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Board of Directors Meeting

Thursday, March 24, 2022

6:30 pm

Meeting Will be Held Electronically due to COVID-19 Restrictions

Please contact Marissa Grondin at marissa.grondin@rvca.ca or 1-800-267-3504 ext 1177 in advance of the meeting if you wish to receive instructions to join.

AGENDA

Meeting 3/22	Page
1.0 Land Acknowledgement Statement	
2.0 Agenda Review	
3.0 Adoption of Agenda	
4.0 Declaration of Interest	
5.0 Approval of Minutes from February 24, 2022	
6.0 Business Arising from Minutes	
7.0 Flood Hazard and Regulation Limits Mapping for Upper Jock River Staff Report Attached (Glen McDonald and Ferdous Ahmed).....	01
8.0 2021 Audited Financial Statements and Report of the Auditor Staff Report Attached (Kathy Dallaire).....	26
9.0 2021 Annual Report Staff Report Attached (Diane Downey)	65
10.0 Timeline Reporting for Section 28 Applications Staff Report Attached (Glen McDonald)	80
11.0 ALUS Lanark Partnership Advisory Committee Staff Report Attached (Sommer Casgrain-Robertson)	84

**Proudly working in partnership
with our 18 watershed municipalities**

Athens, Augusta, Beckwith, Central Frontenac, Clarence-Rockland,
Drummond/North Elmsley, Elizabethtown-Kitley, Merrickville-Wolford, Montague,
North Dundas, North Grenville, Ottawa, Perth, Rideau Lakes, Smiths Falls, South Frontenac, Tay Valley, Westport

12.0 Meetings

- a) RVCA Board of Directors AGM: February 24, 2022
- b) Audit Committee Meeting: March 11, 2022
- c) RVCF Board of Directors Meeting: March 16, 2022

Upcoming

- d) Mississippi-Rideau Source Protection Committee Meeting: April 7, 2022
- e) Leeds and Grenville Planners Group Presentation (CA Act): April 8, 2022
- f) North Grenville Council Presentation (Annual Report): April 19, 2022
- g) RVCA Board of Directors Meeting: April 28, 2022

13.0 Member Inquiries

14.0 New Business

15.0 Adjournment



7.0 Flood Hazard and Regulation Limits Mapping for Jock River
From Richmond Road to Ashton Station Road, Township of Beckwith
Report #: 1-220324

To: RVCA Board of Directors
From: Ferdous Ahmed, P.Eng.
Senior Water Resources Engineer
Glen McDonald, MCIP, RPP
Director of Planning and Science
Date: March 3, 2022

<input type="checkbox"/>	For Information
<input type="checkbox"/>	For Direction
<input checked="" type="checkbox"/>	For Adoption
<input checked="" type="checkbox"/>	Attachment – 19 pages

Recommendation:

That the Board of Directors of the Rideau Valley Conservation Authority receive the flood mapping report for the Jock River from Richmond Road to Ashton Station Road (dated July 16, 2021);

That the report and associated maps be adopted as the best available information related to establishing flood risk and regulation limits along the Upper Jock River; and

That the report and associated maps be used in RVCA’s planning advisory and regulatory programs, including the administration of Ontario Regulation 174/06 under Section 28 of the *Conservation Authorities Act*, and other watershed management activities.

Purpose

To adopt draft flood hazard and regulation limit mapping for the Jock River from Richmond Road to Ashton Station Road in the Township of Beckwith.

Background

Since 1976, the RVCA has regulated hazard lands under the *Conservation Authorities Act* to ensure public safety and prevent property damage due to natural hazards such as flooding and erosion. The regulation of wetlands was added in 2006 and is applied primarily to Provincially Significant Wetlands in the Rideau watershed.

Since 2006, when Section 28 of the *Conservation Authorities Act* was amended and a Generic Regulation (Ontario Regulation 97/04) was approved by the provincial government, the RVCA has been gradually working to add to and update its collection of flood hazard and regulation limits mapping to achieve effective and consistent

administration and enforcement of its local regulation (Ontario Regulation 174/06) and to inform land use planning decisions.

Ontario Regulation 174/06 enables the RVCA to regulate development within hazard lands like floodplains and unstable slopes as well as wetlands (including 120 metre adjacent lands). To administer its “Development, Interference with Wetlands and Alterations to Shorelines and Waterways” regulation, the RVCA uses regulatory mapping schedules to define areas that are subject to the regulation. These maps are subject to Board approval and are used extensively by RVCA and municipal staff, proponents, and the public to understand and show where the regulation applies. Property owners must obtain permission from the RVCA before beginning any development, site alteration, construction, or placement of fill within a regulated area. Permits are also required for any wetland interference, or for straightening, changing, diverting, or interfering in any way with the existing channel of a watercourse.

The Province also made conservation authorities responsible for commenting on planning files with respect to natural hazards. Under the *Planning Act*, municipalities must circulate official plans, comprehensive zoning bylaws and site-specific planning applications to conservation authorities who then provide comments on behalf of the province relating to Section 3.1 of the Provincial Policy Statement (natural hazards). As directed by the Ministry of Municipal Affairs and Housing and the Ministry of Northern Development, Mines, Natural Resources and Forestry, conservation authorities provide comments with respect to flooding, riverine erosion and unstable slopes, organic soil, and bedrock. The RVCA relies on the regulatory mapping schedules to inform these comments.

In recent years, the RVCA has undertaken the task of identifying hazard land boundaries, while the Ministry of Northern Development, Mines, Natural Resources and Forestry is responsible for designating Provincially Significant Wetlands. RVCA is currently working on a number of floodplain-based hazard land mapping projects and the Upper Jock River is one of them.

Analysis

There is no previous flood hazard and regulation limits mapping on the Upper Jock River (upstream of Ashton Station Road). However, flood mapping downstream of Ashton Station Road, which is within the limits of the City of Ottawa, was done in 2005. Below are two maps that show where the Upper Jock River catchment is located within the Rideau watershed.

Major Components of the Project:

The major components of completing flood and regulation limits mapping for the Upper Jock River were:

- Preparation of topographic mapping or DTM based on the 2015 LIDAR data procured by the RVCA, the 2012 LIDAR data provided by the City of Ottawa, and the 2014 DRAPE DEM provided by the MNRF
- Field survey by RVCA staff in 2019 of bridges/culverts
- Hydrologic analysis to estimate flood discharges for various return periods at key points along the stream (based on SWMHYMO modeling)
- Hydraulic calculations using numerical (HEC-RAS) modeling of the river and its flood plain, to estimate flood levels associated with the flood discharges
- Plotting of flood lines on the high-quality topographic mapping to delineate areas that are susceptible to flooding during a 1:100 year flood event
- Determination of hazard areas subject to steep slope and wetlands according to Conservation Ontario Guidelines (2005) and RVCA's internal protocol (2005)
- Plotting of regulation limit lines incorporating all hazards and updating pertinent generic regulation map sheets
- Public consultation

Project Outputs:

- A technical memo entitled "Jock River Flood Risk Mapping from Richmond Road to Ashton Station Road," dated July 16, 2021
- Flood risk limit lines in GIS format
- Regulation limit lines in GIS format – this encompasses all hazards (flood, steep slopes, and wetlands) and was plotted in accordance with Conservation Ontario Guidelines (2005) and RVCA's internal protocol (2005) under the direction of Terry Davidson, P.Eng., Director of Engineering and Regulations.
- Eight Regulation maps (55, 56, 65, 66, 76, 77, 87 and 88)
- Hydrologic models (SWMHYMO)
- Hydraulic models (HEC-RAS)

With the study to determine the regulatory flood level and regulation limits along the Upper Jock River now complete, the technical report mentioned above (available online at <https://www.rvca.ca/flood-risk-mapping-reports/upper-jock#2021-draft-maps> or on request) was prepared to summarize the methods and procedures used in the analysis. This report and associated maps have been reviewed at a staff level at the RVCA. Moreover, an independent consultant (professional engineer) retained by the RVCA provided a thorough peer review.

Public Consultation:

RVCA also undertook public consultation from November 15 to December 22, 2021 to solicit input from the public and affected property owners on the draft report and maps, and to explain how the flood and regulation limits were derived, and how they will be administered. RVCA and the Township of Beckwith staff worked closely on arranging the consultation process and 210 letters were sent to affected property owners as well

as other stakeholders with information about the study and an invitation to participate in the consultation process. Due to the pandemic, an in-person open house could not be held. Instead, staff had one-on-one discussions with affected property owners on request either in-person or virtually. The draft report and associated maps were made available on the RVCA's website. In total, we received 14 inquiries. Staff also had in person meetings with small groups of residents. On December 7, 2021, RVCA staff (Glen McDonald and Terry Davidson) attended the Township of Beckwith council meeting and delivered a presentation on the floodplain mapping, how it is prepared and how it is used for planning and regulations. This meeting was open to the public. A memorandum documenting the presentation and the questions and answer session that followed is attached to this report.

During the public consultation, comments and questions were received regarding the technical aspects of the floodplain mapping process, the extent of the floodplain, how the mapping would be used for planning and regulations, the distinction between areas identified as floodplain and those identified as wetland, the impact of beaver dams on flood levels, the ability to construct agricultural buildings, impact on insurance and property rights. The record of public consultation, which identifies the issues raised and the staff response is also attached to this report.

Next Steps:

Following Board approval of the report and maps:

- The report and maps will be published and put on the RVCA website for public use and information
- The report and maps will be used in the provision of planning advice to our municipalities, and they will form the basis for regulation administration of the watercourse.
- The following deliverables will be provided to the Township of Beckwith:
 - The technical report listed above
 - The flood risk limit lines in GIS format
 - The regulation limit lines in GIS format
 - The RVCA Regulation Limit Map Sheets (consisting of amendments to map sheets numbered 55, 56, 65, 66, 76, 77, 87 and 88 associated with the regulation)

Input From Other Sources

The Township of Beckwith provided a list of property owners affected by this project. The RVCA also compiled a list of other stakeholders and partners to be consulted. All individuals and agencies received consultation materials and their input and feedback was encouraged.

Financial Considerations

The estimated cost of the flood mapping study is \$140,000 and is accounted for in RVCA's approved budgets for 2019-2022. The cost of preparing the regulation maps and public consultation is estimated at an additional \$20,000, thus making a total of \$160,000.

Legal Considerations

As outlined in the Background section, the RVCA requires natural hazard and regulation limit mapping to fulfill its provincially delegated responsibilities including:

- Administering and enforcing its *Development, Interference with Wetlands and Alterations to Shorelines and Watercourses Regulation* (Ontario Regulation 174/06) under Section 28 of the *Conservation Authorities Act*
- Providing comments on planning files to municipalities on behalf of the province relating to Section 3.1 of the Provincial Policy Statement (natural hazards).

Adherence to RVCA Policy and Technical Standards

The engineering and cartographic procedures used in this study conform to current standards of hazard delineation for identifying areas that are subject to the requirements of regulations made under Section 28 of the *Conservation Authorities Act*, as per the MNR's Natural Hazards Technical Guide (MNR, 2002) and Conservation Ontario (2005) guidelines. The resulting 1:100 year flood risk lines and regulation limit lines are suitable for use in the RVCA's regulation administration and in municipal land use planning and development approval processes under the *Planning Act* as well as the *Conservation Authorities Act*. The HEC-RAS and SWMHYMO model files will be preserved by RVCA and will be given to any party upon the signing of a standard data sharing agreement.

Link to Strategic Plan

This study supports Priority #6 under Strategic Direction #2 as well as Priority #2 under Strategic Direction #3:

- *Focus new or updated regulatory mapping in areas where there is development pressure.*
- *Help municipalities implement their environmental policies, strategies, projects and initiatives.*

Attachments

- Summary of Comments Received During Public Consultation (dated March 15, 2022)
- Memorandum Regarding Presentation to Beckwith Township Council (dated January 12, 2022)

The flood mapping report for the Upper Jock River and the associated regulation limit mapping are available online at <https://www.rvca.ca/flood-risk-mapping-reports/upper-jock#2021-draft-maps>.

Summary of Comments Received During Public Consultation Draft Upper Jock River Flood Hazard and Regulation Limit Mapping

Comment		Commenter	Addressed	Response
1	Criteria used for the identification of the floodplain is too conservative and results in unreasonably large floodplain area.	5 Affected Property Owner	No	Province of Ontario Natural Hazards Technical guides requires the use of the 1:100 year flood as the minimum standard for floodplain delineation. The extent of the floodplain is dependent on topography, and due to the relatively flat nature of the landscape, the flood can spread out over a large area.
2	Beaver dams are causing the flood levels to be higher than what they should be.	1 Affected Property Owner	Yes	Modelling used for the floodplain mapping assumes a fully open free flowing channel. Beaver dams do not influence the flood elevation used in the mapping.
3	Flooding the extent mapped has never been observed.	1 Affected Property Owner	Yes	The criteria (1:100 year) is not based on an observed flood event.
4	Project was not necessary since wetlands in the area are already mapped and regulated and slopes are not present	1 Affected Property Owner	Yes	Wetlands in the study area have been regulated since 2006 based on Ministry of Northern Development, Mines, Natural Resources and Forestry wetland boundary mapping. Floodplain mapping was not available at that time. Wetlands, floodplains and slopes are distinct hazards, and the regulation limit is determined by a setback from the predominant hazard. Slopes are not a significant hazard on this reach of the river.
5	Drainage issue on property not identified.	1 Property Owner	Yes	The affected property is outside the study area and is not affected by the Jock River floodplain. This is a local drainage issue and the landowner is in discussions with the Ministry of Transportation regarding a resolution of the issue.

6	Mapping will have an impact on land use and development.	10 Affected Property Owners	No	Development in the floodplain is generally prohibited as defined in the Provincially Policy Statement and local official plan policy. Development may be permitted in the area between the floodplain and the regulation limit.
7	The mapping and regulation will prohibit farming activity.	1 Affected Property Owner	Yes	The regulation does not interfere with normal agricultural practices, including the ability to construct farm buildings that are not used for livestock habitation.
8	The mapping and regulation infringe on landowner rights.	1 Affected Property Owner	No	The regulation can limit development activity. Current uses can continue and the regulation is not applied retroactively. Staff work with landowners to explore alternatives whereby development may be permitted.
9	The identification of the floodplain will result in higher insurance costs and inability to obtain insurance.	1 Affected Property Owner	No	Flood insurance is generally not available in standard insurance coverage but is available from some insurers at a higher cost.



Memorandum

Date: January 12, 2022

To: Ferdous Ahmed, P.Eng.
Senior Water Resources Engineer

Calvin Paul
Engineering Assistant

From: Glen McDonald, MCIP RPP
Director of Planning and Science

Subject: **Presentation to Beckwith Township Council
Upper Jock River Hazard Land Mapping Study**

Message:

Terry Davidson and Glen McDonald attended the Beckwith Township Council meeting on December 7, 2021 at 6:30 p.m. to present information on the draft Upper Jock River Hazard Land Mapping Study. We attended at the invitation of Council through Cassandra McGregor (Clerk Administrator). This was a regular meeting of Council and therefore members of the public were present. Covid protocols were in place.

We delivered a two-part Power Point presentation (attached). The first part focused on why we do hazard land mapping and how it is used in land use planning and regulation. The second part of the presentation focused on the technical aspects (hydrology, hydraulics) of a mapping study; the "how it is done". This was followed by a brief description of the RVCA's floodplain management program (mapping, planning and regulations, flood forecasting and warning, stewardship).

The presentation was followed by a question and answer session:

- Landowners and Councillors noted that the floodplain in the 9th Line Road area was extensive (very wide) and did not seem reasonable. There was acknowledgement that lands are subject to flooding but not to that extent; too much land is affected. We agreed that the floodplain is extensive, but its extent is based on the elevation of the land relative to the 1:100 year flood level. The landscape is flat, so the water spreads out over a large area. Flooding toward the outer limit of the floodplain is likely shallow.
- Flooding is extensive because of beavers. We explained that the modelling assumes a free-flowing channel and therefore presence of beaver dams does not result in higher flood levels.

- RVCA should do a better job of regulating wetlands. If people would stop clear cutting and filling wetlands, there would be less flooding. We explained the value of retaining wetlands on the landscape and indicated that we are reconsidering our regulation with respect to wetlands.
- Why has the regulated area expanded so much when these areas were already mapped? We noted that the Provincially Significant Wetlands as identified by MNRF within the study area have been regulated since 2006. The regulation limit at that time was based on a 120 metre offset from the wetland boundary. With the additional information now provided for the flood risk area, the regulated area is determined by the greater of the 120 metre adjacent lands boundary or a 15 metre setback from the floodline, whichever is greater. We also noted that slopes adjacent to the river could also influence the regulation limit, but generally, slopes are not a factor on this reach of the river.
- Several attendees expressed concern about not being able to continue farming operations if these lands are subject to the regulation. We explained that the regulation does not prohibit agricultural land use and farming operations. Farm and grain storage buildings and structures can be considered.
- Concern was also expressed about property devaluation and inability to obtain insurance. We explained that the designation of land as floodplain does not impact agricultural land value, but we did acknowledge that it could impact plans for severances or subdivisions. Floodplain does not impact the ability to obtain insurance for fire, theft etc. but an insurer could refuse to insure for flood damage unless specified in the policy. Some insurers provide coverage but notably at a higher cost.
- Reeve Kidd noted that the RVCA is doing what the Province requires us to do.
- Why the 1:100 year flood? Designate the floodplain at a lower level. We explained that the 1:100 year flood is the minimum standard in Ontario for the identification of lands subject to flood risk. In other parts of Ontario, the standard is higher based on observed flood events.
- The Ashton dam is an obstruction to flow and results in higher upstream flood levels. It should be removed. We explained that the dam is fully open for the purpose of the modelling and it does not have that effect.
- In response to a question about next steps, we explained that RVCA staff would review all public comments in an effort to address any technical concerns, after which a report would be prepared for the Board of Directors to document the public consultation and to endorse the study for use in our planning and regulations programs.

Reeve Kidd thanked us for attending and our presentation concluded at 7:50 p.m.



Glen McDonald MCIP RPP
Director of Planning and Science

Attach. Power Point Presentation

Hazard Land Mapping Upper Jock River Township of Beckwith Council Meeting December 7, 2021



Outline of Presentation

- Hazard Land Mapping & Planning
- Flood Plain Mapping Technical Summary
 - 1. Hydrology
 - 2. Hydraulics
 - 3. Mapping Study Draft Results

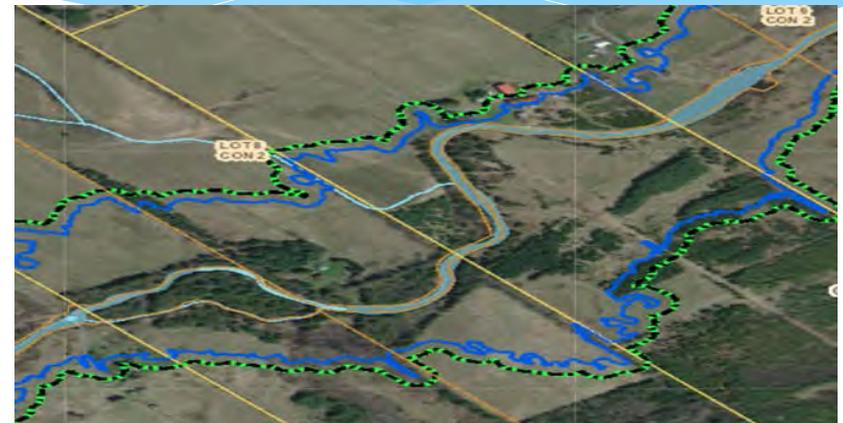
Why Hazard Land Mapping?

- CAs – delegated responsibilities to manage the Provincial interest in natural hazards (floodplains, unstable slopes and soils, unstable bedrock, erosion) as defined in the PPS
- PPS requires planning authorities to direct development away from natural hazards
- Township OP policies 4.19 and 4.25 require development to be outside the floodplain and outside the erosion hazard limit
- Policy 4.25 – map hazard limits
- Hazard mapping assists the Township and the CA to meet our collective obligations under the PPS and the OP

Planning and Regulations Mapping Products

Natural Hazards Mapping

- Engineering studies:
 - Flood risk
 - Hazardous slopes



Wetland Mapping

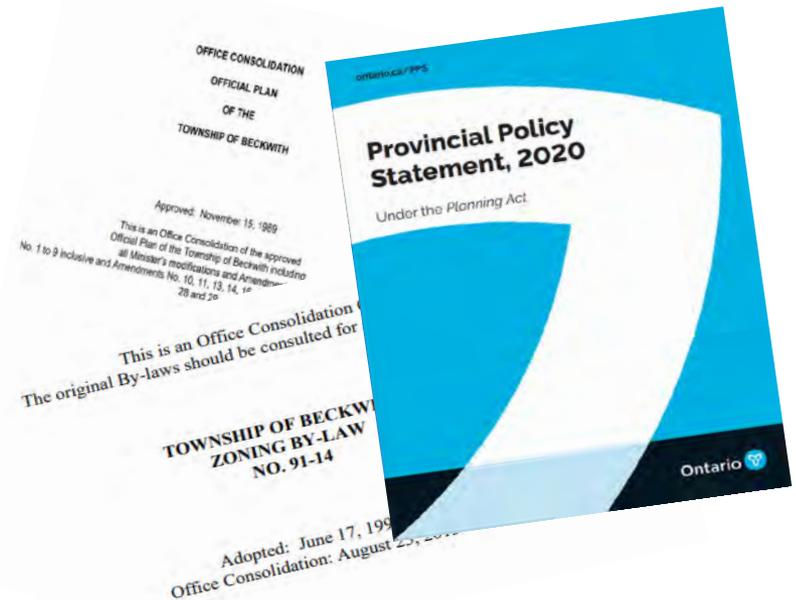
- MNRF wetland boundaries



How is the mapping used?

Planning Services

- Plan Input
 - hazard mapping provided to municipalities for use in official plans, zoning by-laws
- Plan Review
 - mandatory circulation of Planning Act applications
 - CA review to ensure consistency with Section 3.1 Natural Hazards of the PPS
 - Township uses mapping to ensure consistency with OP



How is the mapping used? (cont'd)

Regulatory Services

- Section 28 Conservation Authorities Act regulation
 - development on hazard lands (floodplains and unstable slopes)
 - development in or on wetlands and adjacent lands
 - Shorelines and watercourses
 - Board approved policies to guide decision making

Conservation Authorities Act
Loi sur les offices de protection de la nature

ONTARIO REGULATION 174/06

RIDEAU VALLEY CONSERVATION AUTHORITY: REGULATION OF DEVELOPMENT,
INTERFERENCE WITH WETLANDS AND ALTERATIONS TO SHORELINES AND
WATERCOURSES

Consolidation Period: From February 8, 2013 to the [e-Laws currency date](#)

Last amendment: 78/13.

Legislative History: 78/13.

This Regulation is made in English only.

Definition

1. In this Regulation,

“Authority” means the Rideau Valley Conservation Authority. O. Reg. 174/06, s. 1.

Development prohibited

2. (1) Subject to section 3, no person shall undertake development or permit another person to undertake development in or on the areas within the jurisdiction of the Authority that are,

(a) adjacent or close to the shoreline of inland lakes that may be affected by flooding, erosion or dynamic beaches, including the area from the furthest offshore extent of the Authority’s boundary to the furthest landward extent of the aggregate of the following distances:

(i) the 100 Year flood level,

(ii) the predicted long term stable slope projected from the existing stable toe of the slope or from the predicted

Flood Plain Mapping Technical Summary

1. Hydrology

Flow Estimation Techniques

- Availability/quality of stream data determines selection from available options
 - Flood Frequency Analysis
 - Continuous Modeling
 - Synthetic Events

- Upper Jock River has limited flow data, a synthetic event was used

Flood Plain Mapping Technical Summary

1. Hydrology

Synthetic Events - Structure

- Divide the watershed into subcatchments and assign parameters
- Connect together in a networked structure

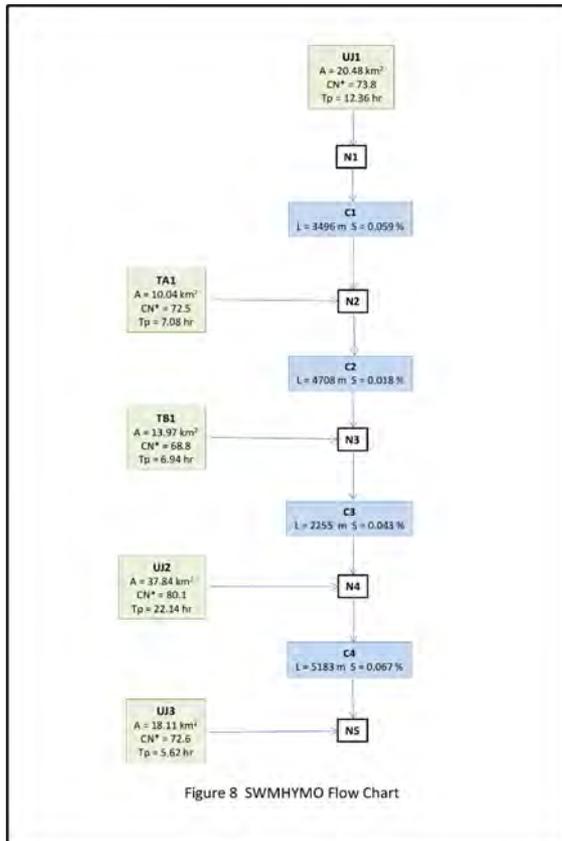
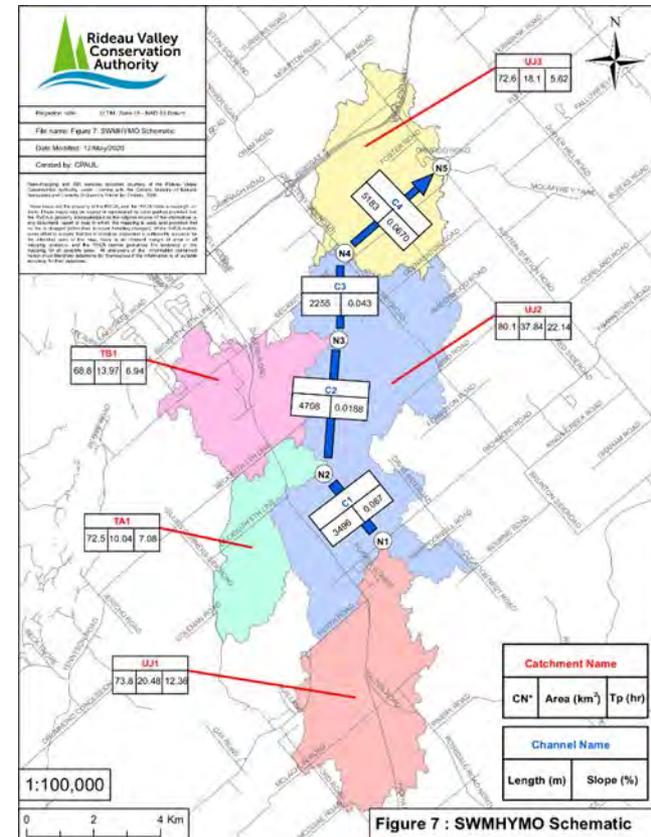


Figure 8 SWMHYMO Flow Chart

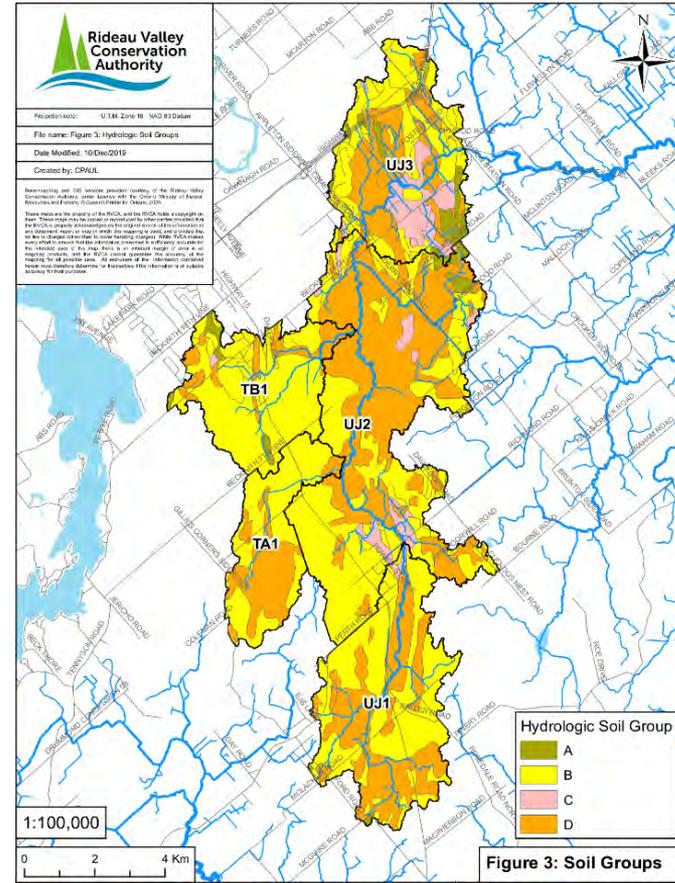
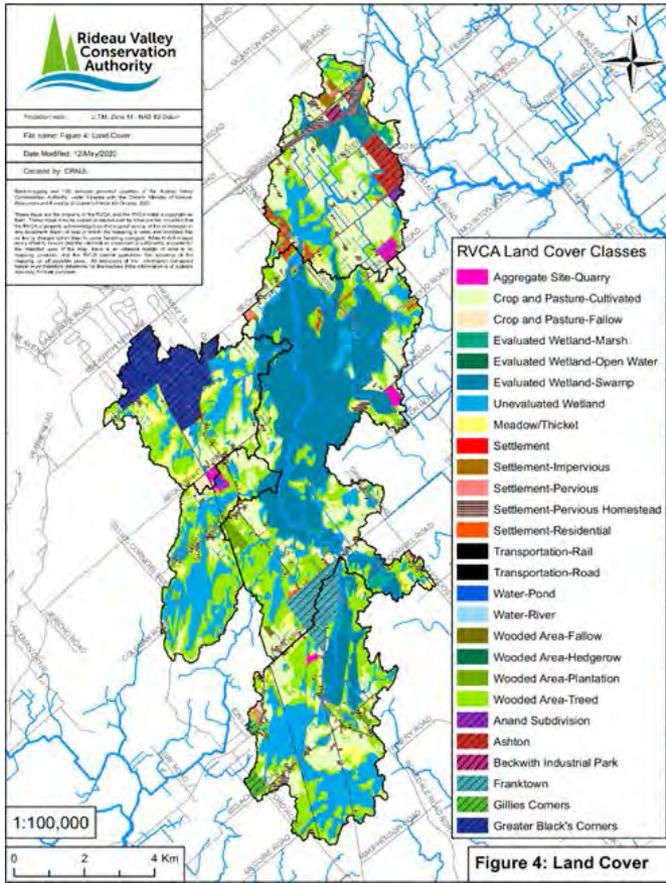


Flood Plain Mapping Technical Summary

1. Hydrology

Synthetic Events - Inputs

- Hydrologic soil group, land use or land cover, area, slope, etc
- Input directly or generate derivative values

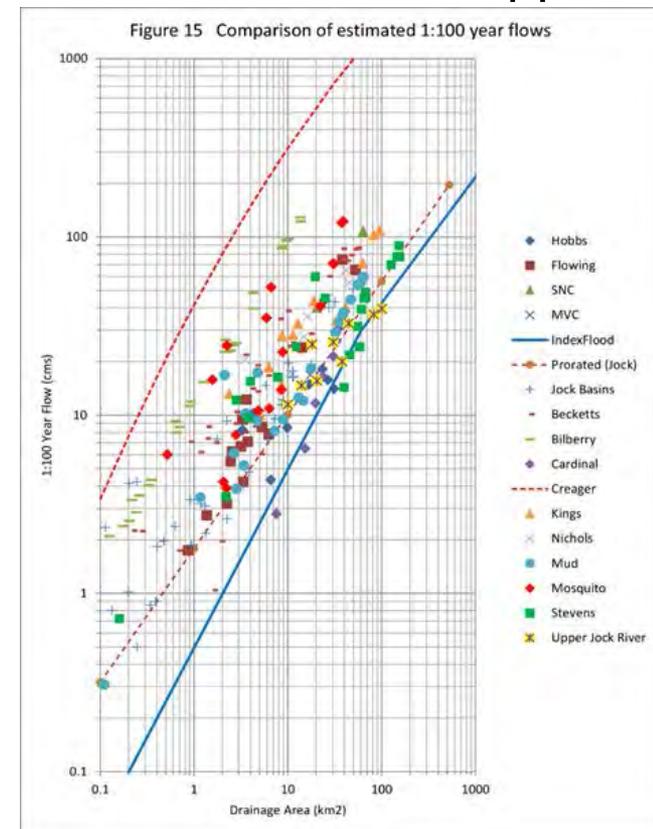
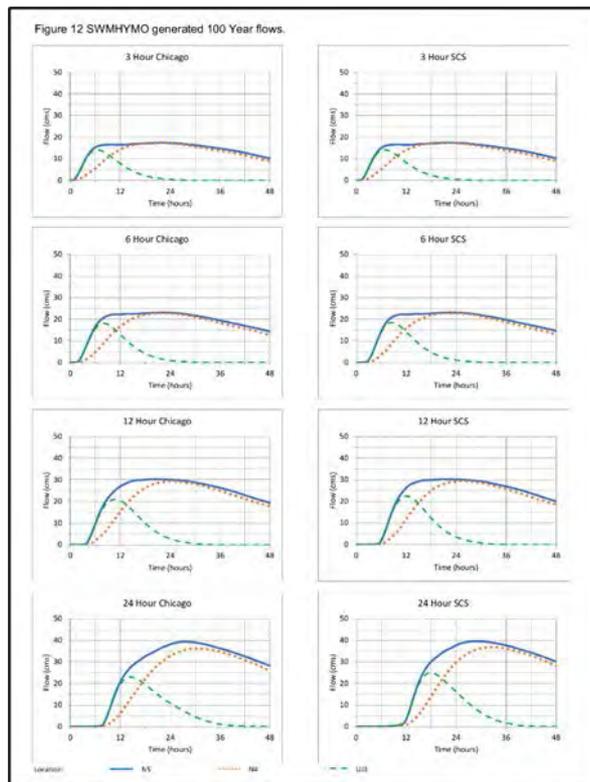


Flood Plain Mapping Technical Summary

1. Hydrology

Synthetic Events - Analysis

- Test multiple storms and select conservative event (wost-case)
- Compare results with previous projects
- Wetlands provide an important flood control service for the Upper Jock River

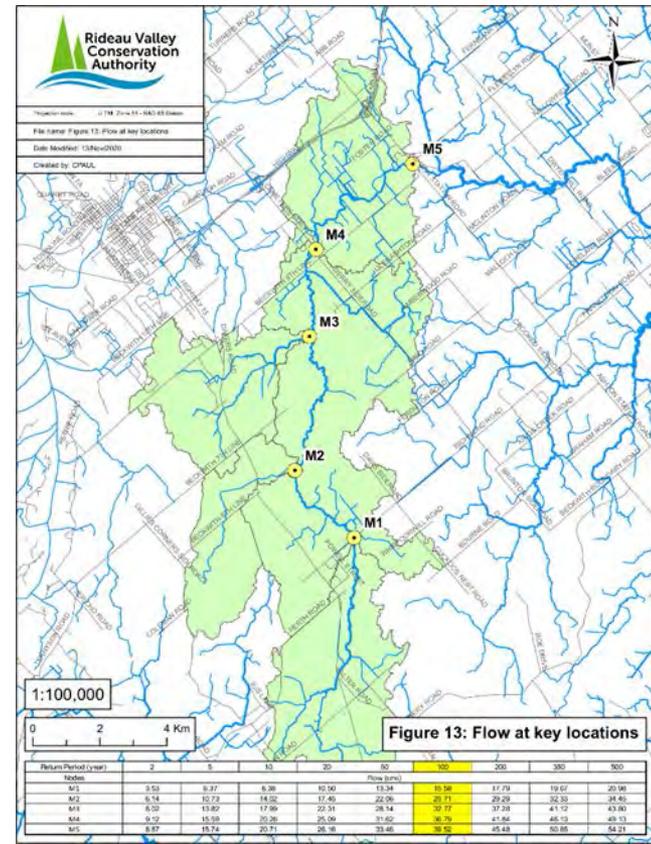
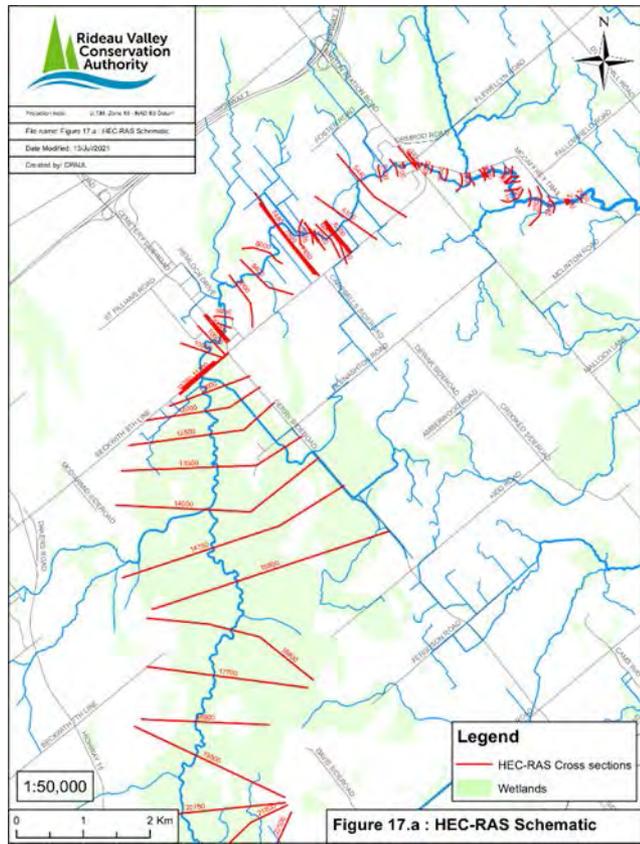


Flood Plain Mapping Technical Summary

2. Hydraulics

General Process

- Represent landscape with cross sections, focusing on critical features and terrain changes
- Insert structures (bridges, culverts, etc) and flow values

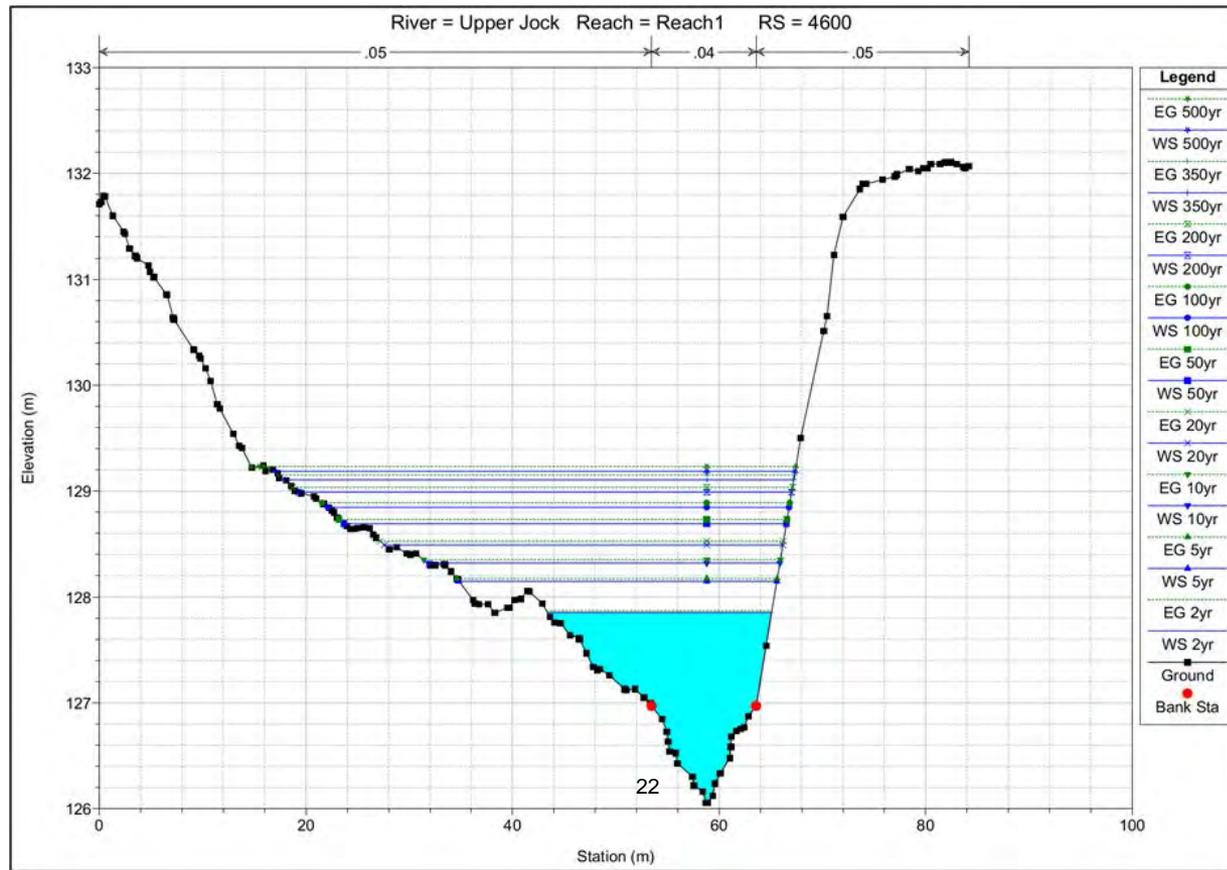


Flood Plain Mapping Technical Summary

2. Hydraulics

Results

- Computations occur at all cross sections
- Continuous profile of created for entire model extent

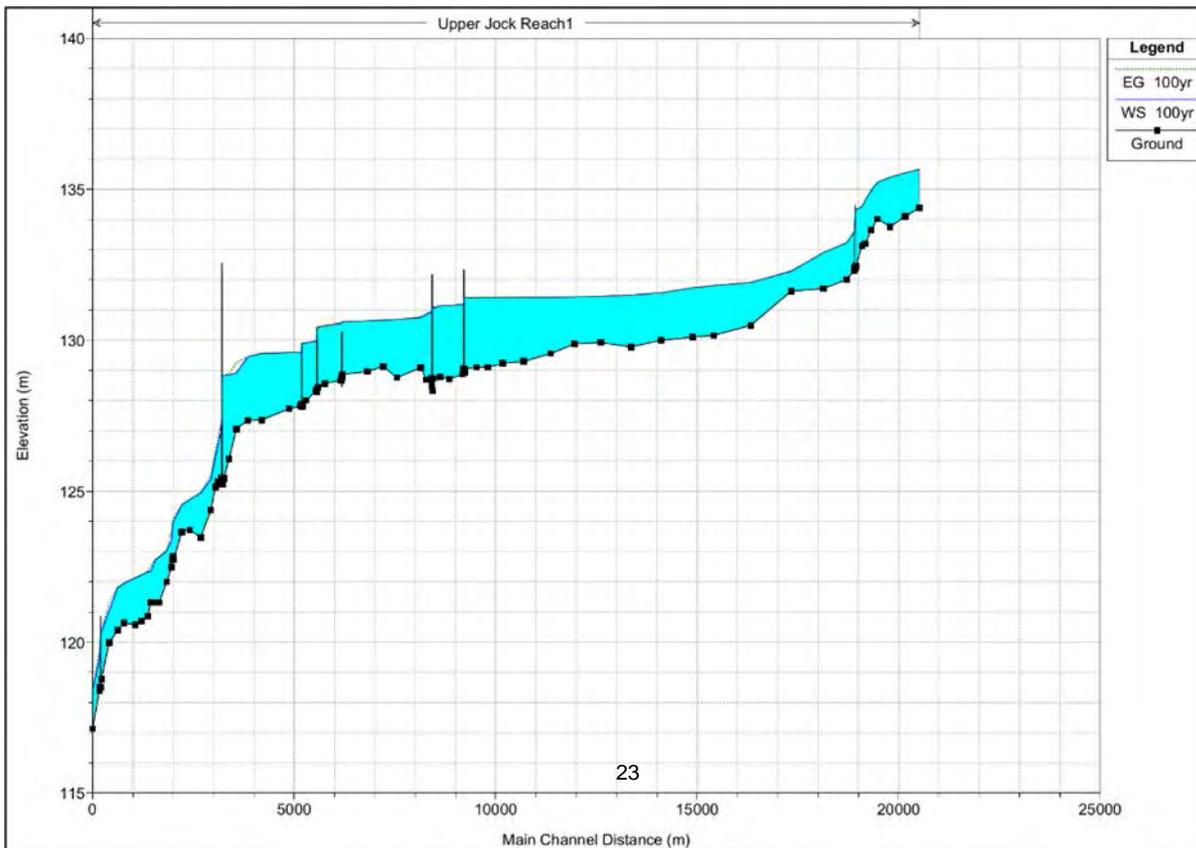


Flood Plain Mapping Technical Summary

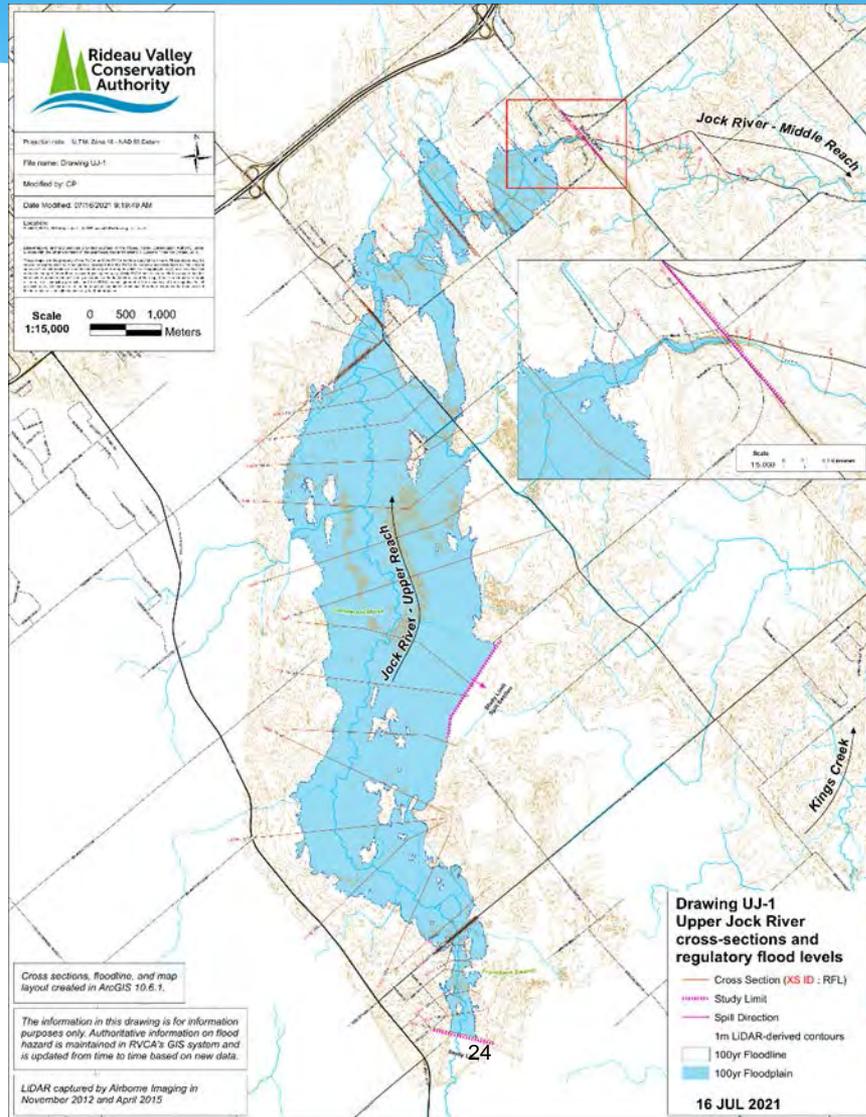
2. Hydraulics

Results

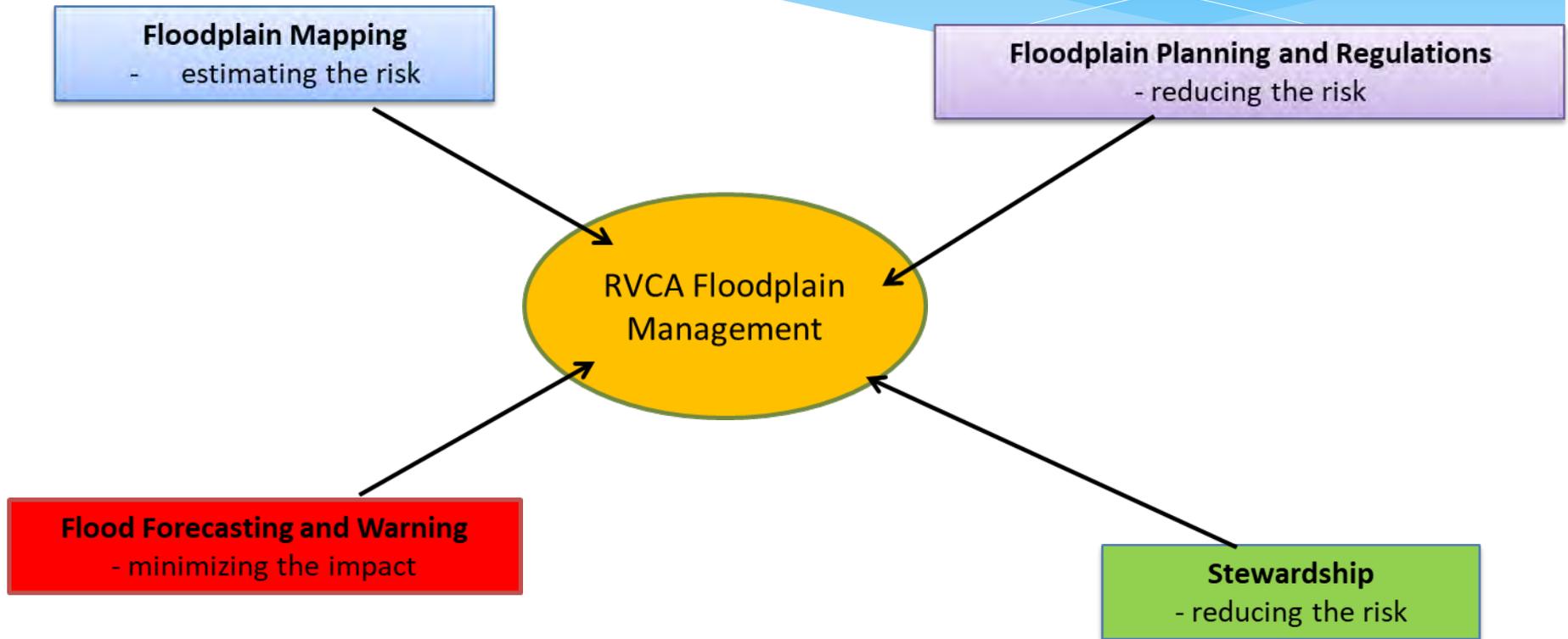
- Computations occur at all cross sections
- Continuous profile of created for entire model extent



3. Mapping Study Draft Results



RVCA Flood Plain Management



Thank You



**8.0 2021 Audited Financial Statements and Report of the Auditor
Report #: 2-220324**

To: RVCA Board of Directors
From: Kathy Dallaire, CPA
Manager of Finance
Date: March 14, 2022

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<input checked="" type="checkbox"/>	For Adoption
<input checked="" type="checkbox"/>	Attachments – 34 pages

Recommendation:

That the Board of Directors of the Rideau Valley Conservation Authority approve the attached Draft 2021 Audited Financial Statements and receive the Report of the Auditor.

Purpose

To review and approve the audited financial statements for the year 2021 and receive the Report of the Auditor.

Background

The firm of MNP LLP completed an audit of the RVCA in March 2022 and met with RVCA's Audit Committee on March 11, 2022 to review preliminary draft Financial Statements and Report of the Auditor. Ian Murphy of MNP will be attending our March 24, 2022 Board meeting to present the draft Audited Financial Statements, Audit Findings Report and Management Letter and respond to questions.

Analysis

At RVCA's February 24, 2022 Board meeting staff presented a detailed internal statement of operations (staff report # 09-220224). There were entries made by staff after the presentation of the statements presented on February 24, 2022, to adjust deferred revenue, adjust accounts receivable and accrued liabilities. The net effect of these entries is to increase the surplus by \$11,511. Inclusive of the adjustments, the surplus from operations in 2021 is \$1,229,790.

This surplus was the result of lower than anticipated expenses in many program areas due in large part to numerous temporary staff vacancies as a result of medical and parental leaves and retirements, some scaled back programming due to COVID-19 restrictions, and some large budgeted capital projects being deferred because contributing external funding was not secured. Higher than anticipated revenue due to

above normal development activity and new funding partnerships also contributed to the surplus.

At RVCA's February 24, 2022 Board meeting the Board also approved net transfers to reserves of \$1,230,966 (staff report # 10-220224). Net reserves have been reduced by \$42,225 to \$1,188,741 to reflect a revised surplus for the Part 8 septic program which is a required transfer to reserves.

Input From Other Sources

The Financial Statements were audited by MNP LLP and will be circulated to all municipalities in the watershed, the Minister of Environment, Conservation and Parks and will be posted on RVCA's website once approved.

Financial Considerations

Ending the year with an operational surplus provided the RVCA with an opportunity to increase both its capital and program reserves which had been recommended by our Auditor in previous years. These reserve contributions will enable the RVCA to leverage external funding opportunities in 2022/23 by providing matching funding to undertake additional key infrastructure initiatives such as the installation of additional weather and water level monitoring stations, continuing to make our conservation areas more accessible and completing the replacement of pedestrian bridges at Baxter and Chapman Mills Conservation Areas.

Legal Considerations

The RVCA's 2021 financial audit is in accordance with the *Conservation Authorities Act*. Specifically, Section 38 of the Act states:

Annual audit

38 (1) Every authority shall cause its accounts and transactions to be audited annually by a person licensed under the Public Accounting Act, 2004 and shall ensure that the annual audit is prepared in accordance with generally accepted accounting principles for local governments recommended by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada, as they exist from time to time. 2020, c. 36, Sched. 6, s. 24 (1).

Auditor

(2) No person shall be appointed as auditor of an authority who is or during the preceding year was a member of the authority or who has or during the preceding year had any direct or indirect interest in any contract or any employment with the authority other than for services within his or her professional capacity. R.S.O. 1990, c. C.27, s. 38 (2).

Auditor's report

(3) An authority shall, upon receipt of the auditor's report of the examination of its accounts and transactions, forthwith forward a copy of the report to each participating municipality and to the Minister. R.S.O. 1990, c. C.27, s. 38 (3).

Report made publicly available

(4) Within 60 days of receiving the auditor's report, an authority shall make the report available to the public on its website and by any other means that the authority considers appropriate. 2020, c. 36, Sched. 6, s. 24 (2).

Adherence to RVCA Policy

The RVCA's 2021 financial audit is in accordance with RVCA's Administrative By-law. Specifically, Sections B.7, B.11 and C.10 of RVCA's Administrative By-law state:

B.7. Appointment of Auditor

The General Membership shall appoint an auditor for the coming year at the Annual Meeting in accordance with Section 38 of the Act.

B.11. Financial Statements and Report of the Auditor

The General Membership shall receive and approve the Audited Financial Statements and Report of the Auditor by March 31 of each year for the previous year.

The Authority shall forward copies of the Audited Financial Statements and Report of the Auditor to Participating Municipalities and the Minister in accordance with Section 38 of the Act and will make the Audited Financial Statements available to the public.

Attachments:

- Revised Proposed Reserve Continuity Schedule 2021
- Draft Audited Financial Statements Dec 31, 2021
- 2021 Management Letter
- 2021 Audit Findings

RVCA Reserves Continuity Schedule with 2021 Proposed Transfers

Description	Balance YE 2020	2021 Changes		Balance YE 2021
		Decrease	Increase	

Capital Reserves

Vehicles	136,524	0	65,267	201,791
Workshop Equipment	50,010	13,381	25,263	61,892
Trimble Equipment	28,261		-	28,261
Environmental Science Equipment	100,000		139,123	239,123
Ottawa Water Control Structures	179,793		120,599	300,392
Britannia Water Control Structure	43,000		21,500	64,500
Conservation Areas Infrastructure	301,740		144,866	446,606
Topographical Data	85,000		10,000	95,000
Flood Event Aerial Imaging	52,000		12,000	64,000
Drape Imagery Acquisition	20,000	10,539	3,000	12,461
			83,819	83,819
Information Management System	57,624			57,624
Solar Power				0
				0
Mike 11	48,000		6,000	54,000
Subtotal	1,101,952	23,920	631,437	1,709,469

Building Life Cycle Reserve	713,550		70,000	783,550
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Program Reserves

Part 8 Program	420,284		133,375	553,659
Watershed Science & Engineering	117,500		139,123	256,623
Stewardship	93,065		53,946	147,011
LRC Production Centre	100,800			100,800
ORWC	180,724		17,292	198,016
Conservation Lands	91,443			91,443
Corporate Communications	90,491			90,491
Part IV	523			523
Planning & Regulations	483,017		57,976	540,993
Subtotal	1,577,847	0	401,712	1,979,559

Working Fund Reserve

Working Fund Reserve	1,103,104	168,750	278,262	1,212,616
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Total Reserves 4,496,453 192,670 1,381,411 5,685,194

Highlighted cells indicate required or standard transfers.

Discretionary Reserves	1,038,714
Required Reserves	342,967
Net Transfers	1,188,741

DRAFT FOR DISCUSSION PURPOSES ONLY

RIDEAU VALLEY CONSERVATION AUTHORITY

FINANCIAL STATEMENTS

December 31, 2021

RIDEAU VALLEY CONSERVATION AUTHORITY

December 31, 2021

CONTENTS

	Page
MANAGEMENT RESPONSIBILITY	
INDEPENDENT AUDITOR'S REPORT	
FINANCIAL STATEMENTS	
Statement of Financial Position	1
Statement of Operations	2
Statement of Change in Net Financial Assets	3
Statement of Cash Flows	4
Notes to the Financial Statements	5 - 17
Reserves - Schedule 1	18
Program Revenues - Schedule 2	19
Program Expenditures - Schedule 3	20 - 21

RIDEAU VALLEY CONSERVATION AUTHORITY

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The accompanying financial statements of the Rideau Valley Conservation Authority are the responsibility of the Authority's management and have been prepared in compliance with legislation, and in accordance with Canadian Public Sector Accounting Standards. A summary of significant accounting policies are described in note 2 to the financial statements. The preparation of financial statements necessarily involved the use of estimates based on management's judgement, 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 compliance with legislative and regulatory requirements, and reliable financial information is available on a timely basis for preparation of financial statements. These systems are monitored and evaluated by management.

The Audit Committee and management meet with the external auditors to review the financial statements and discuss any significant financial reporting or internal control matters. The Board of Directors meets with management subsequently to review these same matters prior to the Board's approval of the financial statements.

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

Sommer Casgrain-Robertson, CAO

Independent Auditor's Report

To the members of Rideau Valley Conservation Authority:

Opinion

We have audited the financial statements of Rideau Valley Conservation Authority (the "Organization"), which comprise the statement of financial position as at December 31, 2021, and the statements of operations, changes in net financial assets and cash flows 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 Organization as at December 31, 2021, and the results of its operations, changes in its 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 Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Organization 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 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 Organization'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 Organization or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Organization'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 Organization'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 Organization'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 Organization 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.

Cornwall, Ontario

The logo for MNP LLP, featuring the letters 'MNP' in a large, bold, sans-serif font, with 'LLP' in a smaller, similar font to the right.

Chartered Professional Accountants

Licensed Public Accountants

RIDEAU VALLEY CONSERVATION AUTHORITY

STATEMENT OF FINANCIAL POSITION

As at December 31, 2021

	2021	2020
NET FINANCIAL ASSETS		
Assets		
Cash	\$ 7,982,094	\$ 4,779,834
Short-term investments (Note 3)	400,000	300,007
Accounts receivable (Note 4)	809,015	2,358,179
Long-term investments (Note 3)	1,350,920	1,450,913
	10,542,029	8,888,933
Liabilities		
Accounts payable and accrued liabilities	1,999,088	1,922,319
Vacation pay and other leave entitlements	237,001	226,099
Deferred revenue (Note 6)	1,998,431	1,665,577
Non pension post-retirement benefits obligation (Note 7)	454,361	446,677
Obligation under capital lease (Note 9)	2,107,727	2,310,431
	6,796,608	6,571,103
Net Financial Assets	3,745,421	2,317,830
NON-FINANCIAL ASSETS		
Tangible capital assets (Note 10)	10,645,014	10,860,453
Prepaid expenses	77,665	60,027
Non-Financial Assets	10,722,679	10,920,480
Contingent Liabilities (Note 11)		
ACCUMULATED SURPLUS		
Accumulated Surplus	\$ 14,468,100	\$ 13,238,310

Approved on behalf of the Board of Directors

Director

RIDEAU VALLEY CONSERVATION AUTHORITY

STATEMENT OF OPERATIONS

For the year ended December 31, 2021

	(Note 17) BUDGET 2021	ACTUAL 2021	ACTUAL 2020
REVENUE			
Municipal levies	\$ 6,248,836	\$ 6,248,836	\$ 6,037,522
Special municipal levies			
Rideau River Ice Management	1,038,292	1,005,837	912,334
Water Control infrastructure			
Reserve	10,000	10,000	10,000
Operation and maintenance	40,000	40,000	40,000
Water Quality Monitoring	158,696	158,696	110,974
Britannia Water Control Structure	21,500	21,500	21,500
Provincial Funding			
Ministry of Natural Resources			
Operating grant	107,422	125,286	125,286
Drinking Water Source Protection (Note 14)	209,746	199,083	180,745
Program revenues (Schedule 2)			
Watershed Sciences and Engineering Services	321,781	280,704	157,267
Planning Advisory and Regulatory Services	1,270,650	1,527,702	1,342,349
Stewardship Services	962,230	832,524	820,103
Conservation Land Management Services	1,256,035	348,805	321,418
Corporation Services	191,000	123,679	121,791
Other Income			
Capital projects	50,000	78,808	449,538
Total Revenues	11,886,188	11,001,460	10,650,827
EXPENDITURES			
Program expenditures (Schedule 3)			
Watershed Sciences and Engineering Services	3,316,388	3,091,837	3,325,347
Planning Advisory and Regulatory Services	2,314,201	2,393,688	2,270,895
Stewardship Services	1,632,313	1,381,300	1,359,268
Conservation Land Management Services	1,327,078	1,244,483	1,120,294
Corporate Services	1,585,831	1,629,188	1,647,592
Non Pension Post Retirement Benefit Obligation	30,380	31,174	37,733
Total Expenditures	10,206,191	9,771,670	9,761,129
NET SURPLUS FOR THE YEAR	1,679,997	1,229,790	889,698
ACCUMULATED SURPLUS, beginning of year	13,238,310	13,238,310	12,348,612
ACCUMULATED SURPLUS, end of year	\$ 14,918,307	\$ 14,468,100	\$ 13,238,310

See Accompanying Notes

RIDEAU VALLEY CONSERVATION AUTHORITY
STATEMENT OF CHANGE IN NET FINANCIAL ASSETS

For the year ended December 31, 2021

	(Note 17) BUDGET 2021	ACTUAL 2021	ACTUAL 2020
Net surplus for the year	\$ 1,679,997	\$ 1,229,790	\$ 889,698
Amortization of tangible capital assets	273,877	295,164	289,476
Amortization of buildings under capital lease	146,313	146,313	146,313
Acquisition of tangible capital assets	(45,000)	(232,791)	(399,011)
Change in prepaid expenses	-	(17,638)	(2,841)
Gain on disposal of tangible capital assets	-	(6,511)	(5,644)
Proceeds on disposal of tangible capital assets	-	13,264	38,903
Increase in net financial assets	2,055,187	1,427,591	956,894
Net financial assets, beginning of year	2,317,830	2,317,830	1,360,936
Net financial assets, end of year	4,373,017	\$ 3,745,421	\$ 2,317,830

RIDEAU VALLEY CONSERVATION AUTHORITY

STATEMENT OF CASH FLOWS

For the year ended December 31, 2021

	2021	2020
CASH FROM (USED IN) OPERATING ACTIVITIES		
Net surplus for the year	\$ 1,229,790	\$ 889,698
Items not affecting cash or equivalent		
Amortization of tangible capital assets	295,164	289,476
Amortization of buildings under capital lease	146,313	146,313
Gain on disposal of tangible capital assets	(6,511)	(5,644)
Changes in non-cash working capital balances		
Accounts receivable	1,549,164	(769,435)
Accounts payable and accrued liabilities	76,769	694,757
Vacation pay and other leave entitlements	10,902	(3,483)
Deferred revenue	332,854	64,027
Non pension post retirement benefit obligation	7,684	11,271
Prepaid expenses	(17,638)	(2,841)
	3,624,491	1,314,139
CASH USED IN CAPITAL ACTIVITIES		
Proceeds on disposal of tangible capital assets	13,264	38,903
Acquisition of tangible capital assets	(232,791)	(399,011)
	(219,527)	(360,108)
CASH FROM (USED IN) INVESTING ACTIVITIES		
(Purchase) redemption of short-term investments	(99,993)	50,461
Redemption (purchase) of long-term investments	99,993	(50,913)
	-	(452)
CASH FROM FINANCING ACTIVITIES		
Capital lease payments	(202,704)	(255,568)
	3,202,260	698,011
INCREASE IN CASH		
CASH, beginning of year	4,779,834	4,081,823
CASH, end of year	\$ 7,982,094	\$ 4,779,834

RIDEAU VALLEY CONSERVATION AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS

For the year ended December 31, 2021

1. STATUS OF THE AUTHORITY

The Rideau Valley Conservation Authority (the 'Authority') is established under the Conservation Authorities Act of Ontario to maintain and improve the quality of the valley environment through watershed planning, cooperative resource management and conservation awareness. The Authority is exempt from income taxes.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Rideau Valley Conservation Authority are the representations of management and have been prepared in accordance with Canadian Public Sector Accounting Standards. The financial statements include the following significant accounting policies:

Basis of Accounting

The financial statements reflect financial assets, liabilities, operating revenues and expenditures, reserves, reserve funds and changes in investment in tangible capital assets of the Authority.

The financial statements are prepared using the accrual basis of accounting. The accrual basis of accounting records revenue as it is earned and measurable. Expenditures are recognized as they are incurred and measurable based on receipt of goods and services and/or the creation of a legal obligation to pay.

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They have useful lives extending beyond the current year, and are not intended for sale in the ordinary course of operations. The change in non-financial assets during the year, together with the excess of revenues over expenses, provides the Change in Net Financial Assets for the year.

Revenue Recognition

Municipal levies are recognized in the financial statements as revenues in the period in which they are levied.

Government transfers are recognized in the financial statements as revenues 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 amounts can be made.

The Authority defers recognition of user charges and fees which have been collected but for which the related services have yet to be performed. These amounts will be recognized as revenues in the fiscal year the services are performed.

Cash and Cash Equivalents

The Authority considers cash and cash equivalents to be highly liquid investments with original maturities of three months or less.

Investments

Short-term and long-term investments are recorded at cost plus accrued interest. If the market value of investments become lower than cost and the decline in value is considered to be other than temporary, the investments are written down to market value.

RIDEAU VALLEY CONSERVATION AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS

For the year ended December 31, 2021

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Tangible Capital Assets

Tangible capital assets are recorded at cost, which include all amounts that are directly attributable to acquisition, construction, development or betterment of the asset. The cost, less residual value, of the tangible capital assets are amortized on a straight-line basis over their estimated useful lives as follows:

	Estimated Useful Life
Buildings	20 - 50 years
Building under Capital Lease	50 years
Infrastructure < Dams / Berms / Dykes	20 - 25 years
< Bridges / Boardwalks	20 - 30 years
< Vehicles	7 years
< Machinery and Equipment	5 - 15 years
< Computer and IT Equipment	5 - 20 years
< Office and Audio Equipment	5 - 20 years

Amortization is charged from the date of acquisition. Assets under construction are not amortized until the asset is available for productive use.

When tangible capital assets are disposed of, either by way of a sale, destruction or loss, or abandonment of the asset, the asset's net book value, historical cost less accumulated amortization, is written off. Any resulting gain or loss, equal to the proceeds on disposal less the asset's net book value, is reported on the statement of operations in the year of disposal. Transfers of assets to third parties are recorded as an expense equal to the net book value of the asset as of the date of transfer.

When conditions indicate that a tangible capital asset no longer contributes to the Authority's ability to provide services or the value of the future economic benefits associated with the tangible capital asset are less than its net book value, and the decline is expected to be permanent, the cost and accumulated amortization of the asset are reduced to reflect the revised estimate of the value of the asset's remaining service potential. The resulting net adjustment is reported as an expense on the statement of operations.

The Authority has a capitalization threshold of \$5,000 so that individual capital assets of lesser value are expensed, unless they are pooled because, collectively, they have significant value, or for operating reasons.

Tangible capital assets received as contributions are recorded at their fair value at the date of receipt, and that fair value is also recorded as revenue. Similarly, transfers of assets to third parties are recorded as an expense equal to the net book value of the assets as of the date of transfer.

Leases

Leases are classified as capital or operating leases. Leases which transfer substantially all of the benefits and risks incidental to ownership of property are accounted for as capital leases. All other leases are accounted for as operating leases and the related lease payments are charged to expenses as incurred.

RIDEAU VALLEY CONSERVATION AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS

For the year ended December 31, 2021

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Pension and Employee Benefits

The Authority participates in the Ontario Municipal Employees Benefit Retirement System ('OMERS'), a multi-employer public sector pension fund, which is a defined benefit plan. As sufficient information is not available to apply defined benefit plan accounting, the Authority accounts for the plan as a defined contribution plan. The OMERS plan specifies the retirement benefits to be received by employees based on length of service and pay rates.

Employee benefits include vacation entitlement which are accrued as entitlements are they are earned in accordance with the Authority's policy.

The Authority provides Post-Retirement Benefits in the form of employer paid group insurance premiums commencing on retirement and payable until the attainment of age 65. The annual cost of the benefit obligation will be charged as a program expenditure.

Deferred Revenues

The Authority receives restricted contributions under the authority of Federal and Provincial legislation and Authority by-laws. These funds by their nature are restricted in their use and until applied to applicable costs are recorded as deferred revenue. Amounts applied to qualifying expenses are recorded as revenue in the fiscal period they are expended.

Deferred revenue represents certain user charges and fees which have been collected but for which the related services have yet to be performed. These amounts are recognized as revenue in the fiscal year the services are performed or related expenses incurred.

Reserves

Reserves for future expenditures and contingencies are established as required at the discretion of the Board members of the Authority. Increases or decreases in these reserves are made by appropriations to or from operations.

Financial Instruments

The Authority recognizes its financial instruments when the authority becomes party to the contractual provisions of the financial instrument. All financial instruments are initially recorded at their fair value.

All financial assets and liabilities are subsequently measured at amortized cost.

Transaction costs are added to the carrying amount for those financial instruments subsequently measured at amortized cost.

All financial assets are tested annually for impairment. Management considers recent collection experience for the financial assets, such as a default or delinquency in interest or principal payments in determining whether objective evidence of impairment exists. Any impairment which is not considered temporary is recorded in the statement of operations. Write-downs of financial assets at amortized costs to reflect losses in value are not reversed for subsequent increases in value.

RIDEAU VALLEY CONSERVATION AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS

For the year ended December 31, 2021

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Measurement Uncertainty

The preparation of financial statements 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 expenditures during the period. Actual results could differ from these estimates. These estimates are reviewed periodically and as adjustments become necessary, they are recorded in the financial statements in the period in which they become known. Significant estimates include estimated useful life of tangible capital assets, the valuation of allowances for doubtful accounts receivable, and future employment benefits.

Contributed services

Volunteers contribute significant time to the delivery of the Authority's programs. Due to the difficulty in determining the fair value of these contributions, contributed services are not recognized in the financial statements

Corporate Services Program Revenues and Expenditures

Internal charges are made to allocate common overhead expenses, payroll burden and vehicle charges to all program areas. Actual expenditures are applied to these recovery revenues at year end which results in a net surplus or expenditure each year. These net amounts are included in Corporate Services - Administration and Finance - Program Expenditures.

Contaminated Sites

Contaminated sites are the result of contamination being introduced in air, soil, water or sediment of a chemical, organic, or radioactive material or live organism that exceed an environmental standard. A liability for remediation of contaminated sites is recognized, net of any expected recoveries, when all of the following criteria are met: a) an environmental standard exists; b) contamination exceeds the environmental standard; c) the organization is directly responsible or accepts responsibility for the liability; d) future economic benefits will be given up; and e) a reasonable estimate of the liability can be made.

3. INVESTMENTS

Short-term investments consist of GIC's with interest rates between 1.80% - 2.15% (2020 - 1.6%) maturing in July 2022. Long-term investments consist of GIC's with interest rates between 1.11% - 3.2% (2020 - 1.6% - 3.2%) maturing between June 2023 and July 2026.

4. ACCOUNTS RECEIVABLE

	2021	2020
Trade and other	\$ 440,710	\$ 460,689
Rideau Valley Conservation Foundation (Note 15)	136,476	310,241
City of Ottawa	231,829	1,587,249
	\$ 809,015	\$ 2,358,179

RIDEAU VALLEY CONSERVATION AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS

For the year ended December 31, 2021

5. CREDIT FACILITY

The Authority maintains an operating line facility with the Bank of Montreal of \$750,000 which bears interest at prime + 0.25% and is due on demand. As of December 31, 2021, no balance (2020 \$Nil) was payable under the facility.

6. DEFERRED REVENUES

	2021	2020
Conservation Land Management Services	\$ 4,500	\$ 6,000
Watershed Sciences and Engineering Services	70,370	131,569
Planning Advisory & Regulatory Services	206,846	173,056
Stewardship Services	1,273,454	1,354,952
Municipal levies - City of Ottawa	443,261	-
	\$ 1,998,431	\$ 1,665,577

7. NON PENSION POST RETIREMENT BENEFIT OBLIGATION

The Authority's employee benefits plan consists of employer-paid group insurance premiums for extended health care and dental care, as well as life insurance coverage. Benefits commence on retirement and are payable for five years, or until the employee reaches the age of sixty-five, if earlier.

The valuation was based on a number of assumptions about future events such as inflation rates, interest rates, medical and dental inflation rates, wage and salary increases, and employee turnover and mortality.

An actuarial valuation was performed for accounting purposes on February 11, 2020.

The accrued benefit obligation as at December 31, 2021 consists of the following components:

	2021	2020
Accrued benefit obligation, beginning of year	\$ 446,677	\$ 435,406
Current service cost	22,696	21,771
Benefits paid during the year	(30,000)	(25,000)
Interest accrued	17,241	16,753
Unamortized Gain/(Loss)	(2,253)	(2,253)
Expected accrued benefit obligation, end of year	\$ 454,361	\$ 446,677

8. PENSION CONTRIBUTIONS

The Authority is a member of the Ontario Municipal Employees Retirement System ('OMERS'), which is a multi-employer plan. The plan is a contributory defined benefit plan which specifies the amount of the retirement benefit to be received by the employees based on the length of service and rates of pay. Employers and employees contribute to the plan. Since any surpluses or deficits are a joint responsibility of all Ontario municipalities and their employees, the Authority does not recognize any share of the OMERS pension surplus or deficit in these financial statements.

The amount contributed to OMERS was \$383,692 (2020 - \$391,864) for current services and is included as an expenditure on the Statement of Operations classified under the appropriate functional expenditure.

RIDEAU VALLEY CONSERVATION AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS

For the year ended December 31, 2021

9. OBLIGATION UNDER CAPITAL LEASE

The Rideau Valley Conservation Authority is committed to total annual payments including interest under capital lease as follows:

2022	\$ 322,793
2023	322,793
2024	322,793
2025	322,793
2026	322,793
and thereafter	\$ 1,534,535

The Authority has entered into a twenty year lease agreement with the City of Ottawa for the new office building located in Beryl Gaffney Park which expires August 2030. Minimum annual payments are based on the annual debt charges that the City will incur on a twenty year debenture of \$4,735,000. The effective interest rate as of December 31, 2021 was 5.69% (2020 - 5.16%). In addition, an annual park development fee of \$32,000 will be paid to the City for the term of the lease. Rent and park development fees (excluding HST) in the amount of \$354,793 were paid for 2021 (2020 - \$415,835). Interest on the obligation was paid in the amount of \$120,089 (2020 - \$128,267).

In accordance with Article 2.04 of the building lease, monthly payments are based on estimated debt charges and will be amended to reflect actual debt charges.

The present value of the obligation at December 31, 2021, under the terms of the capital lease, is \$2,107,727 (2020 \$2,310,431).

At the end of the term, the Authority shall have the option to purchase the building for \$1. In no event shall acquisition of the building include the demised lands.

RIDEAU VALLEY CONSERVATION AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS

For the year ended December 31, 2021

10. TANGIBLE CAPITAL ASSETS

Cost	Opening	Additions	Transfers	Disposals	Closing
Land	\$ 1,977,823	\$ -	\$ -	\$ -	\$ 1,977,823
Buildings	1,876,142	-	-	-	1,876,142
Building Under Capital Lease	7,315,669	-	-	-	7,315,669
Infrastructure					
Dams/Berms/Dykes	9,399,096	-	-	-	9,399,096
Bridges/Boardwalks	538,212	-	-	-	538,212
Vehicles	791,716	-	-	-	791,716
Machinery and Equipment	504,662	199,031	-	(38,045)	665,648
Computers and IT equipment	435,260	21,872	-	-	457,132
Office and Audio Visual					
Equipment	154,246	5,493	-	-	159,739
Assets Under Construction	25,760	6,395	-	-	32,155
	\$ 23,018,586	\$ 232,791	\$ -	\$ (38,045)	\$ 23,213,332

Accumulated Amortization	Opening	Additions	Disposals	Closing
Buildings	\$ 1,184,087	\$ 34,834	\$ -	\$ 1,218,921
Building Under Capital Lease	1,914,266	146,313	-	2,060,579
Infrastructure				
Dams/Berms/Dykes	7,452,732	104,977	-	7,557,709
Bridges/Boardwalks	355,040	19,165	-	374,205
Vehicles	565,534	59,075	-	624,609
Machinery and Equipment	308,949	34,684	(31,292)	312,341
Computers and IT equipment	307,309	31,013	-	338,322
Office and Audio Visual				
Equipment	70,216	11,416	-	81,632
	\$ 12,158,133	\$ 441,477	\$ (31,292)	\$ 12,568,318

Net Book Value	2021	2020
Land	\$ 1,977,823	\$ 1,977,823
Buildings	657,221	692,055
Buildings Under Capital Lease	5,255,090	5,401,403
Infrastructure		
Dams/Berms/Dykes	1,841,387	1,946,364
Bridges/Boardwalks	164,007	183,172
Vehicles	167,107	226,182
Machinery and Equipment	353,307	195,713
Computers and IT equipment	118,810	127,951
Office and Audio Visual		
Equipment	78,107	84,030
Assets Under Construction	32,155	25,760
	\$ 10,645,014	\$ 10,860,453

RIDEAU VALLEY CONSERVATION AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS

For the year ended December 31, 2021

11. CONTINGENT LIABILITIES

The nature of conservation authority activities is such that there may be litigation pending or in prospect at any time. With respect to claims as at December 31, 2021 management believes that the Authority has valid defenses and appropriate insurance coverages in place. In the event any claims are successful, the amount of any potential liability is not determinable, therefore, no amount has been accrued in the financial statements.

12. ACCUMULATED SURPLUS

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

	2021	2020
Unrestricted Surplus	245,619	191,835
Invested in Tangible Capital Assets		
Tangible capital assets	\$ 10,645,014	\$ 10,860,453
Obligation under capital lease	(2,107,727)	(2,310,431)
	8,537,287	8,550,022
Reserves		
Capital Reserves	1,709,469	1,101,952
Building Life Cycle Reserve	783,550	713,550
Working Fund Reserve	1,212,616	1,103,104
Program Reserves		
Stewardship	147,011	93,065
Part VIII Program	553,659	420,284
LRC Production Centre	100,800	100,800
ORWC	198,016	180,724
Conservation Lands	91,443	91,443
Planning and Regulations	540,992	483,016
Watershed Science and Engineering	256,623	117,500
Corporate Communications	90,491	90,491
Part IV	524	524
Total reserves	5,685,194	4,496,453
Accumulated Surplus	\$ 14,468,100	\$ 13,238,310

13. SPECIAL LEVY ON MEMBER MUNICIPALITIES

The Authority's share of the cost of the Rideau River Ice Management - City of Ottawa was funded by a special levy on the benefiting municipality for 2021 of \$1,005,837 (2020 - \$912,334). Other special levies in 2021 from the City of Ottawa include Water Control Infrastructure \$10,000 (2020 - \$10,000), Water Control Infrastructure Operation and Maintenance \$40,000 (2020 - \$40,000), Water Quality Monitoring \$158,696 (2020 - \$110,974), and Britannia Water Control Structure Reserve \$21,500 (2020 - \$21,500).

RIDEAU VALLEY CONSERVATION AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS

For the year ended December 31, 2021

14. SOURCE WATER PROTECTIONS

The Authority is receiving funding support for the Drinking Water Source Protection Program. Funds are to be used to lead and deliver the local source protection program for the Mississippi-Rideau Source Protection Region. This project will be delivered with the collaboration of the Mississippi Valley Conservation Authority. Any unspent funds are repayable to the Province.

15. RELATED PARTY

The Authority has an economic interest in the Rideau Valley Conservation Foundation. During the year, the Rideau Valley Conservation Foundation transferred donations of \$44,131 (2020 - \$17,579), grant revenue of \$nil (2020 - \$40,346), Species at Risk program revenue of \$17,074 (2020 - \$100,805) and Shoreline program revenue of \$71,852 (2020 - \$138,378) in addition, expense reimbursements of \$3,418 (2020 - \$13,133) to the Authority. Of these transfers, \$136,475 (2019 \$310,241) is outstanding at year end. Amounts owing are due on demand, non-interest-bearing and have no specific terms of repayment but are expected to be paid after the Foundation's Annual General Meeting, held annually in June.

The Foundation funds are used to support the conservation programs of the Authority to protect and conserve the lands and waters of the valley of the Rideau River in Eastern Ontario. All transactions between the Authority and the Foundation are recorded at fair market value.

16. LIABILITIES FOR CONTAMINATED SITES

The Authority reports environmental liabilities related to the management and remediation of contaminated sites where the Authority is obligated or likely obligated to incur such costs. A contaminated site liability of \$Nil (2020 - \$Nil) has been recorded based on environmental assessments or estimations for those sites where an assessment has not been conducted. The Authority's ongoing efforts to assess contaminated sites may result in additional environmental remediation liabilities related to newly identified sites, or changes in the assessments or intended use of existing sites. Any changes to the Authority's liabilities for contaminated sites will be accrued in the year in which they are assessed as likely and reasonably estimable.

RIDEAU VALLEY CONSERVATION AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS

For the year ended December 31, 2021

17. BUDGET AMOUNTS

The 2021 budget amounts that were approved on February 25, 2021 were not prepared on a basis consistent with that used to report actual results (Public Sector Accounting Standards). The budget included capital items such as infrastructure replacements and estimated costs for constructed assets, as program expenses, but the actual expenses have been removed in the Statement of Operations. The revenues attributable to these items continue to be included in the Statement of Operations, resulting in a significant positive variance.

The following analysis is provided to assist readers in their understanding of differences between the approved budget and the audited financial statements:

	Approved Budget	Actual
Surplus for the year per Statement of Operations	\$ 1,679,997	\$ 1,229,790
Assets capitalized as tangible capital assets	(2,126,000)	(232,791)
Gain on disposal of tangible capital assets	-	(6,511)
Amortization	-	441,467
Proceeds on disposal of tangible capital assets	-	13,264
Repayment of obligation under capital lease	(202,704)	(202,704)
Transfers from reserves	788,000	192,670
Transfers to reserves	(139,293)	(1,381,411)
Adjusted surplus for the year	\$ -	\$ 53,774

18. SEGMENTED INFORMATION

Certain allocation methodologies are employed in the preparation of segmented financial information. Government grants, user charges, transfers from other funds, and other revenues are allocated to the specific program or service they relate to. Expense allocations are both internal and external. The basis of accounting for inter-segment transfers is at cost using activity based costing for the allocation of internal support costs to departments. These costs include the net expenditures for departments, such as human resources, information systems, finance and others, commonly referred to as overhead.

Rideau Valley Conservation Authority segments its activities into five main program areas which are reported in the accompanying supplementary schedules to the financial statements.

Watershed Sciences and Engineering Services

Watershed management and health monitoring program costs and revenues are those required to develop the framework and management strategy to provide a rational approach to natural systems protection, restoration and use. The main activities included in this segment are watershed and sub watershed plans, resource inventory and environmental monitoring, flood protection services and source water protection.

Planning Advisory and Regulatory Services

Planning advisory and regulatory services include costs and revenues associated with the approval of development applications or rendering of opinions on the impact of development applications on natural hazards, natural heritage resources and water resources as provided under provincial legislation which includes the Planning Act, Conservation Authorities Act and the Environmental Assessment Act.

RIDEAU VALLEY CONSERVATION AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS

For the year ended December 31, 2021

18. SEGMENTED INFORMATION (Continued)

Stewardship Services

The stewardship services costs and revenues are those associated with providing service and assistance to private and public landowners on sound environmental practices that will enhance, restore or protect lands and natural features. This category includes activities such as fisheries rehabilitation, tree planting and reforestation, wildlife habitat improvements, management plans, agricultural best practices and erosion control services.

Conservation Land Management Services

The conservation land management services includes all expenses and revenues associated with lands, improvements, buildings and structures owned by Rideau Valley Conservation Authority. It also includes active programming on some Authority lands.

Corporate Services

Corporate services includes management and non-program specific costs and revenues. These include internal support service costs such as senior management costs, board costs, office services, financial services, human resources, information technology and corporate communications.

19. SIGNIFICANT EVENT

In the prior year, the outbreak of the novel strain of the coronavirus, specifically identified as "COVID-19", has resulted in a widespread health crisis that has affected economies and financial markets around the world resulting in an economic downturn. The current year impact of this outbreak has caused staff shortages, reduced demand on programming offered by the Authority, increased government regulations or interventions and decrease in government funding. The duration and impact of the COVID-19 outbreak is unknown at this time and it is not possible to reliably estimate the length and severity of these developments.

RIDEAU VALLEY CONSERVATION AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS

For the year ended December 31, 2021

20. SEGMENTED DISCLOSURES

	Watershed Sciences & Engineering Services	Planning Advisory & Regulatory Services	Stewardship Services	Conservation Land Management Services	Corporate Services & Internal Recoveries	2021	2020
Revenues							
Levies	\$ 2,885,484	\$ 1,032,551	\$ 670,083	\$ 1,039,043	\$ 1,857,708	7,484,868	7,132,330
User fees, program revenues & other	669,459	1,542,124	760,671	336,836	53,374	3,362,464	3,222,100
Interest revenue	-	-	-	-	70,305	70,305	79,401
Donations	-	-	71,853	11,970	-	83,823	216,996
	3,554,943	2,574,675	1,502,607	1,387,849	1,981,387	11,001,460	10,650,827
Expenses							
Amortization	116,633	2,736	2,667	48,489	270,952	441,477	435,790
Charge - common cost	193,586	287,205	95,577	102,154	201,833	880,355	841,115
Charge - vehicle & equipment	4,900	45,847	25,904	64,739	12,195	153,585	145,376
Operating expenses	1,521,231	212,242	649,628	352,244	770,194	3,505,539	3,745,487
Interest on capital lease	-	-	-	-	157,771	157,771	167,023
Recovery - common costs	-	-	-	-	(874,457)	(874,457)	(831,539)
Recovery - LRC	-	-	-	-	(25,956)	(25,956)	(17,540)
Recovery - vehicle & equipment	-	-	-	-	(185,975)	(185,975)	(176,839)
Salaries, wages & benefits	1,254,567	1,845,659	607,525	676,857	1,303,549	5,688,157	5,414,522
	3,090,917	2,393,689	1,381,301	1,244,483	1,630,106	9,740,496	9,723,395
Non Pension Retirement Benefits	-	-	-	-	31,174	31,174	37,733
Net Surplus	\$ 464,026	\$ 180,986	\$ 121,306	\$ 143,366	\$ 320,107	1,229,790	889,699

RIDEAU VALLEY CONSERVATION AUTHORITY

NOTES TO THE FINANCIAL STATEMENTS

For the year ended December 31, 2021

21. RISK MANAGEMENT

In the normal course of operations, the Authority is exposed to a variety of financial risks which are actively managed by the Authority.

The Authority's financial instruments consist of cash, investments, accounts receivable, accounts payable and accrual liability, accrued vacation and other leave entitlements.

The Authority's exposure to and management of risk has not changed materially from December 31, 2020.

Credit Risk

Credit Risk arises from the possibility that the entities to which the Authority provides services to may experience difficulty and be unable to fulfil their obligations. The Authority is exposed to financial risk that arises from the credit quality of the entities to which it provides services. The Authority has a large outstanding receivable from the City of Ottawa that totals to 27% (2020 - 67%) of the Authority's entire receivable balance. As a result, the requirement for credit risk related reserves for accounts receivable is minimal.

Interest Rate Risk

Interest rate risk arises from the possibility that the value of, or cash flows related to, a financial instrument will fluctuate as a result of changes in market interest rates. The Authority is exposed to financial risk that arises from the interest rate differentials between the market interest rate and the rates on its cash, investments and operating loan. Changes in variable interest rates could cause unanticipated fluctuations in the Authority's operating results.

Liquidity Risk

Liquidity risk is the risk that the Authority will not be able to meet its obligations as they fall due. The Authority requires working capital to meet day-to-day operating activities. Management expects that the Authority's cash flows from operating activities will be sufficient to meet these requirements.

RIDEAU VALLEY CONSERVATION AUTHORITY

RESERVES

Schedule 1

For the year ended December 31, 2021

CONTINUITY OF RESERVES

	2021	2020
Reserves and reserve fund balances, beginning of year	\$ 4,496,451	\$ 3,921,653
Net transfers from operations approved by board	1,188,741	574,798
Reserves and reserves fund balances, end of year	\$ 5,685,192	\$ 4,496,451

COMPOSITION OF RESERVES

	2021	2020
Capital Reserves	\$ 1,709,469	\$ 1,101,952
Building Life Cycle Reserve	783,550	713,550
Working Fund Reserve	1,212,616	1,103,104
Program Reserves	147,011	93,065
Stewardship	553,659	420,284
Part VIII Program	100,800	100,800
LRC Production Centre	198,016	180,724
ORWC	91,443	91,443
Conservation Lands	540,992	483,016
Planning and Regulations	256,623	117,500
Watershed Science and Engineering	90,491	90,491
Corporate Communications	524	523
Part IV	524	523
Total	\$ 5,685,194	\$ 4,496,452

RIDEAU VALLEY CONSERVATION AUTHORITY

PROGRAM REVENUES

Schedule 2

For the year ended December 31, 2021

	(Note 17) Budget	2021	2020
Watershed Sciences and Engineering Services			
Surface Water Quality Monitoring	\$ -	\$ 5,652	\$ 9,783
Hydrometric Monitoring and Forecasting	230,000	2,492	5,552
Flood Erosion and Drought Studies	53,781	163,635	134,058
Ground Water Monitoring	-	-	-
Aquatic and Terrestrial Habitat Monitoring	38,000	67,762	7,874
Water Control Operations	-	41,163	-
	321,781	280,704	157,267
Planning Advisory and Regulatory Services			
Plan Review	353,736	435,155	371,595
Section 28 Conservation Authorities Act	290,496	308,546	294,994
Septic Re-Inspection Program	61,547	45,027	24,055
Part VIII Building Code Act	550,254	733,700	651,705
Part IV Clean Water Act	14,617	5,274	-
	1,270,650	1,527,702	1,342,349
Stewardship Services			
Private Land Forestry	605,932	630,628	540,434
Clean Water Program	206,000	52,643	124,437
Other	150,298	149,253	155,232
	962,230	832,524	820,103
Conservation Land Management Services			
Program Management and Land Donations	20,000	-	4,170
Baxter	1,086,325	138,727	90,749
Foley Mountain	79,710	96,233	75,804
Other Developed Conservation Areas	30,000	55,645	110,037
Other Conservation Areas	8,000	26,200	9,903
Lease and Management Agreements	32,000	32,000	30,755
	1,256,035	348,805	321,418
Corporate Services			
Administration and Finance	50,000	91,210	119,596
Communications	1,000	24,334	2,195
Watershed Information Management System	140,000	8,135	-
	191,000	123,679	121,791
Total Program Revenues	\$ 4,001,696	\$ 3,113,414	\$ 2,762,928

RIDEAU VALLEY CONSERVATION AUTHORITY

PROGRAM EXPENDITURES

Schedule 3

For the year ended December 31, 2021

	(Note 17) Budget	2021	2020
Watershed Sciences and Engineering Services			
Program Management	\$ 101,261	\$ 97,361	\$ 105,241
Watershed Report Cards	160,659	161,252	94,592
Drinking Water Source Protection (Note 13)	209,746	199,083	183,459
Surface Water Quality Monitoring	445,690	391,142	424,288
Hydrometric Monitoring and Forecasting	271,388	282,742	259,224
Flood, Erosion and Drought Studies	401,159	524,033	333,607
Ground Water Monitoring	113,575	61,747	47,693
Aquatic and Terrestrial Habitat Monitoring	391,776	143,293	208,726
Water Control Infrastructure			
Operations	132,842	(12,229)	104,583
Capital Maintenance	50,000	70,953	486,140
Rideau River Ice Management	1,038,292	1,055,837	962,334
Amortization	-	116,623	115,460
	3,316,388	3,091,837	3,325,347
Planning Advisory and Regulatory Services			
Program Management	132,418	121,425	144,473
Plan Review	840,881	869,566	687,250
Section 28 Conservation Authorities Act	714,484	741,697	862,273
Part IV Clean Water Act	14,617	4,504	750
Part VIII Building Code Act	550,254	600,325	538,947
Septic Re-Inspection Program	61,547	53,435	34,466
Amortization	-	2,736	2,736
	2,314,201	2,393,688	2,270,895
Stewardship Services			
Program Management	157,257	155,598	160,702
Private Land Forestry	723,740	646,281	582,378
Clean Water Program	449,854	296,496	370,322
Shoreline Stewardship Program	226,954	230,813	204,828
Other	74,508	49,445	38,371
Amortization	-	2,667	2,667
	1,632,313	1,381,300	1,359,268
Conservation Land Management Services			
Program Management and Land Donations	99,381	85,105	43,732
Baxter Conservation Area	326,506	338,745	253,746
Foley Mountain Conservation Area	304,618	254,489	218,981
Other Developed Conservation Areas	330,036	282,351	353,739
Other Conservation Areas	234,537	203,304	188,332
Lease and Management Agreements	32,000	32,000	15,530
Amortization	-	48,489	46,234
	1,327,078	1,244,483	1,120,294

RIDEAU VALLEY CONSERVATION AUTHORITY

PROGRAM EXPENDITURES

Schedule 3 continued

For the year ended December 31, 2021

	(Note 17) Budget	2021	2020
Corporate Services			
Management and Members	\$ 326,755	\$ 304,744	\$ 279,513
Finance and Administration	526,127	433,036	465,213
Communications	283,933	247,701	212,659
Foundation	95,697	95,457	82,114
Headquarter Lease and Maintenance	157,771	157,771	167,518
Watershed Information Management System	218,244	226,310	213,045
	1,608,527	1,465,019	1,420,062
Internal Cost - Expenditures (Recoveries)			
Gain on Disposal	-	(6,511)	(5,644)
Common Cost	(22,696)	(26,814)	5,883
Vehicles and Equipment	-	(73,456)	(41,273)
Amortization	-	270,950	268,564
	(22,696)	164,169	227,530
Total Corporate Services	1,585,831	1,629,188	1,647,592
Total Program Expenditures	\$ 10,175,811	\$ 9,740,496	\$ 9,723,396

March 16, 2022

Sommer Casgrain-Robertson
Rideau Valley Conservation Authority
3889 Rideau Valley Drive PO Box 599
Manotick, ON K4M 1A5

Dear Ms. Casgrain-Robertson:

Management letter for the year ended December 31, 2021

We have recently completed our audit of Rideau Valley Conservation Authority in accordance with Canadian generally accepted auditing standards ("GAAS"). The objective of our audit was to express an opinion on the financial statements, which have been prepared in accordance with Canadian public sector accounting standards. Included in our audit was the consideration of internal control relevant to the preparation and fair presentation of the financial statements. This consideration of internal control was for the purpose of designing audit procedures that were appropriate in the circumstances. It was not for the purpose of expressing an opinion on the effectiveness of internal control or for identifying all significant control deficiencies that might exist.

An audit is not specifically designed to identify all matters that may be of interest to management in discharging its responsibilities, however, during the course of our audit, we did, identify some areas for improvement that we are bringing to your attention with this letter. It is our responsibility to communicate any significant deficiencies identified to those charged with governance. A significant deficiency in internal control is defined as a deficiency or combination of deficiencies in internal control that, in the auditor's professional judgment, is of sufficient importance to merit the attention of those charged with governance.

Deferred Revenue

Observation:

We identified areas where the funding for a specific project had a balance in both accounts receivable and deferred revenue resulting in both these balances being overstated. Although some improvements were noted in the calculation of completed projects, there continues to be proposed adjustments for the deferred portion of project revenues.

Impact:

This could cause actual surplus/deficit to be misstated.

Recommendation:

Review with each department manager the underlying assumptions used in developing the deferred revenue estimate. Ensure reports used to adjust deferred revenue can be relied upon by ensuring this data is consistent with the transactions recorded in the general ledger.

The portion of programs which have been completed in the year should be brought into income.

Management's response:

Management has been reviewing the process for adjusting deferred revenue balances.

Actuarial report

Observation:

The actuarial valuation report which is used to determine the post-retirement benefit obligation is due to be performed in 2022 for the 2023 year end. As such the 2022 balance will be based on the report issued in February of 2020.

Impact:

Due to the many economic indicators used in the calculation of this liability, the assumptions developed in early 2020 before the Covid-19 pandemic may no longer be relevant. As such, this may cause a material difference on the liability recorded.

Recommendation:

We recommend that management obtains a new valuation report a year ahead of the scheduled timeline.

We have discussed the matters in this letter with Kathy Dallaire and received her comments thereon.

We would like to express our appreciation for the co-operation and assistance we have received during the course of our audit from Kathy Dallaire and Leann Thompson.

We would be pleased to discuss with you further any matters mentioned in this letter at your convenience. This communication is prepared solely for the information of management and is not intended for any other purpose. We accept no responsibility to any third party who uses this communication.

Sincerely,

Handwritten signature of MNP LLP in black ink.

**Chartered Professional Accountants
Licensed Public Accountants**

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Rideau Valley Conservation Authority

2021 Audit Findings

Report to the Audit Committee

December 31, 2021

Ian Murphy, CPA, CA
T: (613) 209-8252
E: ian.murphy@mnp.ca



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Overview

We are pleased to submit to you this Audit Findings Report (the "Report") for discussion of our audit of the financial statements of Rideau Valley Conservation Authority (the "Organization") as at December 31, 2021 and for the year then ended. In this report we cover those significant matters which, in our opinion, you should be aware of as members of the Audit Committee.

As auditors, we report to the members on the results of our examination of the financial statements of the Organization as at and for the year ended December 31, 2021. The purpose of this Report is to assist you, as members of the Audit Committee, in your review of the results of our audit.

This Report is intended solely for the information and use of the Audit Committee and management and should not be distributed to or used by any other parties than these specified parties.

We appreciate having the opportunity to meet with you and to respond to any questions you may have about our audit, and to discuss any other matters that may be of interest to you.

Engagement Status

We have substantially completed our audit of the financial statements of the Organization which has been carried out in accordance with Canadian generally accepted auditing standards and are prepared to sign our Independent Auditor's Report subsequent to completion of the following procedure[s]:

- Receipt of the remaining outstanding legal confirmations;
- Receipt of the signed management representation letter;
- Discussion of subsequent events with the Audit Committee;
- The Audit Committee's review and approval of the financial statements.

No significant limitations were placed on the scope or timing of our audit.

Independent Auditor's Report

We expect to have the above procedures completed and to release our Independent Auditor's Report on March 18, 2022.

Unless unforeseen complications arise, our Independent Auditor's Report will provide an unmodified opinion to the members of the Organization. A draft copy of our proposed Independent Auditor's Report has been included with this report. The matters disclosed in the Independent Auditor's Report are discussed further in the relevant sections of the Report.

Audit Reporting Matters

Our audit was carried out in accordance with Canadian generally accepted auditing standards, and included a review of all significant accounting and management reporting systems, with each material year end balance, key transaction and other events considered significant to the financial statements considered separately.

Significant Audit, Accounting and Reporting Matters

Area		Comments
	Changes from Audit Service Plan	There were no deviations from the Audit Service Plan previously presented to you.
	Final Materiality	Final materiality used for our audit was \$390,000 for December 31, 2021, and \$395,000 for December 31, 2020.
	Identified or Suspected Fraud	While our audit cannot be relied upon to detect all instances of fraud, no incidents of fraud, or suspected fraud, came to our attention in the course of our audit.
	Identified or Suspected Non-Compliance with Laws and Regulations	Nothing has come to our attention that would suggest any non-compliance with laws and regulations that would have a material effect on the financial statements.
	Matters Arising in Connection with Related Parties	No significant matters arose during the course of our audit in connection with related parties of the Organization.
	Going Concern	No events or conditions identified that may cast significant doubt on the entity's ability to continue as a going concern.
	Auditor's Views of Significant Accounting Practices, Accounting Policies and Accounting Estimates	<p>The application of Canadian public sector accounting standards allows and requires the Organization to make accounting estimates and judgments regarding accounting policies and financial statement disclosures.</p> <p>As auditors, we are uniquely positioned to provide open and objective feedback regarding your Organization's accounting practices, and have noted the following items during the course of our audit that we wish to bring to your attention.</p>

Area		Comments
		The accounting policies used by the Organization are appropriate and have been consistently applied.
	Financial Statement Disclosures	The disclosures made in the notes to the financial statements appear clear, neutral and consistent with our understanding of the entity and the amounts presented in the financial statements.
	Significant Deficiencies in Internal Control	While our review of controls was not sufficient to express an opinion as to their effectiveness or efficiency we have not detected any significant deficiencies in internal controls.

Significant Risk Areas and Responses

Significant Risk Area	Response and Conclusion
Program revenue Risk that revenue is not complete due to management bias to defer revenue	Fraud risk in completeness of program revenue is addressed through work performed in deferred revenue section.
Expenses Risk in existence of payables due to management bias to reduce surplus	Fraud risk on existence of expenses surrounding year end cut off is addressed through work performed in accounts payable section.
Accounts payable and accrued liabilities Risk of overstating payables to reduce surplus due to management bias	Assign more experienced staff to this section of the file.
Accounts receivable Risk of understating receivables to decrease surplus due to bias	Plan additional supervision from manager on this section.
Deferred revenue and restricted contributions Risk of overstating liabilities to reduce surplus due to management bias	Assign more experienced staff to this section of the file and select journal entries that credit deferred revenue as part of journal entry testing.

Other Areas

AREA	COMMENTS
Auditor Independence	We confirm to the Audit Committee that we are independent of the Organization. Our letter to the Audit Committee discussing our independence is included as part of the additional materials attached to this report.
Management Representations	We have requested certain written representations from management, which represent a confirmation of certain oral representations given to us during the course of our audit. This letter, provided by management, has been included as additional material to this report.
Summary of Significant Differences	Some significant differences were proposed to management with respect to the December 31, 2021 financial statements.

We appreciate having the opportunity to meet with you and respond to any questions you may have about our audit, and to discuss any other matters that may be of interest to you.

Sincerely,



Chartered Professional Accountants
Licensed Public Accountants

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Appendix A - Summary of Significant Differences

Description of Differences	Proposed Adjustments Dr (Cr)				
	Earnings		Balance Sheet		
	Identified	Likely Aggregate (Net of Tax)	Assets	Liabilities	Equity
remove balance in AR for deferred program for Rural Clean Water (\$35,000 Alus & \$29,689.15 South Nation) and adjust client entry to deferred.	\$ 93,028	\$ 93,028	\$ (64,689)	\$ (28,339)	\$ 93,028
to remove AR from septic as balance already in deferred revenue (tay valley)	\$ 42,225	\$ 42,225	\$ (42,225)	\$ -	\$ 42,225
to adjust for completed forestry projects and reverse amount in client entry # 3	\$ (24,410)	\$ (24,410)	\$ -	\$ 24,410	\$ (24,410)
to adjust Emerald Ash deferred program	\$ (42,550)	\$ (42,550)	\$ -	\$ 42,550	\$ (42,550)
To record the likely error on AP testing	\$ -	\$ (34,758)	\$ -	\$ 34,758	\$ (34,758)
To record cut-off errors found in revenue testing	\$ -	\$ 268,656	\$ -	\$ -	\$ -
Total	\$ 68,293	\$ 302,191	\$ (106,914)	\$ 73,379	\$ 33,535
Differences corrected by management	\$ 110,842	\$ 110,842	\$ (106,914)	\$ (3,928)	\$ 110,842
Total differences net of corrections	\$ (42,550)	\$ 191,348	\$ -	\$ 77,308	\$ (77,308)

Appendix A - Summary of Significant Differences

(continued from previous page)

Appendix A - Summary of Significant Differences

Uncorrected opening differences	\$ 50,995	\$ 50,995	\$ -	\$ -	\$ -
Current period differences	\$ 8,445	\$ 242,343	\$ -	\$ 77,308	\$ (77,308)
Final overall materiality	\$ 390,000	\$ 390,000	\$ 390,000	\$ 390,000	\$ 390,000
Excess (shortfall)	\$ 381,555	\$ 147,657	\$ 390,000	\$ 312,692	\$ 312,692



**9.0 2021 Annual Report
Report #: 3-220324**

To: RVCA Board of Directors
From: Diane Downey
Director of Communications and Outreach
Date: March 11, 2022

<input type="checkbox"/>	For Information
<input type="checkbox"/>	For Direction
<input checked="" type="checkbox"/>	For Adoption
<input checked="" type="checkbox"/>	Attachment – 24 pages

Recommendation:

That the Board of Directors of the Rideau Valley Conservation Authority approve RVCA's 2021 Annual Report.

Purpose

To seek Board approval of RVCA's Annual Report for the year 2021.

Background

Each year, the RVCA produces an Annual Report to highlight key accomplishments and special activities across all program areas for the prior year. The report also summarizes revenues and expenditures based on the audited financial statements.

Annual Reports are an important tool for public sector organizations to be transparent and accountable to taxpayers and other partners. An Annual Report is a way for member municipalities, stakeholders and the public to see what was accomplished in relation to the budget that was approved for that year and the work plan that was set out. It is also a way for the RVCA to increase public understanding of its mandate and support for its programs by illustrating the value provided to the watershed and those who live, work and play in it.

Analysis

Last year, the RVCA enhanced its Annual Report by adding a series of graphs and maps to visually represent the type of information that was previously provided in 18 accompanying Municipal Information Sheets.

The results were positive so we have continued with this approach for this year's product. Municipal information sheets will only be developed if needed as the Annual Report now covers the information typically requested by municipal Councils and is a user-friendly summary for watershed residents.

Once the Board of Directors has approved the Annual Report, electronic copies will be provided to municipalities for circulation to council members and municipal staff. Staff would also encourage members to arrange a time for the General Manager or other RVCA staff to present a summary of the Annual Report to their municipal council.

Copies of the Annual Report will also be circulated to all watershed MPs and MPPs, local partners, other conservation authorities and RVCA's mailing list. An electronic copy will be posted on RVCA's website. A small number of hard copies will also be produced for distribution at meetings and events throughout the year.

Input From Other Sources

N/A

Financial Considerations

Costs associated with creating and distributing the Annual Report are accounted for in RVCA's annual operating budget.

Legal Considerations

N/A

Adherence to RVCA Policy

N/A

Link to Strategic Plan

N/A

Attachment

- 2021 Annual Report



Annual Report **2021**





THE RVCA is one of 36 provincial conservation authorities working to protect and conserve our natural resources on a watershed level.

Since 1966, we have worked closely with municipal, provincial and federal government partners, landowners and community groups to protect communities from natural hazards, ensure sustainable development near waterways and to monitor and improve water quality, habitat and hydrologic function across the watershed.

The RVCA looks to build resilient communities by promoting an integrated watershed approach — one that balances human, environmental and economic needs. Our success is based on partnerships that accomplish local initiatives at the watershed scale.

OUR VISION: A thriving watershed with clean abundant water, natural shorelines, rich forests and wetlands, diverse habitat and sustainable land use that is valued and protected by all.

OUR MISSION: To understand, manage, protect, restore and enhance the Rideau watershed through science, stewardship, education, policy and leadership.

2021 RVCA Board of Directors

- Pieter Leenhouts, ChairOttawa
- Judy Brown, Vice ChairPerth
- Andy JozefowiczAthens
- Dale McLenaghanAugusta
- Brian DowdallBeckwith
- Victor HeeseCentral Frontenac
- Jamie Crawford.Ottawa
- George DarouzeOttawa
- Julie GravelineOttawa
- Scott MoffattOttawa
- Anne RobinsonOttawa
- Guy DesjardinsClarence-Rockland
- George Sachs/
Steve Fournier. Drummond/North Elmsley
- Rob Rothgeb Elizabethtown-Kitley
- Don Halpenny/Bob Foster. Merrickville-Wolford
- Vince Carroll Montague
- Gerry Boyce.North Dundas
- Barclay Cormack/Kristin Strackerjan North Grenville
- Carolyn Bresee Rideau Lakes
- Shawn Pankow Smiths Falls
- Pat Barr/John McDougall South Frontenac
- Gene Richardson Tay Valley
- Melissa Sullivan/Robin JonesWestport

**Throughout 2021 the RVCA was saddened by the passing of three board members: Guy Desjardins, Don Halpenny and Pat Barr. The RVCA Board of Directors sends its deepest condolences to the friends and families of these dedicated community leaders. We will remember them for their many years of contributions to their communities and to our board.*

+ The RVCA also had three members retire from the Board in 2021: George Sachs, Barclay Cormack and Melissa Sullivan. The RVCA Board of Directors thanks them for their service and contributions to our Board and wishes them well in their future endeavors.

2021 was another year of uncertainty and disruption, yet the RVCA team managed to not only keep our programs and services running at top speed, but also lay significant groundwork for a bright and healthy future in the Rideau Valley watershed.

This included the installation of 11 new climate stations across the watershed to improve our flood and drought forecasting – particularly in the face of a changing climate – and the completion of draft hazard mapping studies on the Upper Jock River and Stevens Creek.

Our science department, meanwhile, began an ambitious watershed report card project that will deliver a comprehensive snapshot of environmental conditions in the Rideau Valley. By gathering our rigorous science around surface and ground water quality, hydrology, land uses and habitat into a single document, we will be able to identify trends and problem areas to help guide our priorities and strategies into the future.

Planning and regulations staff were also busy as they engaged an external working group of developers, farmers and municipal staff to help us update our development review policies to better align with provincial legislation and local needs. This was a highly collaborative process that resulted in a draft policy document that will undergo broader public consultation in 2022.

Speaking of collaboration, the RVCA’s role on the provincial multi-stakeholder Conservation Authorities Working Group over the course of 2021 was an extremely positive experience. The province was receptive to our concerns and input and as a result the final regulations released in October 2021 are practical, flexible and should be reasonable to implement at the local level while still achieving the province’s objectives. Heading into 2022, our job now is to work closely with municipalities to implement these new regulations ahead of the 2024 deadline.

We were so proud of the RVCA team as they continued to rise to the challenges posed by COVID-19, adapting their programs and finding creative solutions to problems only a global pandemic can bring.

As we head into 2022, the RVCA looks forward to tackling the important and challenging work we set out for ourselves in the past year – for the benefit of all who call this beautiful watershed home.

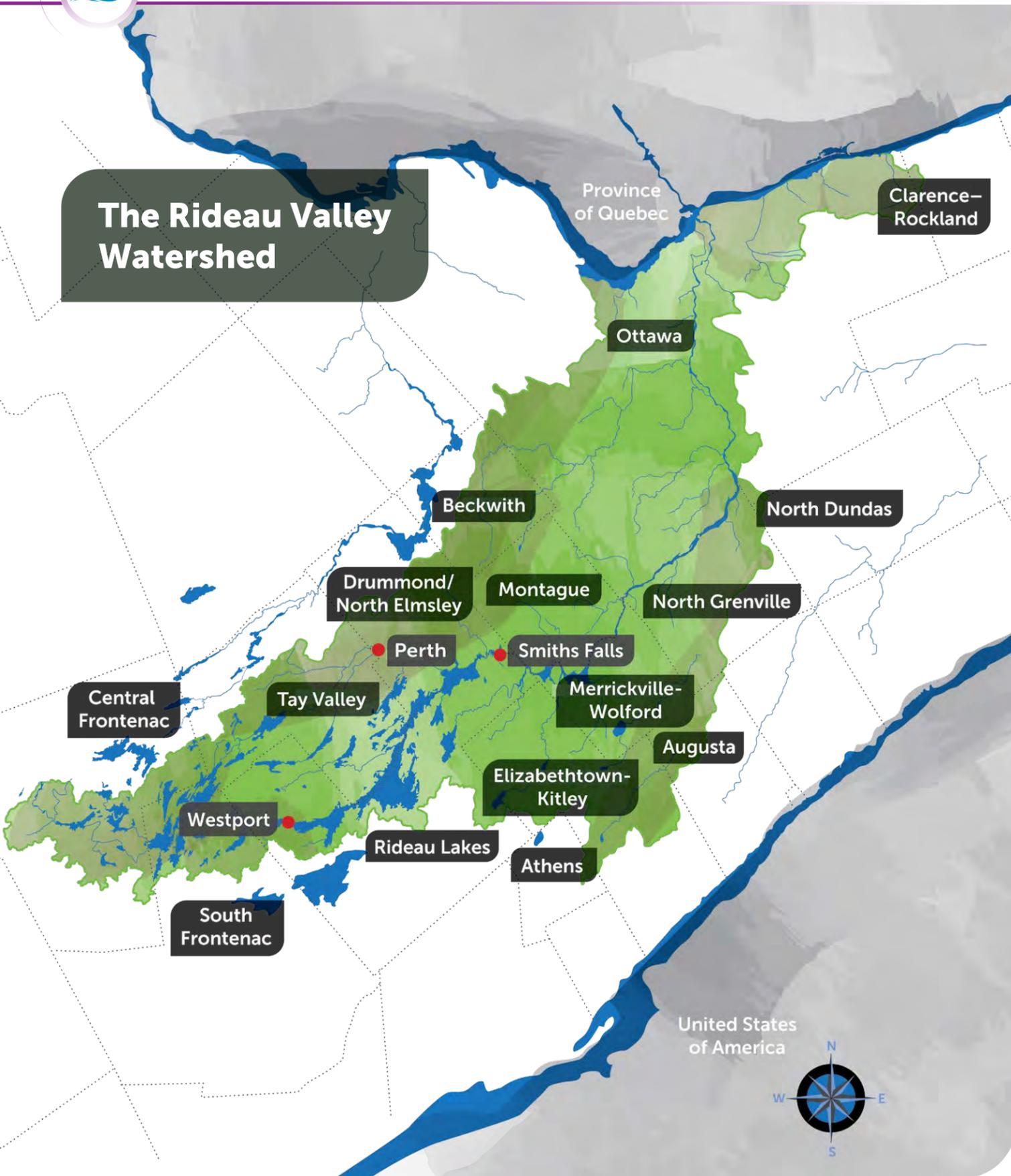
Yours in conservation,

Pieter Leenhouts,
Chair

Sommer Casgrain-Robertson,
General Manager/Secretary- Treasurer



Upper Rideau Lake



CORPORATE SERVICES supports the whole authority, enabling it to perform its functions and deliver programs in an efficient and cost-effective manner.

The department is responsible for strategic planning, budgeting, financial reporting, business improvement, human resources, communications, IT, GIS, member services, foundation support and administration.

\$12.58M
budget

64
staff plus 8
summer students

23
board members
representing 18 member
municipalities

- Continued to manage RVCA's response to the COVID-19 pandemic (policies, program and budget modifications, remote working, virtual meetings)
- Provided advice to the Province to help ensure new regulations under the Conservation Authorities Act would be practical and implementable for both municipalities and conservation authorities (this included the General Manager providing advice as a member of the Minister's Conservation Authorities Working Group).
- Migrated all of RVCA's information and data to new SQL Scale VM servers to provide better storage, security and accessibility for staff and clients.



THE RVCA manages more than **3,200** hectares of conservation land for the strategic protection of vulnerable habitats and valuable natural resources.

This includes 11 developed conservation areas offering trails, beaches, boat launches and a range of popular outdoor education programs. Conservation areas provide affordable recreation, education and tourism opportunities to our watershed communities.

Land Management

- Own **2,210** hectares of conservation land across the watershed; **1** new conservation easement accepted in 2021
- Manage **3,200+** hectares of conservation land (inspected and assessed annually)
- **52** nest boxes monitored at nine conservation areas
- **23** Species at Risk monitoring and/or habitat feature projects maintained at six conservation areas (in support of bobolink, butternut and barn swallow)

Conservation Areas

- **11** developed conservation areas
- **300,000** visitors in 2021 (up from 200,000 annually)
- **42** kilometres of trails and 3 beaches maintained for public use
- **1,923** people enjoyed rental facilities at Foley Mountain and Baxter Conservation Areas (group camping areas, picnic shelter and the Baxter river cabin)

- Continued successful partnership with Cabinscape to host a tiny cabin at Mica Mines Conservation Area, with an agreement to add a second cabin in 2022

Outdoor Education 2021

- **1,612** students from **35** schools participated in new virtual outdoor education programs at Baxter Conservation Area as part of a pilot program with Ottawa Catholic School Board
- **184** students attended weekly in-person Forest School at Baxter and Foley Mountain conservation areas
- **94** children and caregivers participated in six free Forest School drop-in programs at Foley Mountain (sponsored by the Township of Rideau Lakes)
- **84** children took part in three in-person outdoor education programs at Foley Mountain
- **194** children participated in summer day camps at Baxter and Foley Mountain
- **450** free Outdoor Adventure kits were distributed in partnership with local libraries, townships and community groups in the Foley Mountain region
- Foley Mountain introduced a winter story book trail featuring "Over and Under the Snow" by Kate Messner





OUR PLANNING AND REGULATIONS DEPARTMENT brings watershed science, provincial policies and individual municipal needs together to assist municipal decision-makers in building safe, sustainable communities.

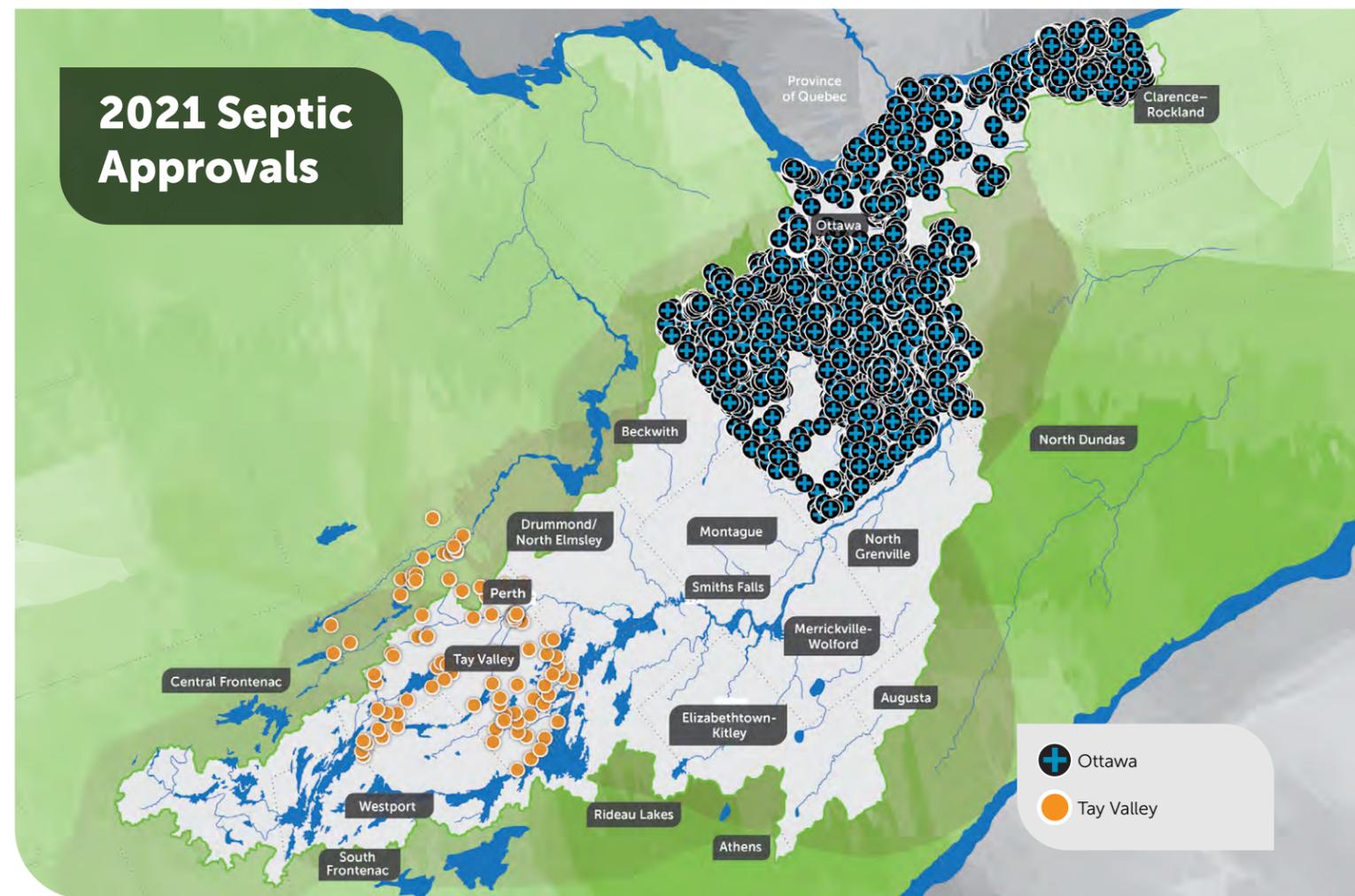
The RVCA is also the approval authority for development on lands affected by natural hazards like flooding, steep slopes or unstable soil, and near sensitive areas like wetlands, shorelines and watercourses. Staff also approve the construction, enlargement or alteration of septic systems in the City of Ottawa and Tay Valley Township and provide septic re-inspection services in several other municipalities.

810

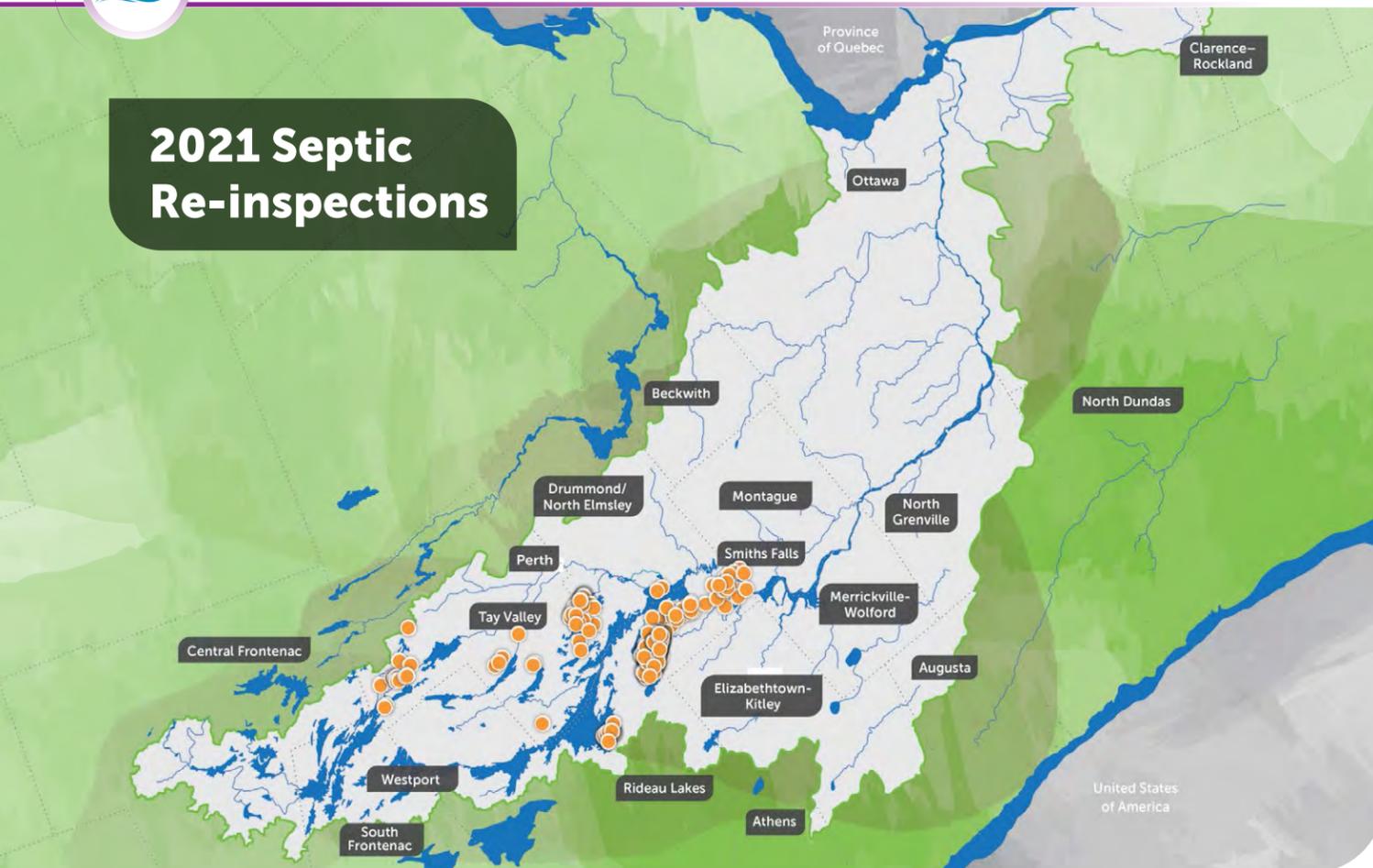
applications for new or replacement septic systems

2021 Septic System Approvals and Re-inspections

- **254** file search requests (253 Ottawa, 1 Mississippi-Rideau)
- **810** applications for new or replacement septic systems (702 in Ottawa, 108 in Tay Valley)
- **103** applications for renovations or septic alterations (89 in Ottawa, 14 in Tay Valley)
- **54** complaints/occurrences (51 in Ottawa, in Tay Valley)
- **463** septic re-inspections completed (310 in Rideau Lakes, 109 in Tay Valley, 39 in North Frontenac and 5 in Central Frontenac)
- Distributed educational material to landowners about the care and maintenance of their septic systems
- Taught **4** virtual sessions of the Ontario Building Code Part 8 Installers Course (**66** participants)



2021 Septic Re-inspections



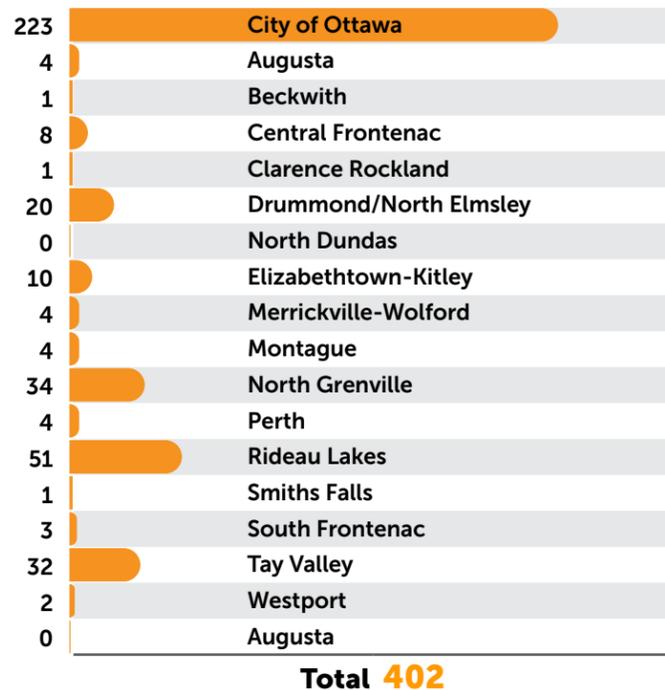
2021 Section 28 Activities

- **1,677** property inquiries
- **187** clearance letters
- **402** applications
 - 89% approved
 - 7% on hold
 - 3 hearings
- **115** complaints/occurrences
 - 17 violations
 - 2 charges laid under the Act

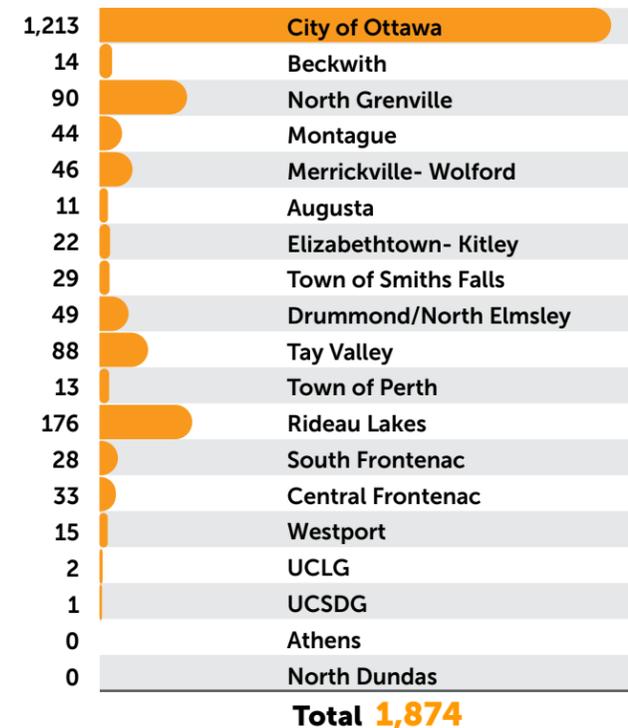
2021 Source Water Protection Approvals

- Two newly trained and appointed Risk Management Inspectors/Officials
- Renegotiated Part IV Risk Management Agreements with Partner Municipalities
- Continued to assist the City of Ottawa with Risk Management work

2021 Section 28 Applications by Municipality



2021 Planning Activities by Municipality



Planning Advisory Reviews

- **339** pre-consultation meetings
- **591** severances
- **459** minor variances
- **199** site plan control
- **172** zoning by-law amendments
- **27** Official Plan amendments
- **17** subdivision reviews
- **8** condominium applications
- **4** Part Lot Control
- **1** lifting of Holding By-law
- **5** lifting of 30 cm reserve
- **7** Environmental Assessment Act reviews
- **1** Aggregate Resource Review
- **3** Master Servicing Studies reviewed (City of Ottawa)
- **1** comprehensive ZBA reviewed (City of Ottawa)
- **40** utility clearances



STEWARDSHIP is a key component to overall watershed health. Our stewardship team works with landowners, farmers, lake associations, NGOs, businesses, government agencies and the public to undertake on-the-ground projects that directly improve the health of the watershed. Programs such as tree planting, shoreline restoration, landowner clean water incentives, wetland enhancement and Species At Risk habitat creation help protect the watershed and reduce the impact of development pressures.



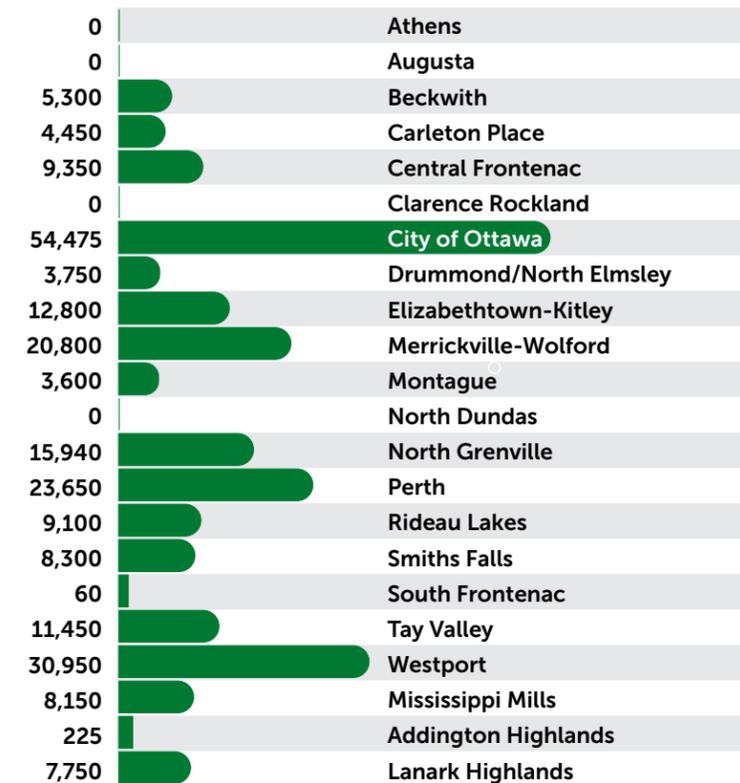
Tree Planting 2021

- **230,100** trees planted in the Rideau Valley watershed, including 33,900 in Ottawa through the Green Acres Tree Planting program
- **20,575** trees planted in the Mississippi Valley watershed as part of Ottawa's Green Acres program
- Celebrated the Green Acres program's **2 millionth** tree with a dedication ceremony on Memory Lane at the RVCA headquarters in Manotick
- **\$356,420.26** fundraised to offset landowner costs

6.8

million trees planted since 1984

Tree planting by municipality 2021



Total 230,100



Shoreline Naturalization 2021

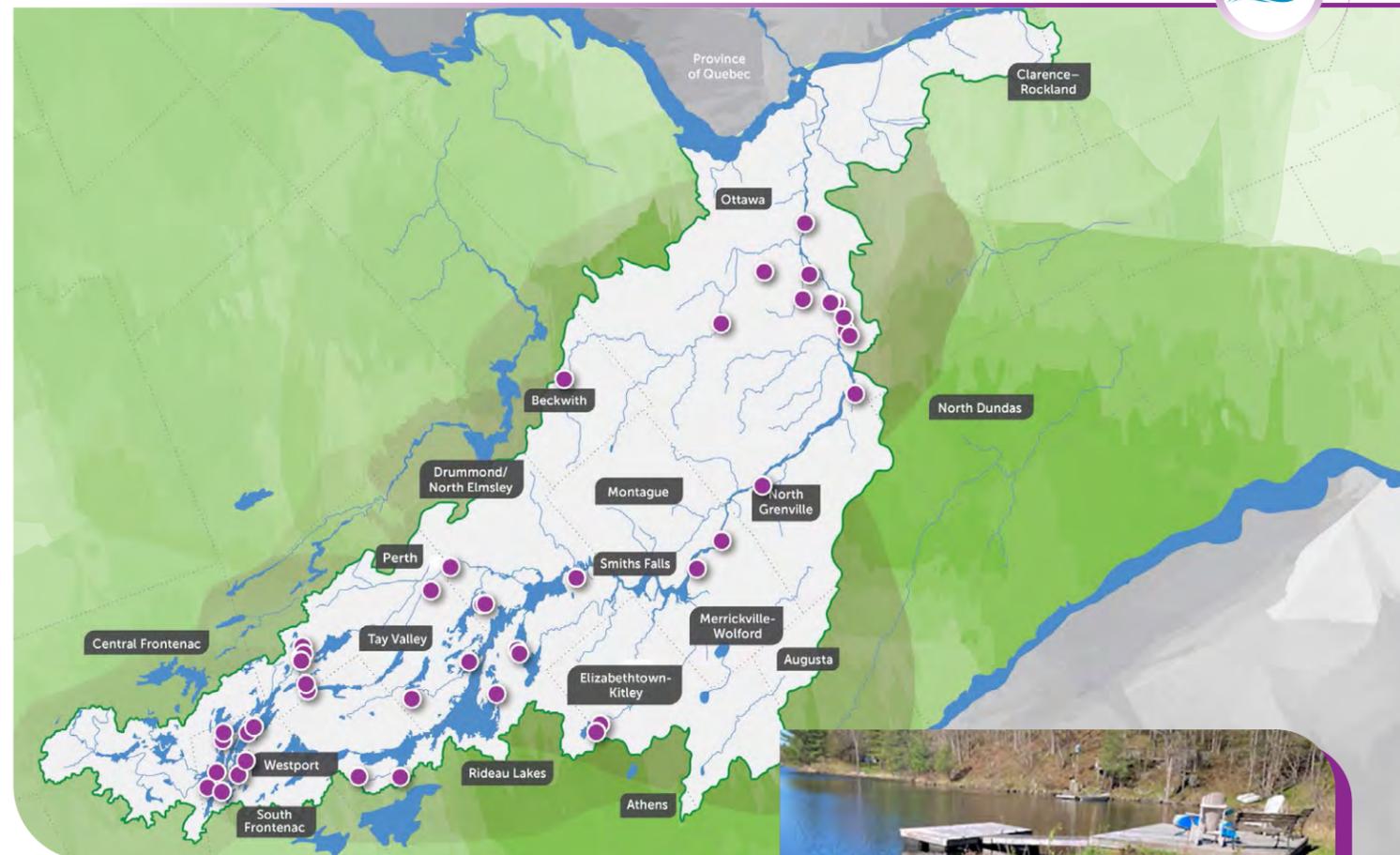
- **16,412** trees and shrubs planted on 61 properties
- **1.9 km** of shoreline naturalized
- **2,000** trees planted at new John Miller Park along Grants Creek in Tay Valley
- **5,700** trees distributed to landowners through partnership with Lanark County
- **2** lake associations worked with us to distribute 2,500 trees, shrubs and wildflowers to lake residents through an over-the-counter plant sale (Upper Rideau Lake Association, Otty Lake Association)
- **10** free shoreline planting projects provided to Bobs and Crow Lake residents thanks to top-up partnerships with Bobs and Crow Lake Association Foundation
- **5.5** hectares of new pollinator meadow habitat established in partnership with Hydro Ottawa
- **350** native pollinator-friendly perennials distributed to landowners through over the counter sale

16,412

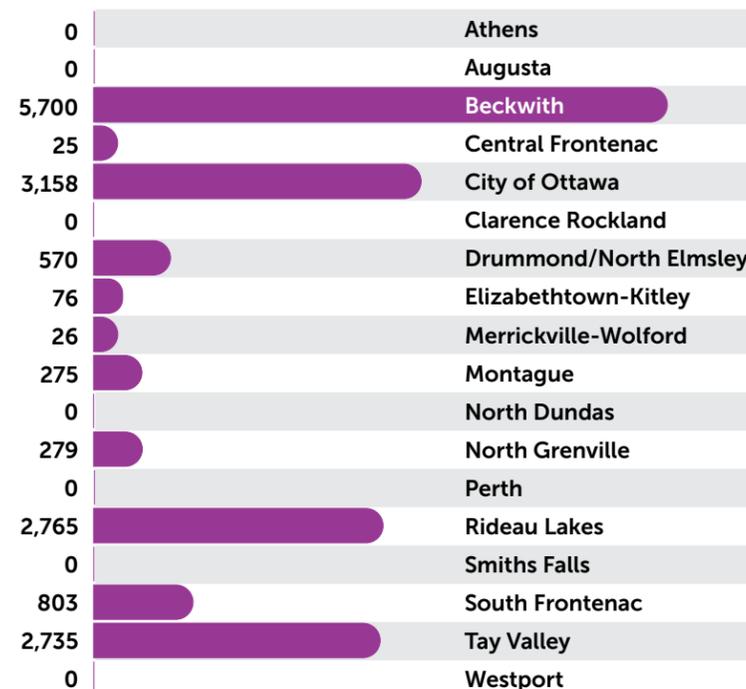
trees and shrubs planted on 61 properties

350

native pollinator-friendly perennials distributed to landowners through over the counter sale



Shoreline Plantings by Municipality



Total 16,412



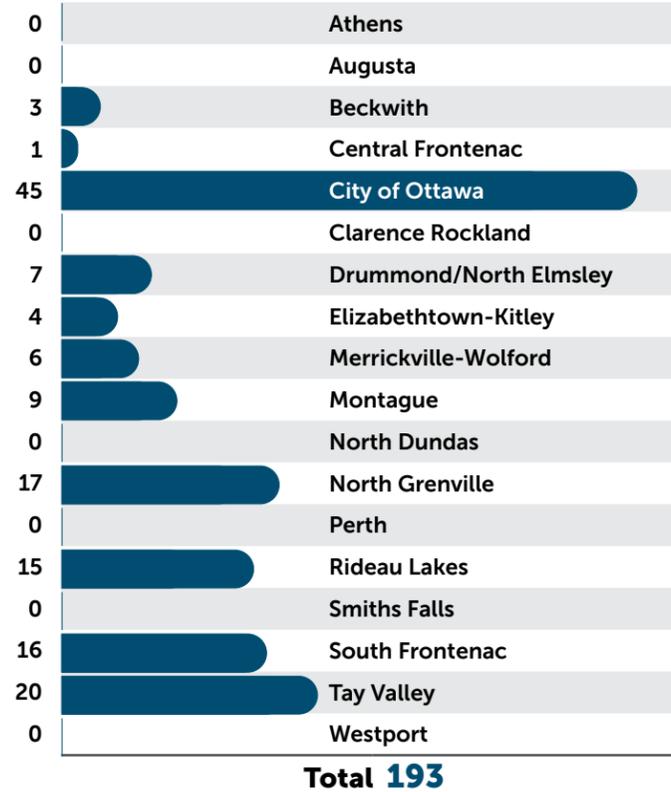
Lake Planning 2021

- **20th** annual Lake Links Workshop attended virtually by **120+** local lake stewards and residents

Clean Water Projects 2021

- **132** projects were approved through the Rideau Valley Rural Clean Water Program, allocating **\$237,228.96** in grants; these grants will support a total project value of **\$1,184,181.69**
- **61** projects were approved through the Ottawa Rural Clean Water Program, allocating **\$241,167.69** in grants; these grants will support a total project value of **\$470,016.30**
- RVCA also delivered the Ottawa Rural Clean Water Program in the Mississippi watershed in partnership with Mississippi Valley Conservation Authority

Clean Water Projects by municipality

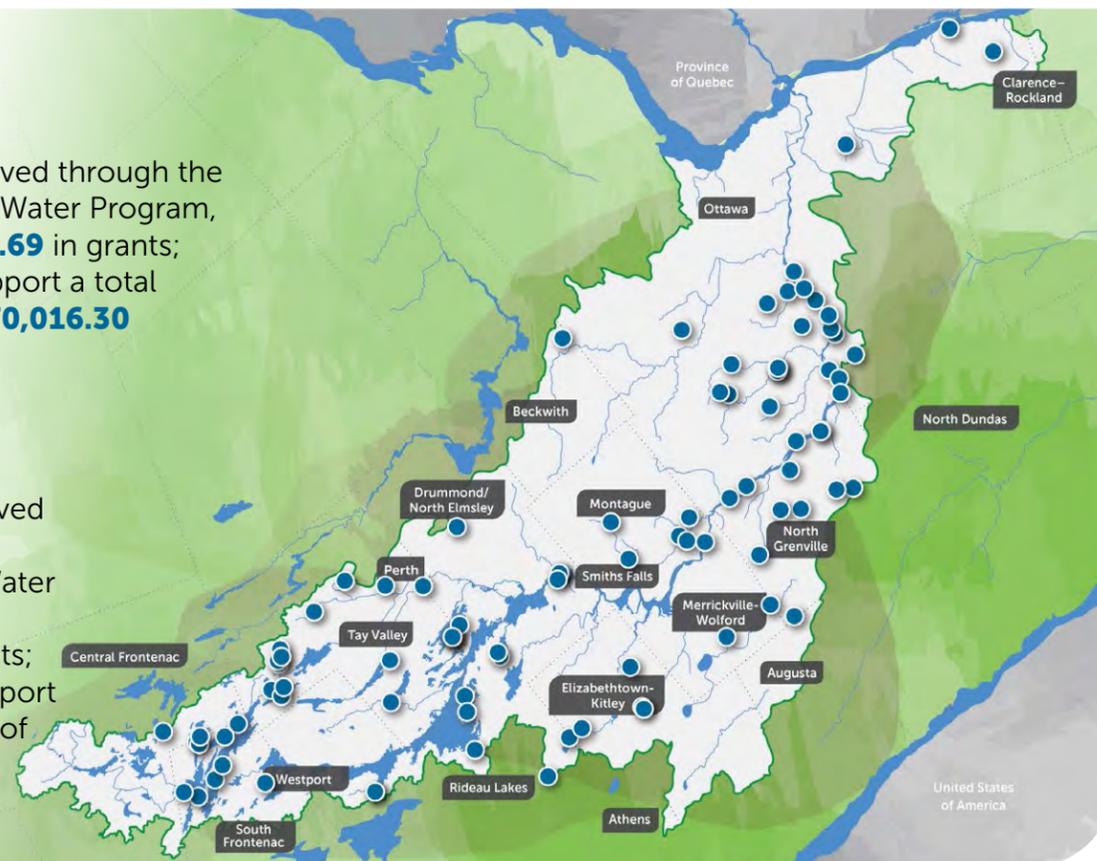


61

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132

projects were approved through the Rideau Valley Rural Clean Water Program, allocating **\$237,228.96** in grants; these grants will support a total project value of **\$1,184,181.69**



11,222

seeds collected from healthy butternut trees to grow seedlings for future planting

Butternut Stewardship 2021

- **1,440** free butternut seedlings distributed in spring to help replace dead and dying butternut trees in Eastern Ontario
- Continued effort to locate and assess healthy trees and track survival and health of planted butternut
- Partnered with FGCA for the initial Critical Habitat project
- Partnered with Ontario Nature to search for the endangered American Ginseng on properties already involved in the Butternut Recovery Program
- Partnered with Ontario Nature to assess an entire Butternut population on a 200-acre federal property owned and managed by the Canadian Wildlife Service (CWS)



OUR SCIENCE TEAMS collect, monitor and analyze our watershed's conditions to better understand its health and to help us better protect its resources and the people who live in it. Data about water levels and hydrology, surface and ground water quality and aquatic environments is critical to guide decisions about land and water use to ensure we continue to reap the many natural benefits of a healthy and thriving watershed.

Source Water Protection

- Seventh year implementing the Mississippi Rideau Source Protection Plan
- Continued support provided to municipalities including policy interpretation and implementation tools
- Completed our fourth annual Source Protection Annual Report
- Continued work on an update to our Source Protection Plan and Assessment Reports
- Submitted a Section 34 Amendment for a new municipal well in Kemptonville

Flood Forecasting & Warning

- **6** flood messages for Rideau River
- **1** flood message for Ottawa River
- **5** low water messages
- **21** sites monitored for water levels and flow
- **24** sites monitored for precipitation, including 11 new RVCA Weather Stations installed in 2021
- **6** sites monitored for snowpack

Stream Characterization Monitoring

- **44** sites sampled throughout the watershed in the spring and fall for the Ontario Benthic Biomonitoring Network (OBBN)
- Catchment level watershed conditions were classified across the watershed by the following parameters
- Staff prepared the fish community data set and completed data analysis in support of the Integrated Watershed Monitoring Program review

Wetland Restoration Post-Effectiveness Monitoring

- Remic Rapids Wetland Restoration Project Phase 1 (Year 5) and 2 (Year 2)
- Black Rapids Wetland Restoration Project (Year 5)
- Stillwater Creek Wetland Restoration Project (Year 3)
- Jebbs Creek Wetland Embayment Project (Year 3)

Surface Water Quality Monitoring

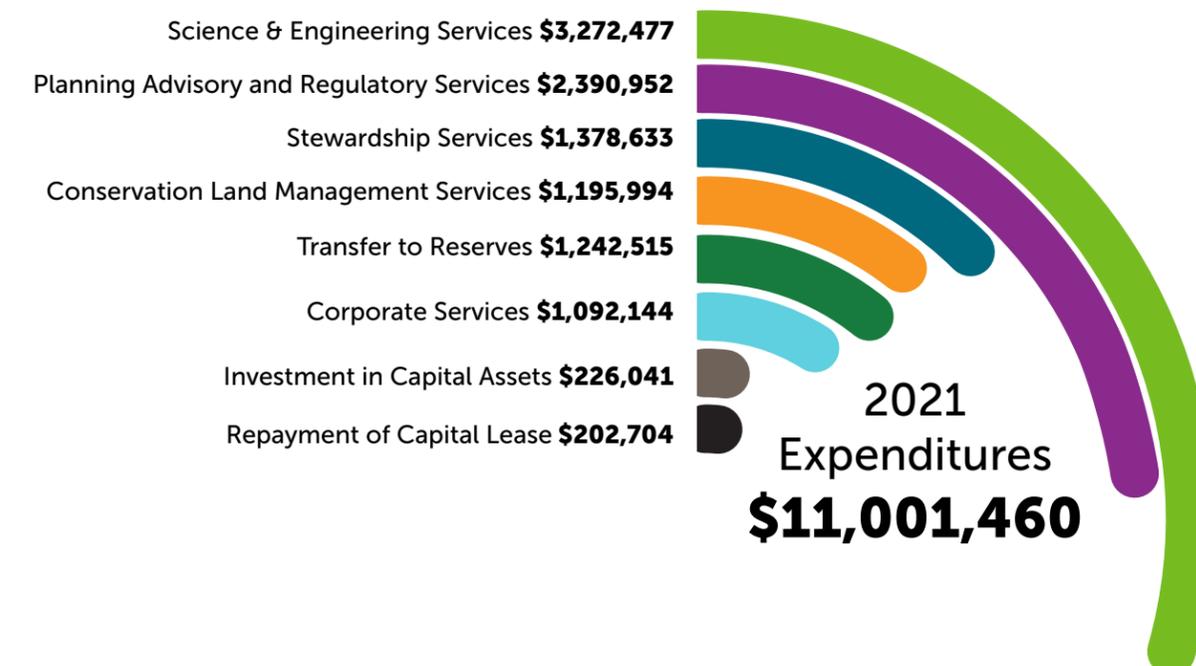
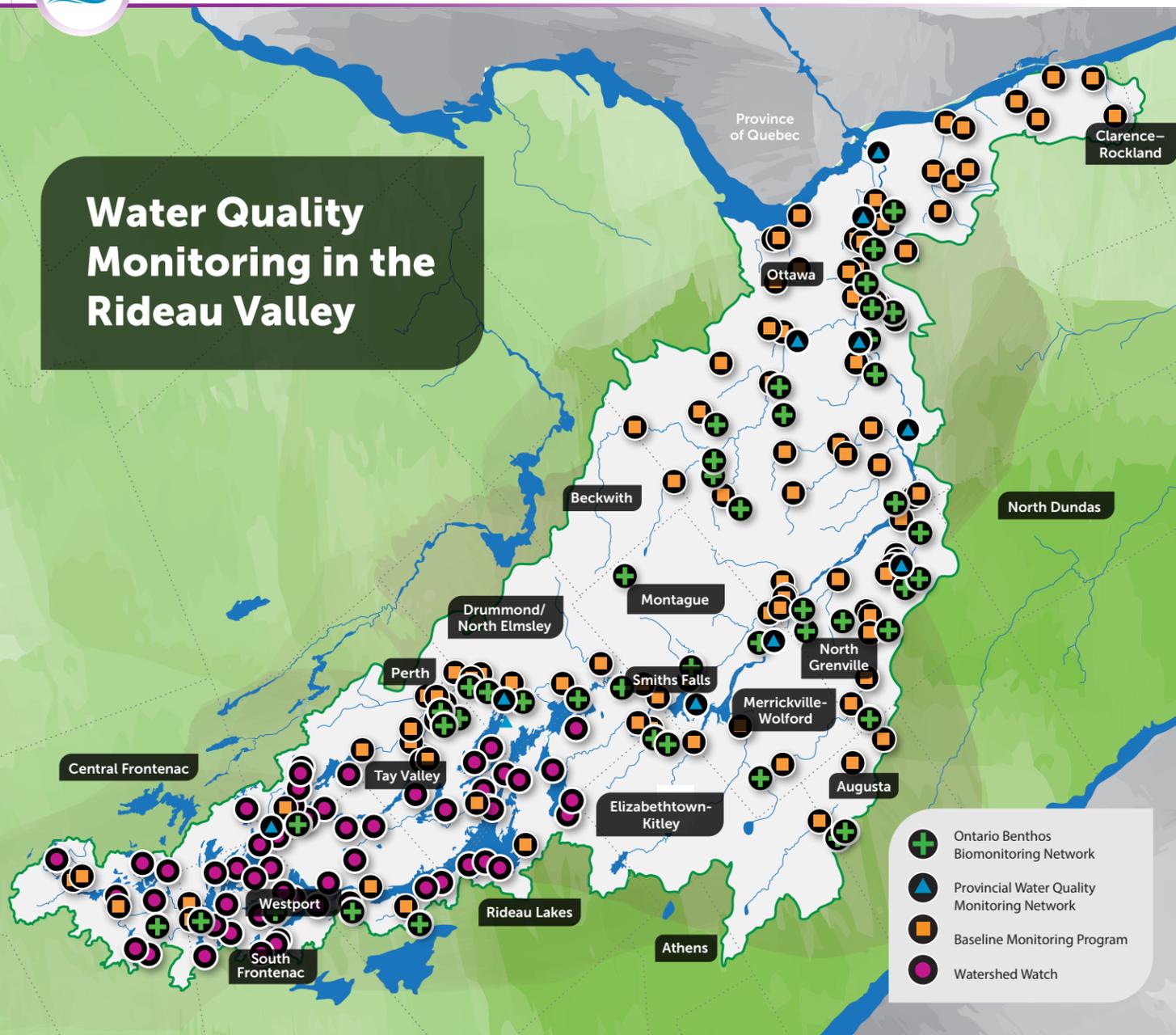
- **117** sites sampled for the RVCA Baseline Monitoring Program, City Baseline Monitoring Program and Provincial Water Quality Monitoring Program which monitors the water chemistry of major rivers and tributaries.
- **51** Water Quality Parameters monitored annually
- **19** landowners facilitated sampling by providing access to lakes and streams through their properties
- Due to Covid-19 restrictions, more than **140 hours** were donated by **13** lake stewards to support a piloted Watershed Watch community monitoring program

39

lakes were sampled from May to November



Water Quality Monitoring in the Rideau Valley



2021 Annual Report

With another strange year behind us, it is time to pause and celebrate our collective resilience, our many accomplishments and our shared passion to sustain a healthy watershed for now and the future. Despite the ongoing pandemic, we have continued to fulfill our mission to protect and conserve the lands and waters of the Rideau River watershed. Our board members, donors and many partners stepped up to lend their time, expertise and funds to the cause of conservation.

Thanks, first of all, to our Board of Directors. Your enthusiasm and leadership are greatly appreciated. Two key members who embody these qualities must especially be acknowledged: Jason Kelly and Anne Simmering. Jason has left an indelible mark on the Foundation, having served 11 years as Chair until he retired in June 2021. Over his tenure he has helped shape and guide our many programs, which continue to be warmly received and valued across our watershed. We appreciate his continued commitment as he remains an active Board member. Thank you as well to Anne who, after nine years of service, has quietly stepped down from the board. We value her guidance and commitment to the Steve Simmering Conservation Land Endowment. After 10 years, this endowment remains a very important piece of our fundraising efforts as it strives to protect vulnerable natural areas across our watershed.

2021 welcomed many new and returning donors. With generous donor support, we continued to conserve critical natural spaces, protect species at risk, plant trees, naturalize shorelines and support outdoor education for our youth. We kicked off a transformational accessibility project at Baxter Conservation Area, and thanks to ongoing donor support have initiated plans for several other accessibility projects to take shape in the coming months and years. Thank you for making your local natural environment – and residents' access to it – a priority.

I am proud to share our 2021 highlights. We appreciate your continued confidence in our conservation projects and look forward to a healthy, resilient future together.

Yours in conservation,

Andrew Harkness,
RVCF Chair

RVCF Board of Directors

- Andrew Harkness, Chair
- Allison Brown, Vice Chair
- Jason W. M. Kelly, Immediate Past Chair
- Kathy Dallaire, Secretary-Treasurer
- Allison Gibbons
- Gary Howard
- Bob Ryerson (resigned August 2021)
- Tom Scott
- Anne Simmering (retired September 2021)
- R.E. (Bob) Smith
- Kathy Thomas
- Cynthia Wagner
- Richmond Wilson



7.3 million
dollars raised
for conservation
since 1994



6,706
trees planted to
offset carbon through
2021 agreements



846 total hectares
protected for
conservation



168 acres
preserved
through new
conservation easement



78
ongoing
species at risk
restoration projects



5 years
as an
accredited member
of Imagine Canada

2021 Highlights

- Welcomed new corporate partner Modern Niagara, which will provide \$300,000 over five years to help acquire and protect vulnerable land in the watershed
- Raised \$6,880 for the Steve Simmering Conservation Land Endowment Fund during our Giving Tuesday campaign, thanks to private donors and matching funds from McCooye Wealth Management – Mandeville Private Client Inc
- Partnered with One Tree Planted to plant 40,000 tree seedlings in spring 2021
- Celebrated 30,000 memorial trees planted by Hulse, Playfair and McGarry
- Planted 1,200 memorial and special occasion trees in tribute of loved ones
- Welcomed new and returning Carbon Neutral individuals, businesses and events including LIVE 88.5, Elephant Print, Evergreen Window Solutions, McCooye Wealth Management – Mandeville Private Client Inc. and Somersault Events
- Supported the Nature for All Committee in its fundraising efforts to begin a transformational accessibility project at Baxter Conservation Area

- Partnered with Girl Gone Good and Fjallraven Ottawa to raise funds for the Nature for All project
- Celebrated Michel and Philip Charron's fundraising efforts in support of the Nature for All project
- Accepted a generous donation from the Lawson Foundation in support of Foley Mountain's Storybook Trail and other site improvements
- Welcomed a conservation land agreement of 186 hectares of wetlands and shoreline along Wolf and Green Lake
- Became the first environmental charity to partner with GiveShop to raise funds through its online community marketplace
- Helped families in need participate in Forest School programming at Baxter and Foley Mountain Conservation Areas

Thank you to all the private individuals and families who donate. Be sure to visit our virtual Donor Recognition Wall at www.rvcf.ca/supporters or in person at our RVCF headquarters.



Rideau Valley Conservation Foundation

Box 988
3889 Rideau Valley Drive
Manotick, ON K4M 1A8

613-692-3571 ext. 1126
info@rvcf.ca
www.rvcf.ca

The RVCF is proudly accredited under Imagine Canada's Standards Program having demonstrated excellence in board governance, financial accountability and transparency, ethical fundraising, staff management and volunteer involvement



RVCF is also a proud and practicing member of both the Ontario and Canada Land Trust Alliances.



Rideau Valley Conservation Authority

Box 599, 3889 Rideau Valley Drive
Manotick, ON K4M 1A5
613-692-3571 or 1-800-267-3504
www.rvca.ca

-  Facebook: [RideauValleyConservationAuthority](https://www.facebook.com/RideauValleyConservationAuthority)
-  Twitter: [RideauValleyCA](https://twitter.com/RideauValleyCA)
-  Instagram: [rideauvalleyca](https://www.instagram.com/rideauvalleyca)
-  Youtube: [@RideauValleyCA](https://www.youtube.com/@RideauValleyCA)



**10.0 Timeline Reporting for Section 28 Applications
Report #: 4-220324**

To: RVCA Board of Directors
From: Glen McDonald
Director of Planning and Science
Date: March 14, 2022

<input checked="" type="checkbox"/>	For Information
<input type="checkbox"/>	For Direction
<input type="checkbox"/>	For Adoption
<input type="checkbox"/>	Attachment

Recommendation:

That the Board of Directors of the Rideau Valley Conservation Authority receive the attached report for information on timeline performance for the issuance of permits under Section 28 of the Conservation Authorities Act.

Purpose

To report to the Board of Directors on the RVCA's timeline performance for the issuance of approvals under Section 28 of the *Conservation Authorities Act*.

Background

Under section 28 of the *Conservation Authorities Act*, the RVCA administers Ontario Regulation 174/06 (*Development, Interference with Wetlands and Alterations to Shorelines and Watercourses Regulation*). Proponents require the permission of the Conservation Authority to undertake development and site alterations within the areas subject to the regulation, as defined on map schedules which have been approved by the Board. Regulated areas include hazard lands (floodplain and slopes), provincially significant wetlands and the 120 metre adjacent lands, watercourses and shorelines.

RVCA is committed to the Client Service Streamlining Initiative adopted by Conservation Ontario in 2019 and endorsed by the Board of Directors (Staff Report #5-190725). This initiative has three broad components: improve client service and accountability, increase speed of approvals and reduce red tape and regulatory burden. Each component has a subset of actions to guide implementation. One of the actions identified to improve client service and accountability is for each conservation authority to report annually on performance timelines for the issuance of approvals under the Section 28 regulation, and to make this information available to the public.

Analysis

This report is for the period January 1 to December 31, 2021. For comparison purposes, Table 1 uses the Conservation Ontario Policy and Procedure Guideline (2010) and the

more recent Conservation Ontario Guideline (2019). The later guideline has shorter timelines and adds “routine” as an application category.

Table 1 Comparison of Timeline Standards

Permit Category	Conservation Ontario Policy and Procedure Guideline (2010)	Conservation Ontario Timeline Guideline (2019)
Major	90 days	28 days
Minor	30 days	21 days
Routine	N/A	14 days

Major – highly complex projects requiring technical review supported by comprehensive analysis, significant natural hazards issues and risk of environmental impact.

Minor – less complex projects with lower and mitigatable risk with respect to natural hazards.

Routine – small projects with minimal natural hazards issues that are easily managed with standard conditions.

The timeline starts from the date the application is deemed complete and includes weekends but excludes statutory holidays.

Table 2 shows the RVCA timeline performance for 2021. The reporting is for the number of permits issued, which does not reflect the total number of permits received. Permits which are deemed incomplete are placed on hold (the clock stops) and are not included in the report.

Table 2: RVCA Timelines for Permissions under Section 28 of the Conservation Authorities Act, January 1 to December 31, 2021

Rideau Valley Conservation Authority	Number of Permits Issued Within Policy and Procedure Timeline (2010)		Number of Permits Issued Outside of Policy and Procedure Timeline (2010)			
	Major	Minor	Major	Minor		
	33	320	1	4		
	Number of Permits Issued Within CO Guideline Timeline (2019)			Number of Permits Issued Outside of CO Guideline Timeline (2019)		
	Major	Minor	Routine	Major	Minor	Routine
	15	153	91	19	42	38

For this reporting period, a total of 358 permits were issued. All but 5 of those permits were issued within the 2010 Policy and Procedure Timeline; 259 permits were issued within the 2019 Guideline and Timeline and 99 permits were issued outside the timeline.

RVCA's workload across its regulations programs was well above average again in 2021 as a continuing result of the impact that COVID-19 has had on development activity. There has been a notable increase in regulation applications and inquiries since the beginning of the pandemic. In 2021, RVCA received 418 applications compared to 333 in 2020 and 342 in 2019. Most of the major applications were for complex sites with multiple natural hazard issues that required detailed integrated technical review. Although the 60 permits not issued were put on hold, they still required staff time to determine that they were incomplete and for discussions with applicants and consultants. Changing pandemic protocols also required adjustments to workflow for receipt of applications, payment, technical review and site visits.

Although all staff worked diligently to process applications, demand exceeded RVCA's capacity, and we were unable to process all applications within the new reduced timelines. Also, to ensure that other workplan priorities were addressed and to address various staff leaves (medical and parental), RVCA had to temporarily reassign numerous staff within planning and regulations as well as hire new contract staff which required significant additional training and supervision. Other high growth conservation authorities are reporting similar challenges with timelines due to volume and resourcing issues. In response to these challenges, RVCA implemented the following improvements to the workflow throughout 2021:

- Staff prioritized applications in consultation with applicants, and discretion was applied accordingly to manage the workload. We did not receive any complaints regarding the processing of permits during this period.
- Updated website to provide clients with direction on how to submit and pay for applications, how to contact staff and information on site visit protocols.
- Filled one vacant inspector position.
- Redistributed and balanced workload.
- Continued improvements to data base for tracking workflow and due dates.
- Full implementation of digital permit system which enables staff to access all file information digitally from any location.

RVCA will continue to monitor workload and performance timelines and adjust resources and processes in response to changing needs to help ensure better compliance with timing guidelines in 2022.

It should be noted that in 2020, RVCA received a total of 333 permit applications and 298 permits were issued. While workloads were above average in 2020 as a result of the pandemic, all permits were issued within the 2010 Policy and Procedure Guidelines while 249 permits were issued within the 2019 Guideline Timeline (4 major, 32 minor and 13 routine applications did not meet this timeline). RVCA also had some staffing vacancies in 2020 which impacted staff resources.

Input from Other Sources

This reporting is based on the recommendations and guidance in Conservation Ontario's *Annual Reporting on Timelines Template for Permissions under Section 28 of the Conservation Authorities Act*, December 9, 2019.

Financial Considerations

N/A

Legal Considerations

N/A

Adherence to RVCA Policy

The RVCA has adopted a Customer Service Charter (Staff Report #2-190926) which specifies our commitment to meet timelines for permissions under the Section 28 regulation and to make this information publicly available.

Link to Strategic Plan

Annual timeline reporting supports Priority Action #2 under Strategic Direction #4:

- Review delivery costs, revenue generation and value to the watershed for all programs and implement changes that improve efficiency, effectiveness and client service.



**11.0 ALUS Lanark Partnership Advisory Committee
Report #: 5-220324**

To: RVCA Board of Directors
 From: Sommer Casgrain-Robertson
 General Manager / Secretary-Treasurer
 Date: March 18, 2022

<input type="checkbox"/>	For Information
<input type="checkbox"/>	For Direction
<input checked="" type="checkbox"/>	For Adoption
<input checked="" type="checkbox"/>	Attachments – 2 pages

Recommendation:

THAT the Board of Directors of the Rideau Valley Conservation Authority approve the attached Terms of Reference for the Partnership Advisory Committee for ALUS Lanark; and

THAT the following individuals be appointed as members of the ALUS Lanark Partnership Advisory Committee:

- Lorne Heslop
- Deb Knapton
- Peter McLaren
- Hilary Moore
- Scott Sigurdson
- Alberto Suarez-Esteban
- Michelle Vala

Purpose

To seek approval for the formation of a Partnership Advisory Committee for Lanark ALUS (approval of members and Terms of Reference).

Background

The Alternative Land Use Services (ALUS) program is a community developed, farmer-delivered program that provides technical and financial support to farmers and ranchers to create, restore, enhance, manage and maintain ecosystem services on their land. ALUS helps farmers and ranchers restore wetlands, reforest, plant windbreaks, install riparian buffers, manage sustainable drainage systems, create pollinator habitat, and establish other ecologically beneficial projects on their properties. ALUS provides per acre annual payments to ALUS participants to recognize their dedication to managing and maintaining all the ALUS projects on their land.

Currently there are 31 ALUS chapters across Canada, eight of which are in Ontario. ALUS East is the closest chapter to our watershed and covers the Raisin and South Nation watersheds.

In 2020, the RVCA and MVCA were approached by Climate Network Lanark and the County of Lanark to see if the conservation authorities were interested in partnering to set up a local “ALUS Lanark” chapter. At their November 25, 2021 meeting, RVCA’s Board of Directors approved the partnership to deliver ALUS Lanark with RVCA being the legal entity or lead partner (staff report #: 6-211125).

Analysis

RVCA and MVCA staff have been working closely with ALUS staff since the fall to go through the steps to set up a new ALUS chapter. The next key step is to form a Partnership Advisory Committee (PAC) which would:

- Act as an advisory committee for program delivery
- Support the management and administration of the program
- Promote and encourage participation in the program within the Lanark farming community including identification of pilot sites to illustrate program opportunities and benefits
- Engage potential partners, funding sources, general public, elected officials and other stakeholders to promote sustainable funding and delivery of the program
- Apply technical knowledge and expertise to the review and assessment of program applications
- Provide on-site technical support where authorized

It is proposed that a seven member PAC be formed for ALUS Lanark (majority of members to be farmers) with the ability to include other members as ex officio (non-voting) members. Staff have prepared the attached Terms of Reference which outlines the roles and expectations of the PAC. It also specifies that members would be compensated with a \$70 per diem for meetings and personal expenses like mileage would also be reimbursed at RVCA’s rate (this is equal to the compensation received by RVCA’s board members).

The members being recommended for appointment to the Lanark ALUS PAC represent a variety of farming practices and farming associations within Lanark County as well as the County of Lanark and Climate Network Lanark who are founding partners of Lanark ALUS. The seven members are:

- Lorne Heslop
 - Farmer (beef and feed)
 - Member of Lanark Federation of Agriculture (Director), Climate Network Lanark (Farm Working Group)
- Deb Knapton
 - Farmer (dairy and feed, past cash cropping)
 - Member service representative for Lanark Federation of Agriculture
 - Member of Dairy Farmers of Ontario, Lanark County Milk Producers
 - Retired from Lanark County 4H, former director of Eastern Ontario Horse Association

- Peter McLaren
 - Farmer (cash cropping, past livestock)
 - Member of National Farmers Union, Grain Growers of Ontario, Ontario Soil and Crop Improvement Association (past President)
 - Member of the Rideau Valley Rural Clean Water Committee
- Hilary Moore
 - Farmer (mixed organic: pork, eggs, vegetables, hay, oats/peas, honey)
 - Member of National Farmers Union (national livestock committee, chairs provincial ad hoc abattoir committee), Climate Network Lanark (Farm Working Group), President of Almonte Farmers Market
- Scott Sigurdson
 - Farmer (vegetables, fruit-bearing shrubs, grapes, orchards, garlic)
 - Member of Mississippi Mills Agricultural Advisory Committee, National Farmers Union, Canadian Organic Growers.
- Alberto Suarez-Esteban
 - Farmer (eggs, vegetables, berries, cut flowers, orchards)
 - Member of Climate Network Lanark (Farm Working Group), Regeneration Canada, National Farmers Union
- Michelle Vala
 - Climate Environmental Coordinator for the County of Lanark

Input from Other Sources

RVCA has been working closely with MVCA and ALUS Canada to set up the new ALUS Lanark chapter and launch the program locally. Climate Network Lanark and the County of Lanark are founding partners who approached the conservation authorities about establishing a Lanark ALUS chapter and asked that we deliver the program locally.

Financial Considerations

There will be no negative financial impact on RVCA's budget as it is proposed that existing staff would be used to support this new initiative. The ALUS partnership will actually provide a new source of funding from an outside partner to support local restoration work in the watershed.

Legal Considerations

N/A

Adherence to RVCA Policy

N/A

Link to Strategic Plan

This initiative supports the following strategic priorities:

- *Continue to provide technical and financial assistance to help people undertake stewardship projects on their property*
- *Continue developing new partnerships and business models that increase capacity, reduce costs or generate new revenue*

Attachment

- ALUS Lanark PAC Terms of Reference (March 18, 2022)

**Alternative Land Use Services (ALUS) Lanark
Partnership Advisory Committee (PAC) Terms of Reference
March 18, 2022**

1. Purpose

The ALUS Partnership Advisory Committee (PAC) will:

- a) Act as an advisory committee to the Rideau Valley Conservation Authority (RVCA), the legal entity for the ALUS program delivery;
- b) Support the management and administration of the ALUS program in the County of Lanark, known at ALUS Lanark (The area of jurisdiction may be enlarged to include other areas over time);
- c) Promote and encourage participation in the ALUS program within the Lanark farming community including identification of pilot sites to illustrate program opportunities and benefits;
- d) Engage potential partners, funding sources, general public, elected officials and other stakeholders to promote sustainable funding and delivery of the ALUS Program within the County of Lanark;
- e) Apply technical knowledge and expertise to the review and assessment of program applications; and
- f) Provide on-site technical support where authorized.

2. Membership

As ALUS is a farmer-driven project, the majority of voting members should be farmers from the County of Lanark with the remainder of the PAC to be made up of partners contributing significant resources and expertise. Up to seven (7) members will be invited to sit on the Committee.

Ex-officio (non-voting) members may also be invited to sit on the Committee to represent other interests, and from time to time, representatives of interested groups may be invited to attend meetings to provide technical input as non-voting guests.

Committee membership is for one-year and may be renewed for additional periods.

3. Quorum and Decision Making

Quorum will consist of 50% of the Committee membership who are eligible to vote. Approval or denial of applications shall be by vote with a simple majority (50% plus 1) carrying the vote. All other decision-making may occur by consensus, where consensus is defined as close enough to agreement that there is no formal objection.

4. Executive

The Committee shall appoint a Chair and Vice-Chair from amongst its voting members.

5. Chair

Duties of the Chair will include:

- a) Starting and adjourning meetings on time;
- b) Maintaining efficient order and flow within the meetings;
- c) Operating meetings with proper parliamentary procedure as per Robert's Rules;
- d) Preparing the Agenda and adhering to it by accepting only discussion on the topic from the floor; and
- e) Being a key spokesperson to represent ALUS.

6. Member Responsibilities

PAC Committee members are accountable for:

- a) Attending meetings and following Roberts Rules of Order;
- b) Attending pre-authorized events;
- c) Tracking expenses and submitting claims for pre-approved meetings;
- d) Adhering to RVCA's Code of Conduct (Appendix 1 of RVCA's Administrative Bylaw);
- e) Adhering to RVCA's Conflict of Interest Policy (Appendix 2 of RVCA's Administrative Bylaw);
- f) Keeping confidential applicant and decision-making information in accordance with the *Municipal Freedom of Information and Protection of Privacy Act* (MFIPPA); and
- g) Acting in the best interest of the program including maintaining a positive image of the program in the community.

One to two PAC members may be selected by the ALUS Coordinators to fill the role(s) of Farmer Liaison(s). Farmer Liaisons are accountable for all of the above responsibilities, as well as the following additional responsibilities:

- a) Attending pre-authorized site visits and advising farmers; and
- b) Tracking expenses and submitting claims for pre-approved site visits.

7. Administration

Members of the PAC, who are not performing the role as a paid employee of an organization, will be paid a per diem rate of \$70 for meetings. They will also be reimbursed their personal expenses incurred while attending regular meetings and other events associated with the ALUS project such as personal vehicle use at RVCA's mileage rate, parking, and long-distance phone charges.

8. Minutes

The Program Coordinator, or other conservation authority employee acting as Recording Secretary, will prepare and distribute draft minutes to all PAC members within a month of each PAC meeting.