites group and \$22,957 (2019 - \$12,657) on behalf of the Arboretum Alliance.

6. Deferred Revenue

Deferred revenue consists of the following:

	2020	2019
	\$	\$
Blue Mountain gift certificates	-	4,000
Weston grant	-	391
Source water	15,846	80,080
Risk management legal contingency	68,468	62,668
RBC stewardship grant	-	32,755
Outstanding planning permits	11,455	17,960
Miscellaneous other deferrals	20,544	14,589
	116,313	212,443

7. Contingent Liability

Various actions and legal proceedings can arise during the course of normal operations against the Authority. During the year, the Authority was served notice of a legal matter. Management advises that they are in the process of evaluating the claim. The outcome is not determinable at this time and no financial liability has been accrued in the financial statements.

GREY SAUBLE CONSERVATION AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS AS AT DECEMBER 31, 2020

8. Tangible Capital Assets

Tangible capital assets consists of the following:

	Balance 2019	Additions	Disposals	Balance 2020
Cost	\$	\$	\$	\$
Land	6,270,222	-	-	6,270,222
Bridges and Trails	440,851	-	-	440,851
Buildings	1,054,410	-	(7,000)	1,047,410
Dams and Weirs	2,116,930	-	-	2,116,930
Equipment	219,088	-	-	219,088
Flood Forecast Equipment	65,447	-	-	65,447
Information Technology Infrastructure	153,280	8,403	(8,072)	153,611
Office Furniture	49,334	3,435	-	52,769
Vehicles	293,187	-	-	293,187
	10,662,749	11,838	(15,072)	10,659,515
Accumulated Amortization				
Bridges and Trails	179,217	14,094	-	193,311
Buildings	796,260	12,557	(7,000)	801,817
Dams and Weirs	1,323,454	41,294	-	1,364,748
Equipment	149,425	10,916	-	160,341
Flood Forecast Equipment	34,322	4,250	-	38,572
Information Technology Infrastructure	102,206	15,234	(7,790)	109,650
Office Furniture	40,104	1,338	-	41,442
Vehicles	215,514	19,777	-	235,291
	2,840,502	119,460	(14,790)	2,945,172
Net Book Value				
Land	6,270,222			6,270,222
Bridges and Trails	261,634			247,540
Buildings	258,150			245,593
Dams and Weirs	793,476			752,182
Equipment	69,663			58,747
Flood Forecast Equipment	31,125			26,875
Information Technology Infrastructure	51,074			43,961
Office Furniture	9,230			11,327
Vehicles	77,673			57,896
	7,822,247			7,714,343

GREY SAUBLE CONSERVATION AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS AS AT DECEMBER 31, 2020

9. Accumulated Surplus

Accumulated surplus consists of individual fund surplus and reserves as follows:

	2020	2019
	\$	\$
Invested in tangible capital assets	7,714,343	7,822,247
Operating surplus (Note 11)	240,451	187,683
Reserve funds (Note 10)	1,959,773	1,701,831
Proportionate share of government partnership surplus (Note 13)	1,196	1,196
Working capital reserve	60,000	60,000
	9,975,763	9,772,957

10. Reserve Funds Set Aside for Specific Purpose

	2020	2019
	\$	\$
Special projects	380,704	280,638
Computer replacement	18,269	13,874
Major dam maintenance	211,915	153,867
Vehicle replacement	244,085	222,374
Risk management	187,548	180,937
Administration centre	441,692	373,666
Forest management	451,065	455,278
Youth	24,495	21,197
	1,959,773	1,701,831

11. Budget

Under Canadian public sector accounting principles, budget amounts are to be reported on the statement of operations and changes in net financial assets for comparative purposes. The 2020 budget amounts for Grey Sauble Conservation Authority approved by the Board have been reclassified to conform to the basis of presentation of the revenues and expenses on the statements of operations and change in net financial assets. The budget numbers have not been audited. The following is a reconciliation of the budget approved by the Board:

	Budget 2020	Actual 2020	Actual 2019
	\$	\$	\$
Annual surplus	67,332	202,806	42,889
Prior year general surplus	187,683	187,683	175,652
Transfers from (to) reserves	30,968	(257,942)	(111,165)
Tangible capital asset acquisitions, disposals and write-down	(159,300)	(11,556)	(37,311)
Proportionate share of government partnership's annual surplus	-	-	(636)
Amortization	-	119,460	118,254
Operating surplus	126,683	240,451	187,683

GREY SAUBLE CONSERVATION AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS AS AT DECEMBER 31, 2020

12. Related Party Transactions

The Grey Sauble Conservation Foundation was founded to receive, accumulate and distribute funds and/or the income therefrom for the benefit of the Authority. The Foundation is incorporated under the Ontario Corporations Act and is a registered charity under the Income Tax Act. The Authority has representation on the Foundation's Board of Directors. Funds are solicited by the Foundation to further the mission of the Authority. Thus, as defined in the accounting recommendations of the Chartered Professional Accountants of Canada, the Authority has an economic interest in the Foundation.

Transactions with Grey Sauble Conservation Foundation include accounts receivable of \$10,764 (2019 - \$7,410), interest revenue of \$1,345 (2019 - \$6,178), and other transfers to fund Authority activities included in miscellaneous revenue of \$2,288 (2019 - \$10,500).

13. Government Partnership

The following summarizes the financial position and operations of the Risk Assessment of Flood Hazards in the Georgian Bay Shoreline Areas of Grey County in 2020. The Grey Sauble Conservation Authority's pro-rata share of these amounts has been reported in the financial statements using the proportionate consolidation method:

	Risk Assessment of Flood Hazards in the Georgian Bay Shoreline Areas of Grey County
	\$
Financial assets	138,000
Liabilities	133,654
Net financial debt	4,346
Non-financial assets	-
Accumulated surplus	4,346
Revenues	-
Expenses	-
Annual surplus	-

14. COVID-19

On March 11, 2020, the World Health Organization categorized COVID-19 as a pandemic. The measures introduced at various levels of government to curtail the spread of the virus, such as travel restrictions, closures of non-essential municipal and private operations, imposition of quarantines and social distancing, could have a material impact on its operations. Management is actively monitoring the situation and will adjust operations to comply with all government and health recommendations, guidelines and best practices.

**GREY SAUBLE
CONSERVATION AUTHORITY
SUPPLEMENTARY INFORMATION
DECEMBER 31, 2020**

GREY SAUBLE CONSERVATION AUTHORITY

DECEMBER 31, 2020

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AUDITOR'S COMMENTS ON SUPPLEMENTARY FINANCIAL INFORMATION

To the Board of Directors of Grey Sauble Conservation Authority:

We have audited the financial statements of Grey Sauble Conservation Authority, which comprise the statement of financial position as at December 31, 2020, and the statements of operations, change in net financial assets and cash flow for the year then ended, and a summary of significant accounting policies and other explanatory information, and have issued our report thereon dated May 26, 2021 which contained an unmodified opinion on those financial statements. The audit was performed to form an opinion on the financial statements as a whole. The supplementary information is presented for the purposes of additional analysis and is not a required part of the financial statements. Such supplementary information is the responsibility of management and was derived from the underlying accounting and other records used to prepare the financial statements.

The supplementary information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such supplementary information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves.

Restriction on Distribution and Use

The supplementary information is prepared to provide additional information to the Board of Directors. As a result, the supplementary information may not be suitable for another purpose. Our report is intended solely for the Board of Directors and should not be distributed to or used by parties other than the Board of Directors.

Baker Tilly SGB LLP

Licensed Public Accountants

Collingwood, Ontario

May 26, 2021

GREY SAUBLE CONSERVATION AUTHORITY

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

	Budget 2020 \$	Actual 2020 \$	Actual 2019 \$
Government Grants			
Provincial and Federal - Programming			
Flood control and warning	37,325	37,056	37,056
Stewardship program	70,000	91,955	87,067
Groundwater monitoring	-	665	1,008
Provincial and Federal - Other	15,000	14,277	-
Other	-	3,666	10,474
	122,325	147,619	135,605
Federal and local governments - Risk assessment of flood hazards (Note 13)	-	2,357	47,530
	122,325	149,976	183,135
Grey Sauble Forestry/Trees Ontario			
Trees and landscape stock	158,342	8,222	90,590
Planning	-	16,614	15,792
Planting	-	4,466	4,001
Site inspections	-	-	900
Stewardship	-	10,357	-
Vegetation control	-	-	525
Other	-	4,311	100
Trees Ontario Foundation grants	75,000	157,777	119,807
	233,342	201,747	231,715
User Fees, Service Fees and Other Revenue Sources			
Parking fees	60,000	104,215	88,891
Planning fees	325,490	338,506	325,269
Rentals	55,000	56,694	58,672
The Great Outdoors Day Camp	52,120	543	32,775
GIS consulting	5,500	555	495
	498,110	500,513	506,102

GREY SAUBLE CONSERVATION AUTHORITY

SCHEDULE 2 SCHEDULE OF RENTAL RECOVERIES AND EXPENDITURES FOR THE YEAR ENDED DECEMBER 31 (UNAUDITED)

	Budget 2020 \$	Actual 2020 \$	Actual 2019 \$
Recoveries			
Vehicle			
Flood control and warning	-	4,282	7,570
Operating conservation property	-	32,046	24,379
Forest management	-	17,198	18,861
Grey Sauble Forestry/Trees Ontario	-	5,186	6,348
Erosion control	-	77	166
Land use planning and regulation	-	6,220	10,724
Information and education	-	21	431
Administrative support	-	759	1,970
Special programs	-	268	1,858
	81,375	66,057	72,307
Expenditures			
Vehicle			
Fuel	30,000	20,074	26,847
Repairs	11,072	18,350	19,333
Licenses and insurance	18,500	7,765	7,337
Equipment			
Fuel	-	371	1,006
Repairs	-	1,663	589
	59,572	48,223	55,112
Excess of recoveries over expenditures	21,803	17,834	17,195

GREY SAUBLE CONSERVATION AUTHORITY

SCHEDULE 3 SCHEDULE OF WATER MANAGEMENT EXPENDITURES FOR THE YEAR ENDED DECEMBER 31 (UNAUDITED)

	Budget 2020	Actual 2020	Actual 2019
	\$	\$	\$
Flood Forecast and Warning			
Salaries and benefits	96,729	102,128	97,245
Service contracts	5,500	1,386	285
Vehicle and equipment rentals	4,000	3,137	4,845
Materials and supplies	3,000	2,716	3,626
Training	1,000	-	706
Services, rents and utilities	-	2,359	1,405
	110,229	111,726	108,112
Flood Control Structures			
Clendenan dam	7,287	5,864	4,768
Taylor Street retention pond	-	257	53
	7,287	6,121	4,821
Dams			
Salaries and benefits	18,043	11,674	2,832
Service contracts	2,000	-	-
Vehicle and equipment rentals	1,500	1,772	894
Materials and supplies	1,500	1,591	1,049
Dam maintenance	-	252	-
	23,043	15,289	4,775
Erosion Control			
Salaries and benefits	800	1,123	563
Vehicle and equipment rentals	300	77	166
Materials and supplies	1,000	727	-
	2,100	1,927	729
	142,659	135,063	118,437

GREY SAUBLE CONSERVATION AUTHORITY

SCHEDULE 4 SCHEDULE OF ENVIRONMENTAL PLANNING EXPENDITURES FOR THE YEAR ENDED DECEMBER 31 (UNAUDITED)

	Budget 2020	Actual 2020	Actual 2019
	\$	\$	\$
Bio-Mapping			
Salaries and benefits	-	-	1,429
Vehicle and equipment rentals	-	-	288
Materials and supplies	-	-	102
	-	-	1,819
Groundwater Monitoring			
Salaries and benefits	-	383	6,260
Vehicle and equipment rentals	-	243	956
	-	626	7,216
Watershed Management			
Salaries and benefits	36,255	44,906	96,909
Vehicle and equipment rentals	10,000	1,536	3,821
Materials and supplies	98,655	72,312	76,765
Services, rents and utilities	750	-	-
Watershed monitoring	10,000	8,658	14,043
	155,660	127,412	191,538
Land Use Planning and Regulation			
Salaries and benefits	390,089	386,631	336,276
Service contracts	1,000	4,690	394
Vehicle and equipment rentals	11,000	5,977	9,828
Materials and supplies	5,000	4,665	5,248
Training	5,000	401	6,217
	412,089	402,364	357,963
	567,749	530,402	558,536

GREY SAUBLE CONSERVATION AUTHORITY

SCHEDULE 5 SCHEDULE OF FORESTRY EXPENDITURES FOR THE YEAR ENDED DECEMBER 31 (UNAUDITED)

	Budget 2020	Actual 2020	Actual 2019
	\$	\$	\$
Operations on Authority Land			
Salaries and benefits	135,470	130,497	124,204
Service contracts	-	1,119	-
Vehicle and equipment rentals	10,000	3,904	5,496
Materials and supplies	2,500	1,248	2,143
Training	-	672	812
Services, rents and utilities	4,000	-	-
	151,970	137,440	132,655
Grey Sauble Forestry/Trees Ontario			
Purchases and Trees Ontario expenses	90,000	63,793	105,449
Salaries and benefits	111,153	116,298	129,522
50 Million Trees program	-	1,240	-
Other	5,500	11,543	7,671
	206,653	192,874	242,642
Grey County Forest Management			
Salaries and benefits	134,516	115,369	113,040
Vehicle and equipment rentals	16,500	13,294	12,240
Supplies	-	3,097	1,498
	151,016	131,760	126,778

GREY SAUBLE CONSERVATION AUTHORITY

SCHEDULE 6 SCHEDULE OF CONSERVATION AND ADMINISTRATIVE EXPENDITURES FOR THE YEAR ENDED DECEMBER 31 (UNAUDITED)

	Budget 2020 \$	Actual 2020 \$	Actual 2019 \$
Conservation Lands Operations			
Salaries and benefits	186,926	184,350	185,687
Service contracts	23,000	15,429	9,919
Vehicle and equipment rentals	21,925	28,921	22,028
Materials and supplies	15,000	17,714	15,060
Services, rents and utilities	-	6,487	11,308
Training	2,000	-	1,029
	248,851	252,901	245,031
Conservation Lands Policy and Strategy			
Salaries and benefits	103,482	38,747	97,906
Service contracts	3,000	9,131	2,827
Vehicle and equipment rentals	1,500	884	1,465
Property taxes	73,000	73,689	65,982
Materials and supplies	3,000	532	857
Training	1,000	840	703
	184,982	123,823	169,740
Conservation Information and Education			
Salaries and benefits	71,221	79,953	80,675
Contracts and services	22,700	12,779	3,176
Vehicle and equipment rentals	500	21	505
Materials and supplies	3,050	292	3,567
Advertising contracts	200	1,018	5,050
The Great Outdoors Day Camp	56,743	2,257	28,712
	154,414	96,320	121,685
Administrative			
Salaries and benefits	351,580	344,717	328,152
Board members' allowances	-	2,119	8,631
Service contracts	85,300	3,357	-
Vehicle and equipment rentals	1,000	371	3,100
Materials and supplies	16,800	13,294	17,979
Services, rents and utilities	96,000	149,604	137,054
	550,680	513,462	494,916

GREY SAUBLE CONSERVATION AUTHORITY

SCHEDULE 7 SCHEDULE OF PROGRAMMING EXPENDITURES FOR THE YEAR ENDED DECEMBER 31 (UNAUDITED)

	Budget 2020 \$	Actual 2020 \$	Actual 2019 \$
Sourcewater Protection			
Salaries and benefits	171,019	162,793	136,613
Committee members' allowance	-	4,064	7,607
Vehicle and equipment rentals	1,500	136	1,246
Materials and supplies	3,000	3,742	4,752
Services, rents and utilities	11,292	18,455	15,173
	186,811	189,190	165,391
Risk Management			
Salaries and benefits	34,084	46,263	65,808
Vehicle and equipment rentals	1,500	37	1,161
Materials and supplies	2,000	6,237	9,182
Services, rents and utilities	10,000	-	2,798
	47,584	52,537	78,949
GIS and IT Support			
Salaries and benefits	201,664	184,708	160,839
Service contracts	26,910	6,313	29,258
Vehicle and equipment rentals	1,200	495	797
Materials and supplies	5,850	1,749	2,025
Hardware and software	-	1,686	13,344
Training	3,200	153	3
	238,824	195,104	206,266
Risk Assessment of Flood Hazards in the Georgian Bay Shoreline Areas of Grey County (Note 13)			
Salaries and benefits	-	2,657	5,283
Services and supplies	-	-	-
Vehicle and equipment	-	64	83
Materials and supplies	-	-	28
Light detection and ranging (Lidar)	-	-	41,500
	-	2,721	46,894

GREY SAUBLE CONSERVATION AUTHORITY

SCHEDULE 8 SCHEDULE OF OPERATING SURPLUS FOR THE YEAR ENDED DECEMBER 31 (UNAUDITED)

	Budget 2020	Actual 2020	Actual 2019
	\$	\$	\$
Revenue			
Municipal levies	1,431,597	1,431,597	1,388,556
Government grants	122,325	147,619	135,605
Grey Sauble Forestry/Ontario Trees	233,342	201,747	231,715
Grey County Forest Management	151,016	152,220	144,362
Timber and wood sales	136,215	118,891	71,334
User fees	498,110	500,513	506,102
Sourcewater Protection	186,811	189,190	165,391
Net rental recoveries	21,803	17,834	17,195
Donations	7,450	2,753	7,410
Risk management	76,679	58,700	69,011
Miscellaneous	32,177	21,499	29,337
Interest earned	2,000	5,636	15,264
	2,899,525	2,848,199	2,781,282
Expenditures			
Water management	142,659	135,063	118,437
Environmental planning	567,749	530,767	558,536
Forestry			
-Operations on Authority land	151,970	137,440	132,655
-Grey Bruce Forestry/Ontario Trees	206,653	192,874	242,642
-Grey County Forest Management	151,016	131,760	126,778
Conservation lands policy and procedures	184,982	123,823	169,740
Conservation lands operations	248,851	252,901	245,031
Conservation information and education	154,414	96,320	121,685
Administrative support	550,680	513,462	494,916
Miscellaneous	-	16,175	10,533
Risk management	47,584	52,537	78,949
Sourcewater protection	186,811	189,190	165,391
GIS/IT department	238,824	195,103	206,266
Major projects (Schedule 9)	159,300	13,246	40,383
	2,991,493	2,580,661	2,711,942
Net (expenditures) revenues	(91,968)	267,538	69,340
Appropriations			
From reserve funds	125,800	31,905	53,856
To reserve funds	(94,832)	(246,675)	(111,165)
	30,968	(214,770)	(57,309)
Net surplus (deficit) for the year	(61,000)	52,768	12,031
Operating surplus, beginning of the year	187,683	187,683	175,652
Operating surplus, end of the year	126,683	240,451	187,683

GREY SAUBLE CONSERVATION AUTHORITY

SCHEDULE 9 SCHEDULE OF MAJOR AND OTHER PROJECT EXPENDITURES FOR THE YEAR ENDED DECEMBER 31 (UNAUDITED)

	Budget 2020	Actual 2020	Actual 2019
	\$	\$	\$
Buildings	-	-	4,676
IT equipment	15,500	8,403	8,700
Flood forecasting equipment	-	-	4,826
Admin centre - concept design	20,000	-	-
Admin centre - renewal	20,000	545	-
Other equipment	6,000	3,435	19,509
Office furniture	-	-	741
Minor infrastructure	14,800	863	-
Stone repointing	6,000	-	-
Bruce's Caves - upgrades	10,000	-	-
Spirit Rock - upgrades	10,000	-	1,931
Indian Falls - upgrades	15,000	-	-
Arran Lake - pavilion	40,000	-	-
Lake Charles - washroom removal	2,000	-	-
	159,300	13,246	40,383