

PROFESSIONAL GEOSCIENTISTS ONTARIO ANNUAL REPORT

2022-2023



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Mission

Professional Geoscientists Ontario (PGO) protects the public by regulating Ontario registered geoscientists and advancing professional practice.

Vision

To maintain and continually improve PGO as a trusted, respected and effective regulatory authority.



PGO COUNCIL 2022-2023

President

Melanie Siewert, P.Geo. (Limited), FGC

Vice President

Mary-Anne Hildebrandt, P.Geo., FGC

Past President

Paul Hubley, P.Geo., FGC

Central Ontario Councillor

Robert Hearst, P.Geo.

North Western Ontario Councillor

Ryan Weston, P.Geo.

North Eastern Ontario Councillor

Laura Katz, Ph.D., P.Geo.

South Western Ontario Councillor

David Leng, P.Geo.

South Eastern Ontario Councillor

Claire Milloy, P.Geo.

Councillors-at-Large

Michaela Kuuskman, P.Geo.

Sheila Daniel, P.Geo.

Alicia Kimberley, P.Geo.

Christopher McInnis, P.Geo.

Lieutenant Governor-in-Council

Registrant Appointees

Kristina Small, P.Geo.

Roger Woeller, P.Geo., FGC

Lieutenant Governor-in-Council (Non-registrant) Appointee

Paul Connor, MBA, FGC (Hon.)

Public (Non-Registrant) Appointees

Joanne Di Caro

Siri C. Genik*

Ana Misra, MSc., CPA-CGA

Cerise M. Latibeaudiere, LL.B.

William Skura

***Council governs the
affairs and business
of PGO. Elections are
held before the
Annual General
Meeting, which takes
place in June.***

*Resigned May 3, 2023

LETTER TO THE MINISTER OF MINES

The Honourable George Pirie, MPP

Minister of Mines

Whitney Block, Room 5620, 5th Floor

99 Wellesley St. West

Toronto, ON M7A 1W3

On behalf of the Council of Professional Geoscientists Ontario (PGO), its staff and volunteers, I present the enclosed 2022-2023 annual report. The report includes an audited financial report for the year ended December 31, 2022 together with various committee and executive reports highlighting our activities since our Annual General Meeting (AGM) in June 2022.

I trust that you will see herein that the PGO continues to grow and has developed into a respected geoscience regulator that is recognized across the country for its leadership. Geoscience remains both essential and relevant to society and Ontarians and at a time when professional regulation is critical to protecting the public, PGO strives to operate at the highest level of transparency and fairness to meet our mandate as prescribed by the Professional Geoscientists Act, 2000 (PGA).

The number of registered, professional geoscientists in Ontario continues to grow. As of the end of 2022, PGO regulated 3852 registrants, including full practicing, limited practicing, as well as student members and 627 Geoscientists in Training (GITs). The number of GITs, together with our student members bodes well for a healthy future for the geoscience community in Ontario.

There remains a significant number of illegal practitioners in the Province (those who choose to practice without a license) which is not acceptable to us as a regulatory body. While we continue to employ non-regulatory approaches to address this problem, we hope that your Ministry will work with us to continue advancing the necessary amendments to

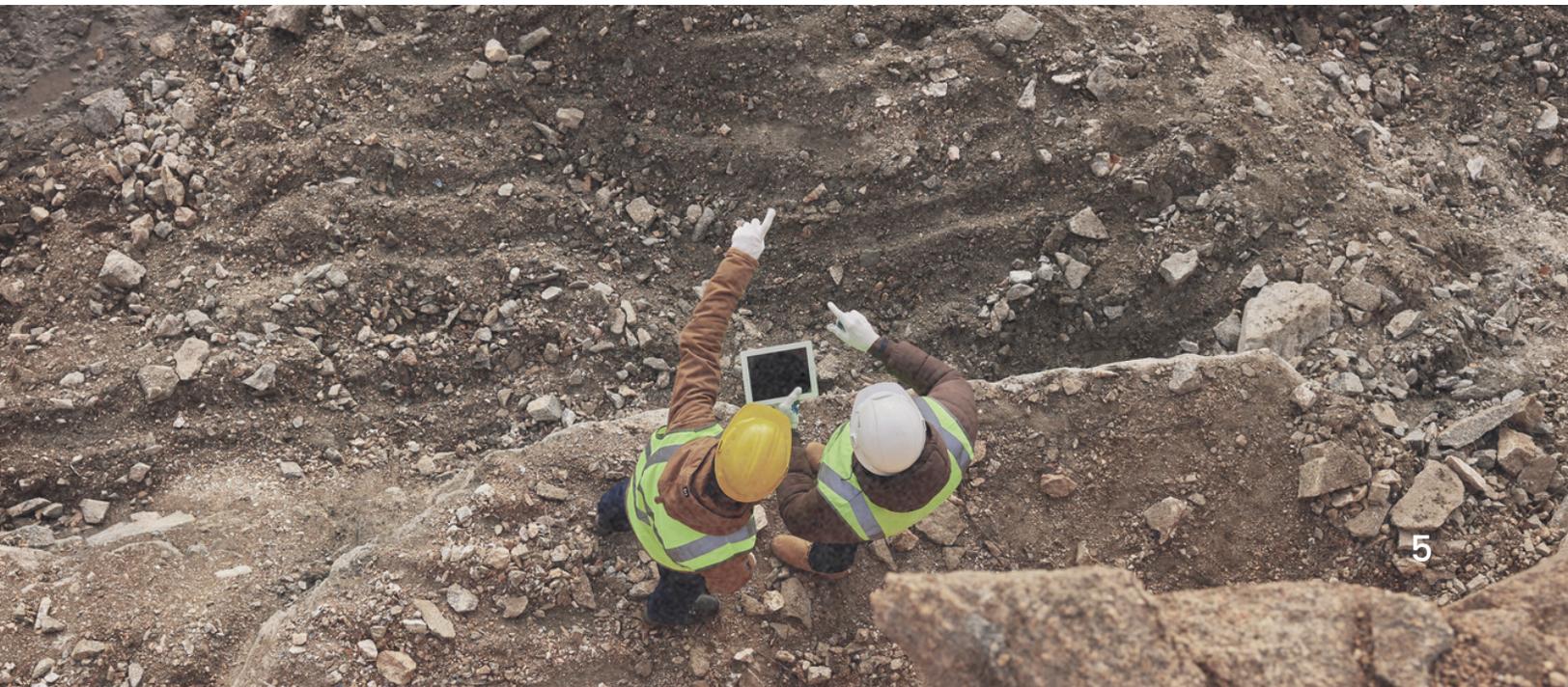
the PGA which will enable us to deal with illegal practice more effectively. The ultimate goal is to reduce the risks that illegal practice poses to the public and the environment and to maintain the standards and reputation of the geoscience profession in Ontario.

Over the past several years, through the expertise of our volunteers we have been able to continue and expand upon a constructive relationship with our colleagues in the Ontario government. Our experience and opinions have continued to be sought on issues across a broad range of geoscience disciplines through advisement to the Ministry of Mines (MM), Ministry of Natural Resources and Forestry (MNRF) and the Ministry of Environment, Conservation and Parks (MECP) . Going forward we hope to be able to continue to cultivate and expand further upon these relationships.

PGO values your support and that of your staff at the Ministry of Mines which we rely on to remain an effective regulatory body in Ontario and provide adequate protection to the public. I am confident that our organization is meeting the objectives and mandate bestowed upon it through our Act and I look forward to any comments you may have regarding the annual report, our processes or vision towards the protection of the Ontario public and the environment.

Respectfully,

***Melanie Siewert, P.Geo. (Limited), FGC
President***



PRESIDENT'S MESSAGE

As we approach the PGO's 2023 AGM, my term as President is coming to an end. It has been a humbling year. Early in my term, I was fortunate enough to meet and connect with a few past presidents who led the organization well before my time on PGO council. Each graciously shared stories of their proudest accomplishments and greatest challenges. Hearing their experiences, the daunting question fell to me 'What do you wish to accomplish with your term as President?'. My thoughts went back to the organization's work over the past few years:

- Maintaining important relationships with our stakeholders
- Offering the Ontario Government technical input on key consultation issues,
- Monitoring regulatory changes with the potential to affect the practice of geoscience
- Reducing illegal practice through a balanced approach of education and enforcement
- Removing barriers to mobility of practice by offering registration for incidental practice in Ontario
- Carefully examining and addressing complaints by the public against registered geoscientists
- Establishing a risk management policy to guide PGO decision making,
- Supporting continued growth in the number of practicing registrants,
- Making significant commitments to incorporate Diversity & Inclusion and Sustainability & Climate Change considerations in professional practice and the PGO's governance model, and
- Providing thoughtful and informative opportunities for continuous professional development

The continued progress by PGO committees and staff in each of these areas will be detailed in the reports that follow.

As I contemplated the formidable work being done by PGO staff, committees and other volunteers toward completion of the goals set out in the 2020-2022 Strategic Plan, I realized it was not for me to lead the organization toward any given objective. Rather, I was tasked with providing a steady hand on the tiller of the great ship built by others and keeping the the organization on the tack that had already been established.

A few weeks ago, PGO council, committee chairs, past presidents, PGO staff and a few key stakeholders met for the 2023-2025 Strategic Planning Retreat. It was during this important strategic event that I felt humbled to be one among the organizational creators and leaders that were present.

Over the course of two engaging and productive days, we reviewed our progress over the past three years in fulfilling the objectives of the previous 2020-2022 Strategic Plan and contemplated the goals and objectives that would guide our direction in the coming years. I was astounded by the thoughtful consideration, rigorous debate and meeting of minds I witnessed in that room.

It was a room full of passion and genuine care for the organization, the industry and the practice of geoscience. We contemplated our delegated responsibility to safeguard the welfare of the public - protecting life, health, property and the natural environment through principled geoscience practice. We looked back to the early days of the organization and reconnected with the foundational principles upon which the organization was designed. We explored and debated the best means of leading the organization into its next phase, in its best form, and in the interest of the public, our stakeholders and practicing geoscientists in Ontario as well as geoscientists across other Canadian jurisdictions.

The focus of the 2023-2025 Strategic Plan will be to build on the strong foundation and framework laid by the architects of the Professional Geoscientists Act, 2000 and the PGO organization, formerly the Association. To quote Michelle Obama, 'We've got a responsibility to live up to the legacy of those who came before us by doing all that we can to help those who come after us.'

With less than 25 years since the Act received royal assent, we are a relatively young self-regulatory organization. Nonetheless, the PGO has always been at the forefront of regulating professional practice in the public interest and we are now poised for another pivotal point in the organization's history.

Our focus over the coming months will be to fortify the organization to prove to ourselves that we are ready for the scrutiny that will come with an independent third-party review of our regulatory practices and governance structures. Much of my efforts over my term as President have been on self assessment relative to leading practice.

As regulators, we have the responsibility to ask tough questions of ourselves and about the processes that direct organizational decisions and direction. What are our guiding principles and how do we remain confident that we are fulfilling these objectives? How do the processes established over years of overseeing geoscience practice continue to support our public protection mandate? How do we support registrants in a manner that promotes the knowledge, understanding and application of the principles of geoscience without forgetting our regulatory role and avoid any perception of advocacy? And how do we demonstrate that we remain focused on the objects identified in the Act of regulation, governance and upholding industry standards in professional practice, ethics, knowledge and continued learning? Over the next three years, we will be examining the organization through a lens of continuous improvement. It is a coming of age for the PGO as a trusted, respected and effective regulator.

Before I turn over the helm, I would like to express what an honour it has been to work alongside the dedicated group of more than 100 volunteers that support the governance of professional geoscience in Ontario through their critical contributions to committees and council. The depth of technical expertise and commitment that they offer is greatly appreciated and instrumental to the effective operation of the PGO as a self-regulatory organization. It has also been an honour to work with the PGO's diligent and professional staff: Marilen Miguel as Director, Internal and External Affairs, Eilidh Lewis as Registrar, Gabrielle Hosein as Assistant Registrar, Lauren Atmore as Communications and Stakeholder Relations Specialist, Sherin Chopra as Administration and Operations Manager, Florentina Groza as bookkeeper, and Tony Andrews as Executive Director and CEO. Thank you all for sharing your time and wisdom.

And to PGO registrants and the Ontario public, I thank you for offering me your trust and confidence to uphold the integrity of the geoscience profession.

***Melanie Siewert, P.Geo. (Limited), FGC
PGO Council Chair and President (2022-2023)***

CEO'S MESSAGE

It is a pleasure for me to report on the activities of PGO for the 2022-2023 period. While this annual report covers the period from June, 2022 to June, 2023 (i.e. from one AGM to the next), the accompanying financial statements report on the 2022 fiscal year with a year-end of December 31, 2022.

During the past 12 months significant changes occurred within PGO staff, with the addition of the following positions:

- Sherin Chopra: Administration and Operations Manager
- Gabrielle Hosein (P.Geo.): Assistant Registrar
- Lauren Atmore: Stakeholder Relations and Communications Specialist

During this period Eilidh Lewis (P.Geo.) was promoted from Assistant Registrar to Deputy Registrar/Acting Registrar, and subsequently appointed by Council to the position of Registrar, and Marilen Miguel was promoted from Director, Stakeholder Relations to Director of Internal and External Affairs. In February, 2023, PGO moved its Toronto offices to new space, which better provides for our current needs.

PGO staff returned to the office following COVID-19 on April 4, 2022, to commence a hybrid approach to our work, comprising two days a week in the office and three days from home. This practice has continued up until the present (June 2023) and has presented no significant barriers to our day-to-day operations or prevented us from making substantial progress on improving operations and the implementation of our 2020-2022 Strategic Plan. The strategic plan framework can be found on our website at <https://www.pgo.ca/about/strategic-plan>. As described in the President's Report, our new 2023-25 strategic planning cycle officially commenced on May 11, 12, 2023, marked by a retreat involving PGO Council, Committee Chairs, Past Presidents and Staff.

The highlights of our improvements in operations over the past 12 months may be summarized as follows:

- A review and upgrading of our cybersecurity
- The initiation of a formal risk management system focused on protection of the public interest
- The establishment of an on-line, automated work experience competencies tool for applicants, following a piloting stage
- Continuation and strengthening of our annual information outreach program to university geoscience students. In 2022 PGO staff and volunteers organized meetings with student groups in 14 university earth science departments and 1 college, 11 of which were face-to-face meetings and 3 as virtual sessions
- Our continuing professional development and general information programs were presented as webinars and lunch & learn events including topics such as equality, diversity and inclusion; risk management for regulatory bodies, and Legislated Obligations and Fair Registration Best Practices Guide for Regulated Professions and Compulsory Trades, the latter presented by the Office of the Fairness Commissioner
- In April, 2023, PGO conducted its 4th Annual Virtual Symposium. The Symposium, consisting of 4 sessions addressing professional regulation, climate change, Equity, Diversity and Inclusion (ED&I), and qualified persons (QP) was well received by the approximate 200 participants
- In August, 2022 we designed and implemented a more robust, formal approach to orientation of new Council members and Committee Chairs

We hope that these initiatives continue to bring improvements to the experiences registrants, stakeholders, volunteers and the public have while engaging with PGO.

The Office of the Fairness Commissioner (OFC) oversees the registration practices of self-regulatory bodies in Ontario to ensure that they are transparent, objective, impartial and fair. In April 2022, the OFC launched a new risk-informed compliance framework, which reviews the historical performance and future risks that could impact a regulator's ability to achieve better registration outcomes for applicants. Through this review process, we are pleased to inform that PGO is in full compliance and falls within the low-risk category, meaning that we are performing our duties well and are upholding the standards that are expected of a regulatory body.

As outlined in more detail in the Committee Reports below, the dedication and expertise of our volunteers, supported by PGO staff, have enabled us to build and maintain strong, constructive relationships with our key regulatory stakeholders, including our colleagues in the Ontario government, with constructive exchanges on multiple topics and issues

relevant to effective regulation of professional geoscientists and protection of the public interest. Some of the key activities in this area are summarized below, along with the PGO committees involved in advancing these initiatives:

- The work to seek amendments to modernize the Professional Geoscientists Act (PGA) continues. Such amendments will enable PGO to keep abreast with the evolving nature of geoscience professional practice and the related challenges of protecting the public interest. At the time of writing, PGO is undergoing a public consultation process on the proposed legislative amendments, as required by the Ontario government (Ad Hoc PGA Committee)
- Bill 79, Working for Workers Act (Ministry of Labour, Training and Skills Development) was promulgated in December, 2021. Among a number of measures, the Act prohibits all regulatory bodies governing professions in Ontario to require foreign applicants to comply with existing Canadian experience requirements. PGO is working with the OFC to align its admission requirements with the new Act, which will come into force in December, 2023 (Registration Committee)
- Work continues on the development of a strategy to ensure the engagement of qualified geoscience professionals in projects and activities requiring appropriate geoscience knowledge and experience. This has involved consultation with representatives in municipalities, conservation authorities and MECP (Environmental Subcommittee)
- PGO participated in the consultation and review of National Instrument (NI) 43-101 initiated by the Canadian Securities Administrators (CSA). PGO's focus was on the need to clarify the definition of QP and the provision of more specific guidance on self-declaration (Geology Subcommittee)
- In 2020 PGO communicated with the MNRF regarding the need to update provincial erosion hazard guidelines. This work has continued and at the time of writing MNRF is preparing to initiate the updating process (Geomorphology Subcommittee)
- PGO continues to monitor the long-term process involved in the development and implementation of the new regulatory regime pertaining to the management of excess soils (PGO staff)

PGO continues to have close interaction with the Provincial-Territorial Self-Regulatory Organizations (SROs) across the country responsible for regulating professional geoscientists, all of which engage with and financially support our national umbrella body, Geoscientists Canada.

The PGO 2022 audited year-end financial statements reflect a healthy, well-managed organization supported by the expertise of our Treasurer who is a CPA, the Audit Committee and staff. The long-term steady increase in the number of PGO Registrants, and Student Members continued in 2022, contributing to a stable revenue base. The modest deficit indicated for 2022 is primarily a result of unforeseen expenditures related to a prolonged and complex complaint.

Last but not least I would like to give credit to the staff of PGO for their dedication and hard work contributing to all of our accomplishments over the past 12 months.

Let us not forget that:

Self-regulation is a privilege not a right, and it is the duty of all of us, including registered professionals, to maintain and improve standards of practice, for the betterment of the profession and thus fulfillment of our primary mandate of protection of the public interest.

Tony Andrews, PhD
CEO



COMMITTEE REPORTS

REGISTRATION COMMITTEE

Ian Macdonald, P.Geo. – Committee Chair

Eilidh Lewis, M.Sc., P.Geo. – Registrar

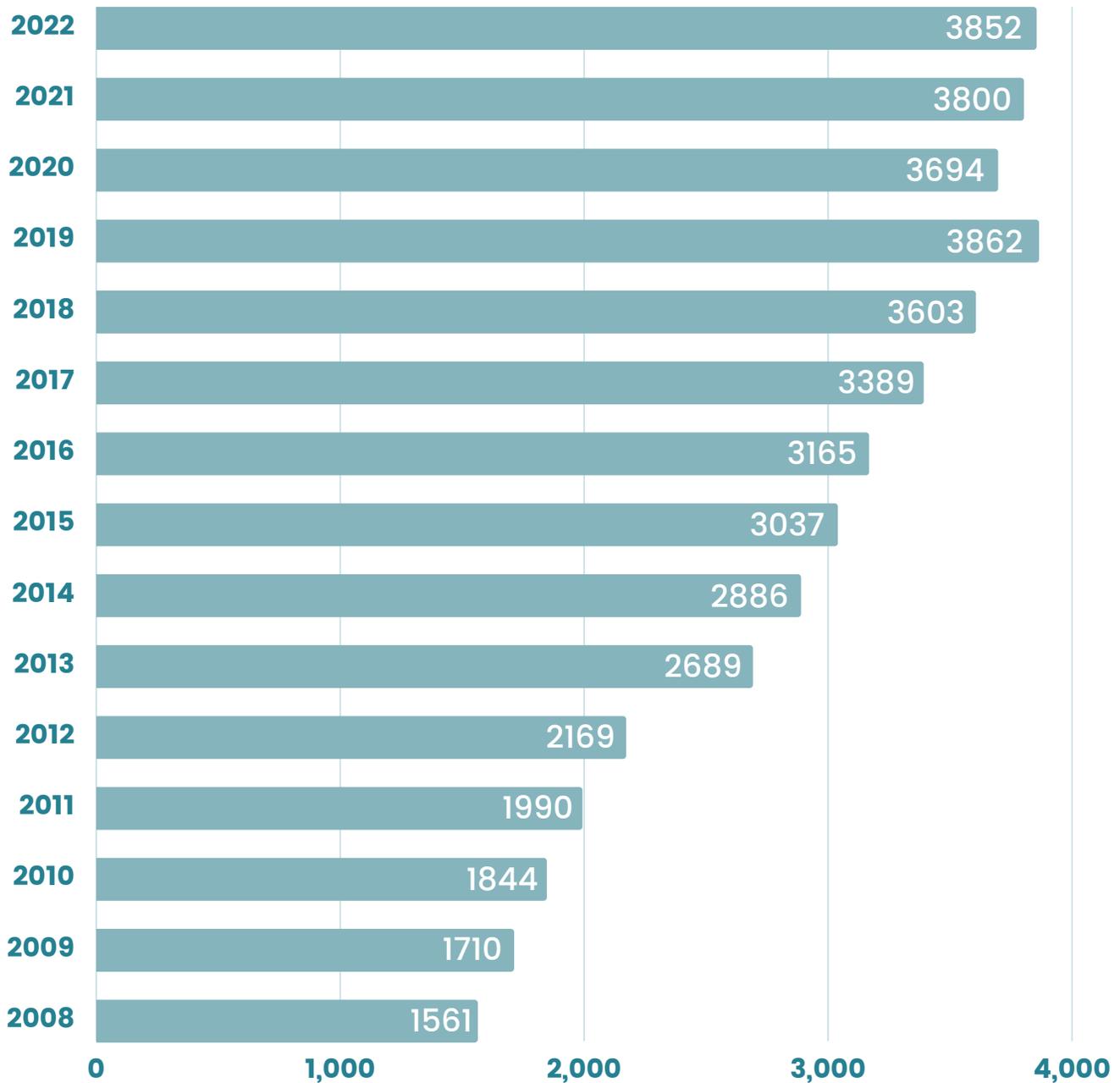
The Registration Committee continued to use video conferencing in 2022 and has decided to continue with virtual meetings indefinitely, allowing for easier participation of volunteers across Ontario. Seven meetings were held during 2022, where 327 applications were reviewed. During 2022 there were some staff changes and the Registration Committee is happy to welcome Gabrielle Hosein, M.Sc., P.Geo. as the new Assistant Registrar. Gabrielle started with PGO in January 2023 and has proved herself to be a valuable member of the team and has helped with improving the efficiency of the registration process. We look forward to continuing to work with her and make further improvements to the process over the coming years. The Registration Team would not be able to function without the group of dedicated Committee members who have been willing to donate their time and expertise to registering numerous professional geoscientists, limited professional geoscientists, and geoscientists-in-training, and we greatly appreciate the work that they do.

PGO is going to be implementing a new competency-based assessment system to replace the current work experience record, which has involved Committee members' participation in training and a test report. The system will be introduced to new full and limited practicing applicants in 2023, and rolled out for those applying for their change of designation at the start of 2024. The implementation of the new system will involve an increase in the work load for Committee members ahead of each meeting, but should ultimately make this process more efficient.

At the end of 2022 the total registrants (including full practicing, limited practicing, geoscientists-in-training and student members) of the PGO stood at 3852, a small increase over the previous couple of years, and getting closer to the pre-pandemic numbers from 2019.

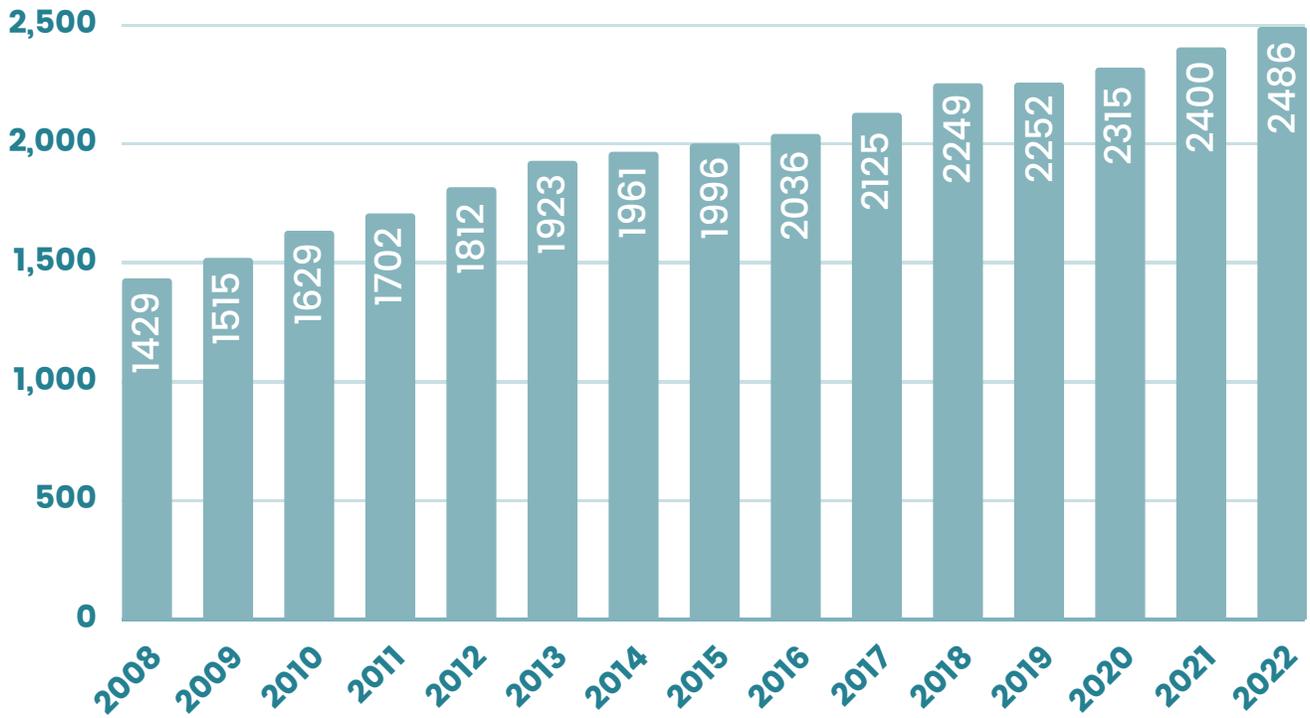
However, the total numbers are affected by the number of student members, which is reflected by the decrease in enrollment of students entering into geoscience programs.

Total Registrants (2008 - 2022)

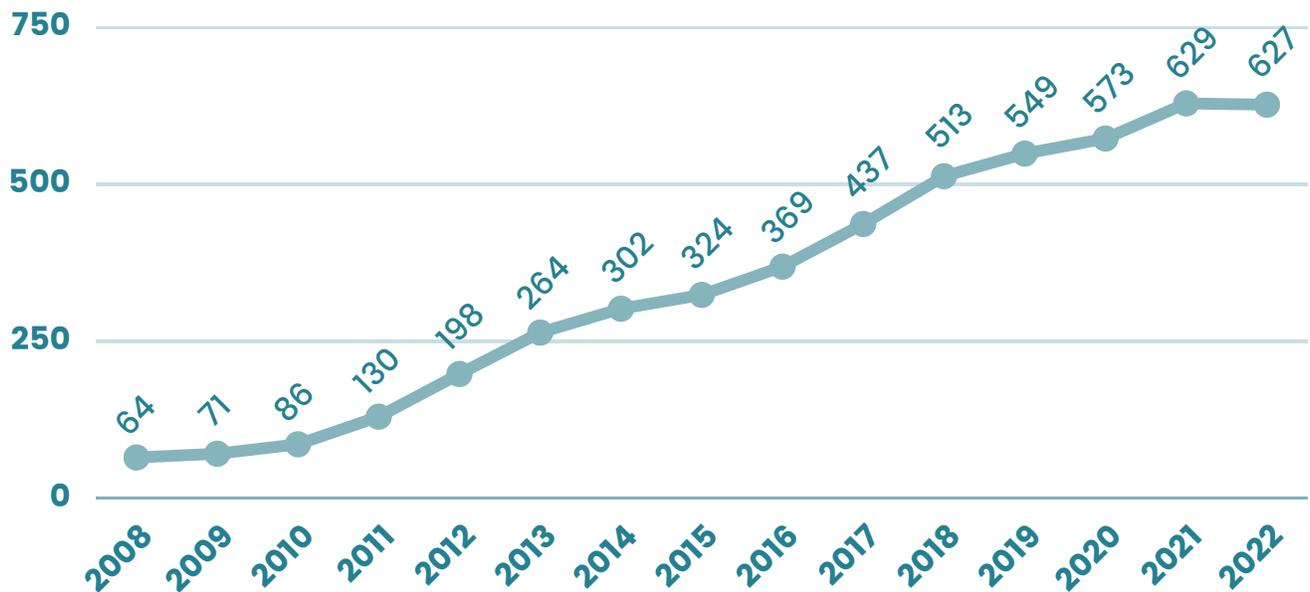


For 2022, the number of full practicing registrants, not including student members, comprised 89% of registrants, with the overall numbers increasing every year. Student numbers continue to drop from 533 in 2020, to 457 in 2021 and 418 in 2022, which is reflective of the decrease in enrollment in geoscience programs. However, it is encouraging to see that the GIT numbers are staying consistent so those that do graduate with a geoscience degree are continuing to register with PGO.

Full P.Geo. (2008 - 2022)



GIT Registration (2008 - 2022)



The gender makeup of all registrants has remained steady in the two main categories with full practicing and GIT at 75% and 62% for males, while female registrants remain at 25% and 38% respectively.

The current list of registrants in good standing and Certificates of Authorization (C of A) can be searched on the PGO website at www.pgo.ca.

COMPLAINTS COMMITTEE

Douglas Cater, P. Geo. - Committee Chair

The Complaints Committee was active during the year, with the on-going review of a very complex natured complaint known as C-135, C-136, C-138 and C-139 (all being heard collectively as part of a larger complaint). A preliminary review panel, chaired by Robert Hearst, has been established and the complaint required additional resources in the form of investigators who were used to assist the review panel in obtaining additional information pertaining to the complaints. A second complaint C-137, was heard by a review panel and a decision rendered in 2022.

In late-December, the Registrar notified the Committee of another complaint, C-140. A 3-person review panel was established to hear the complaint. The complaints, while confidential in nature, are being reviewed using a panel format comprised of Committee members and a Council representative.

On behalf of the Complaints Committee, I want to extend thanks to all our panelists who volunteer their time, to participate in the complaint review process seeing these complaints through to a timely conclusion.

DISCIPLINE COMMITTEE

T.A. Tammy Middleton, P. Geo. - Committee Chair

The Discipline Committee is responsible for hearing and determining cases of professional misconduct, negligence, or incompetence brought against a member or C of A holder. Our 16 members include elected Councillors, non-member appointees, and geoscientists Registrants at large. The Discipline Committee meets quarterly using telephone and web conferencing.

Our committee was not called upon to convene any hearings or supply a panel in the past year. The Committee continues to maintain a standing hearing panel composed of professional and public members, with alternates available, for immediate deployment. Previous Discipline panel decisions and order documents are posted on the PGO website.

Many thanks to the members of the Discipline Committee for their efforts over the past year.



ENFORCEMENT & COMPLIANCE COMMITTEE

Roger Woeller, P.Geo., FGC - Committee Chair

The Enforcement & Compliance (E&C) Committee is a Standing Committee of Council. The Committee mandate is to protect the public by optimizing the approach, practices and tools available to PGO for reducing the illegal practice of geoscience (geoscientists practicing without a license) in Ontario. The operational term of the Committee is open-ended.

Our seven members represent a wide range of sub-specialties in the practice of geoscience as well as others with special expertise in the matters dealt with by the Committee. We also have extensive participation of ex officio membership including the CEO, the Registrar/staff and members of the PGO Executive Committee. Currently our group is constituted with elected councilors, appointed registrant members of council, non-registrant public members of the public with special expertise and geoscientists from the PGO registration at large.

The Enforcement and Compliance Committee met six times over the course of the past year and at a minimum, quarterly. Our meetings were conducted virtually using primarily web conferencing and phone-in tools. Committee executive positions are for a minimum two-year term and include a Chair (appointed by Council), Vice Chair and Secretary (elected by the Committee). We have added one new member this year and currently need two additional committee positions filled to offer both a succession of ideas and thought but also to replace recently announced retirements. Our discipline subbase is well distributed as they now stand and new appointees from any subdiscipline of Geoscience or from the public at large will be welcomed.

You may notice that the mandate of the Enforcement and Compliance Committee is like that done jointly by 1) Complaints and 2) Discipline Committees but we differ in that our activity is primarily focused outside of our body of Registrants, but we are alike in that our function is primarily to support the PGO Registrar and staff. This support includes:

- Detection of illegal practice (individual or corporate)
- Response to complaints by Registrants, agencies of government and the public regarding incidents of illegal practice in Ontario by non-Registrants

- The identification, development and use of enforcement measures and tools to combat illegal practice in Ontario. These include both legislative and non-legislative means
- The development of communication methods and tools as well as participation in PGO
- Committees and groups that promote education of the public and potential Registrants. Our objective is to promote understanding of the practice of geoscience and we strive to reduce the number of incidents of illegal practice from the outset and to assist in qualification of Registrants
- To assist the Registrar in the prioritizing of incidents of illegal practice through a risk assessment and risk management lens to guide enforcement actions

Status of the E&C Action plan

The action plan for Enforcement and Compliance cited for the strategic planning cycle of 2019 to 2023 was in essence completed.

- A review of the +400 open files for E&C through sampling high risk incidents first
- Formalized the decision matrix and process for treating illegal practice
- Established a 'documentary standard' for E&C files (ongoing)
- Worked with PGA Amendment Ad Hoc Committee regarding Geoscience Act revision (ongoing)
- Promoted the use of non-legislative (Ontario) tools to restrict illegal practice in Ontario
 - o "Certification Marks", a federal instrument designed to protect (some) titles, promulgated by Geosciences Canada, signed on to by PGO
 - o Examined past precedents of civil prosecution to assess viability with existing regulation and by law
- Work with staff in developing additional tools to identify illegal practice with reporting from 3rd parties (Ontario Securities Commission (OSC), (NI 43 101 reporting), with MEPC (QP and QPRA)) (ongoing)
- Identification of "drivers of illegal practice" through the review of the transgressors, high level risk analysis, support and participation in heightened communication measures such as the ongoing PGO university outreach initiatives (ongoing)

Key Initiatives for 2023-2024

- Enhance the PGO communications profile including the value proposition of registration, educational prequalifications, responsibilities of Registrants and penalties for non-compliance

- Further develop tools to identify illegal practice to reduce the number of incidents through partnering with MECP and OSC
- Further develop the framework for risk-based identification and prosecution of PGO Enforcement and Compliance activities
- Examine existing PGO regulation and bylaw in the context of our Geoscience Act to develop other strategies that have E&C implications, with the goal of reduction and prevention of E&C cases, especially those with significant material impact

AUDIT COMMITTEE

Dennis Waddington, P. Geo. - Committee Chair

The Audit Committee is a Standing Committee of PGO reporting to Council, whose purpose is to assist Council in fulfilling its financial responsibilities for PGO's affairs by overseeing the independent audit process, recommending the annual financial statements for approval by Council, and managing the relationship with the external auditors. The Committee ended the 2022 financial year with four members, all independent from involvement in the daily accounting functions of PGO, and a combination of financially literate Council and non-Council members who were both professional registrants and non-registrant appointees.

The Audit Committee meets as needed during the year, mainly in the first few months to plan the audit and review draft audited financial statements and recommending them for approval by Council. In 2022 it met virtually on several occasions with and without the auditors and/or management to oversee the annual audit process of the 2021 financial statements.

The Committee lost one member during 2022, after completion of the 2021 audit, whose term on Council ended during the year. The remaining four members continued into 2023 to complete their 2022 audit work. Bateman MacKay LLP, headquartered in Burlington with offices in Mississauga, is PGO's auditor. At this time of writing, the audit of the 2022 financial statements has been essentially completed and the draft audited financial statements were presented by the committee to Council at its May 2023 meeting.

GOVERNANCE COMMITTEE

Paul Connor, MBA, FGC (Hon.) - Committee Chair

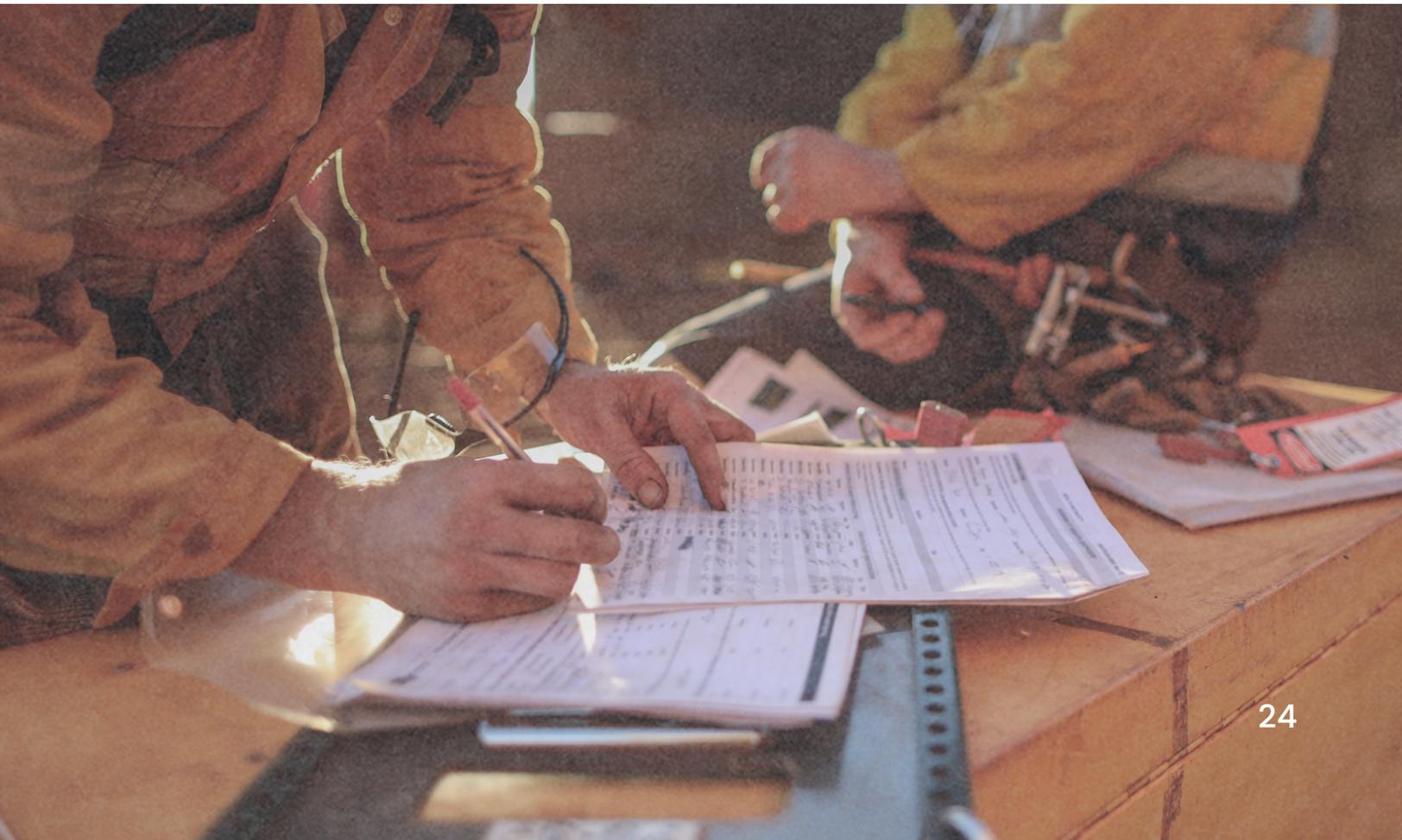
In 2022-23, the Governance Committee provided substantive advice to the Risk Management Working Group and to the Readiness Assessment Working Group, in the latter case further to legal advice intended to prepare the organization for an independent, third party regulatory and governance review scheduled during the next strategic planning cycle. In addition, small reforms were made to the governance manual and to the Committees' Terms of Reference (ToR). Governance also spun off the Nominations Subcommittee to a full Standing Committee and several members participated in the Strategic Planning Retreat on May 11th and 12th, providing a report to close off the 2019-22 strategic planning cycle and contributing to the development of a work plan for the 2023-25 strategic planning cycle.



PROFESSIONAL PRACTICE COMMITTEE

Paul Hubley, P.Geo., FGC - Committee Chair

The Professional Practice Committee (PPC) has a mandate to develop guidelines for practicing geoscientists, contributing to professional development activities, maintaining standards of ethics, and overseeing the four member Subcommittees (Geology, Geophysics, Environmental and Geomorphology). The PPC continued to provide direction and support to PPC Subcommittees for the active review of existing guidelines with the aim of identifying revisions where applicable, to ensure that PGO guidelines remain relevant to registrants and the public. PPC also provided support to Council by developing individual tasks to support key initiatives described in the PGO's 3-year Strategic Plan, including identifying additional Continuing Professional Development (CPD) opportunities. PPC supported the development and integration of key tenets of the Diversity and Inclusion, Symposium Planning and Sustainability and Climate Change Committees.



ENVIRONMENTAL GEOSCIENCE SUBCOMMITTEE

Simon Gautrey, P.Geo - Committee Chair

The Environmental Geoscience Subcommittee reports to the Professional Practice Committee. The mandate of the Subcommittee is to support the work of the Professional Practice Committee including developing standards and guidelines for the practice of professional environmental geoscience and undertaking other professional practice matters as may arise. The Subcommittee is made up of 12 members from a mixture of private companies and government agencies with one additional person appointed by Council.

Beginning in mid-2021, members of the Subcommittee took on the lead role in tackling issues related Goal 1, Objective 4 of the 2020-22 Strategic Planning cycle, which concerns QPs. The primary actions related to this objective were to 1) acquire information to better define the issue of municipalities and other public agencies in Ontario not employing or retaining licensed geoscientists, 2) engage appropriate agencies and stakeholders to seek their perspective and support, 3) liaise with Professional Engineers Ontario (PEO) to discuss the blanket exemption for P.Eng.s under the PGO Act, and 4) design and implement a collaborative approach to addressing the geoscience QP issue. Work in 2021-2022 focused on items 1 and 2 of the above, with work in 2022-2023 focusing on item 4 of the above.

To complete the above actions, the Subcommittee undertook work in 2022 to:

- Develop a plan for staff to reach out to the Association of Municipalities of Ontario and implement an education campaign to remind municipalities that the PGO is the body of professionals licensed to conduct geoscience work, so that they may more frequently identify geoscientists in requests for proposals, employment offers and procedures (completed in 2023), and
- Develop recommendations for the PGO to update its own criteria (i.e. qualifications) to identify which geoscience professionals are able to practice environmental geoscience (or any area of specialty), with the objective of developing a transparent method which can form the basis of a collaborative approach with the PEO for identifying which Professional Engineers are also qualified to practice geoscience (in progress)

For this second item, the Subcommittee is proposing an approach where P.Geo.'s are required, as part of their CPD submissions, to both a) declare their area of practice, and b) provide evidence of completion of CPD activities focused within this declared area of practice over multiple years. The PGO for its part would post the declared area of practice on the public section of the PGO website that lists Registrants and audit the CPD records.

In addition to working on the above parts of the Strategic Plan, the Subcommittee has been tasked with updating the PGO guidelines for environmental geoscience and groundwater resources. The Subcommittee is in the process of developing terms of reference for the PGO to issue to contractors to complete the update of these guidelines.

Finally, in the past year, the Subcommittee: met five times, commented on government proposed changes regarding the excess soil regulation, reviewed the Subcommittee's updated terms of reference, provided input on the proposed updates to the CSA guideline for NI43-101, and provided recommendations for FGC candidates.

The Subcommittee would also like to recognize that members of the subcommittee, Hannah Chessell and Alicia Kimberly were part of the 2023 PGO Symposium committee and Hannah Chessell presented at this year's Symposium on Qualified Persons.

GEOLOGY SUBCOMMITTEE

Bill McGuinty, P.Geo, FGC - Committee Chair

The Geology Subcommittee reports to the Professional Practice Committee. Our mandate is to support professional practice by developing guidance for Registrants in matters of the application of geoscience and related matters exercise of professional practice. Additionally, the Subcommittee will provide input to public calls for comment regarding regulatory changes that may impact the ability of professional geoscience practice to safeguard the public.

The Subcommittee has met three times in the period. In October 2022, the Subcommittee was strengthened by the addition of six new members. The Subcommittee now comprises 10 registrants from diverse geoscience backgrounds and experience.

As part of its work, the Subcommittee provided submissions to a request for comment regarding the CSA Consultation on NI 43-101, Standards of Disclosure for Mineral Projects and to a consultation for a proposal by the Ontario Ministry of Mines for Bill 71, Building More Mines Act, 2023.

GEOPHYSICS SUBCOMMITTEE

Jean Legault, P.Geo., géo. - Committee Chair

The Geophysics Subcommittee is a subcommittee of the Professional Practice Committee, a standing committee of Council. The mandate of the Geophysics Subcommittee is to support the Professional Practice Committee in fulfilling its mandate, with respect to the practice of geophysics, including developing standards and guidelines for the practice of professional geophysics and undertaking other professional practice matters as may arise from time to time. The Subcommittee communicates via electronic mail.

In 2023 our Subcommittee saw two members retire, including our chair. We took on a new chair, appointed a new vice-chair and have recruited two new members, bringing our Subcommittee back to six members and the possibility of a seventh. We are excited about our membership renewal and the added infusion moving forward.



GEOMORPHOLOGY SUBCOMMITTEE

Imran Khan, P.Geo. - Committee Chair

The Geomorphology Subcommittee supports the work of the Professional Practice Committee, including the development of standards and guidelines for professional practice in geoscience, and for applied geomorphology specifically.

In 2022, the Subcommittee activities were focused on continued engagement with the Ministry of Mines to review and update the provincial flooding and erosion hazard assessment guidelines for rivers, streams, and shorelines. Recommendations for updates to the provincial guidelines were originally submitted by the Subcommittee in March 2020, with follow-up correspondence submitted in January 2021 and several consultation meetings with Ministry staff, as recent as February 2023. Geomorphology Subcommittee members were also active in supporting numerous other PGO Committees, including the Registration Committee and other standing and ad hoc Committees.

As the Subcommittee transitioned to a new chair towards the end of 2022, the Subcommittee members met to discuss key initiatives for consideration in the upcoming year. These include the development of a succession plan for the Subcommittee, the expansion of volunteer opportunities to support PGO initiatives, and coordination with other Subcommittees on education and outreach activities.

SUSTAINABILITY & CLIMATE CHANGE COMMITTEE

Joanna Eyquen P.Geo. ENV EP. CWEM. CEnv. - Committee Chair

Sustainability and climate change considerations have a direct influence on the activities of our geoscientists. As reported by the Insurance Bureau of Canada, insured damage for severe weather events reached \$3.1 billion in 2022 - the third most costly year in Canadian history. Geoscientists are increasingly being called upon to consider climate change matters in their work, both to address climate risks and to contribute to efforts to reach net-zero commitments. Wider sustainability and Environmental, Social and Governance (ESG) considerations are also being increasingly standardized in the Canadian economy and beyond, with the inauguration of the International Sustainability Standards Board (ISSB) in Montreal in November 2022, and the publication of the first international standards scheduled for June 2023. Just before the end of 2022, Canada also hosted signing of the new Kunming-Montreal Global Biodiversity Framework, setting 22 targets to halt and reverse biodiversity loss.

In this rapidly evolving domain, the Sustainability and Climate Change Committee have worked to identify and prioritize key actions to support PGO's activities as a self-regulatory organisation, to protect the public and advance professional practice. Appropriate professional training is a key element of this, with the Government of Canada's National Adaptation Strategy including a target that, "by 2027, 75% of the members of professional associations have the capacity to apply climate change adaptation tools and information and communicate the business case for adaptation measures to their clients". To this end, the Committee hosted a well-attended session of the PGO Symposium entitled, "Achieving Canada's New Climate Adaptation and Biodiversity Goals."

Looking to 2023-2024, the Committee will formalize their key objectives as an integral part of PGO's new strategic planning cycle.

DIVERSITY & INCLUSION COMMITTEE

Imshun Je, P. Geo. - Committee Chair

PGO believes in the importance of equity, diversity and inclusion for everyone who wants to participate and engage with each other in the geoscience field and with the organization. The Diversity and Inclusion (D&I) Committee, now in its third year of operation, continues to carry out its mandate to enhance PGO's accountability in its mission of public safety, and to support PGO's duty to be fair and transparent as a self-regulatory organization to all people of a diverse range of identities. The Committee is also there to provide recommendations and guidance to Council on how to approach equity, diversity and inclusion within PGO, its registrants and their interactions with the public.

Highlights of the Committee's key activities in 2022-2023 include:

Q3 2022

- Assisted PGO to promote National Indigenous People's Day on its website, Field Notes and social media
- In September 2022, developed and implemented an online panel discussion with Indigenous leaders to talk about how geoscientists can participate in the Truth and Reconciliation Calls to Action with Indigenous people
- Provided a training session to PGO Council and executive on ED&I topics
- Solicited and reviewed bids from consultants to prepare a new ED&I Professional Practice Guideline on behalf of PGO

Q4 2022

- Executed contract with consultant to prepare the ED&I Professional Practice Guideline and reviewed initial draft document
- In October, submitted a report and recommendations to Council regarding suggested improvements to the diversity and inclusion matrix table and process to call for nominations to appointed Council positions
- Reviewed Truth and Reconciliation Calls to Action recommendations by Engineers and Geoscientists B.C. and agreed upon which are most applicable to PGO

- Reviewed PGO 2020-2022 Strategic Plan and D&I Committee’s action items that remained outstanding to carry over into the next 3-year Strategic Plan

Q1 2023

- Continued work on draft ED&I Professional Practice Guideline with external consultant
- Provided suggested messaging to recognize Black History Month for PGO’s Field Notes
- Provided D&I comments to the draft PGO Risk Register
- Preparation work on the ED&I panel session for the 2023 PGO Symposium
- Participated in PGO Strategic Planning preparation work in Sub-Working Group 2 (D&I and Communications)

Q2 2023

- Completed ED&I panel session for the 2023 PGO Symposium in April
- Reviewed and updated 2020-2022 Strategic Plan objectives and action plan to report back to Council for annual report
- Submitted draft ED&I Professional Practice Guideline to the Professional Practice, Complaints and Discipline Committees for review
- Completed Strategic Planning Sub-Working Group assigned tasks for the 2023-2025 Strategic Plan retreat



2022 SYMPOSIUM PLANNING COMMITTEE

Kristin Hanson, P.Geo. (Non-practicing), FGC - Committee Chair

Many thanks to the Symposium Planning Committee (SPC) for their hard work in putting the 2022 Symposium together. In addition to Symposium planning, the committee also developed its ToR. In 2022, upon approval of its ToR by Council, the SPC officially became a standing committee of PGO.

Below is a list of Symposium volunteers – Committee members and speakers – who generously gave their time, energy and knowledge to make our Symposium a success. The list also includes our sponsors, whose continuing support of the Symposium made it possible for PGO to provide a high quality but low-cost learning event to Registrants, GITs, students and members of the public.

2022 PGO Virtual Symposium – Conference Planning Committee

Kristin Hanson, P.Geo., Chair
Craig Waldie, P.Geo., Vice Chair
Joanna Eyquem, P.Geo.
Simon Gautrey, P.Geo.
Robert Hearst, P.Geo.
Imshun Je, P.Geo.

Trina Maher, P.Geo.
Kristina Small, P.Geo.
Andrea Waldie, P.Geo.
James Whyte, P.Geo.
Tony Andrews, PhD
Marilen Miguel, CAE

2022 PGO Virtual Symposium – Sponsors

Partner Sponsor - TD Insurance Meloche Monnex

Associate Sponsors – Hub International and Manulife

Contributors – Associated Environmental Site Assessors of Canada (AESAC) and World Education Services (WES)

2022 PGO Virtual Symposium – Panel Session Chairs and Speakers

Panel Session A: The Intersectionality of Reconciliation with Diversity and Inclusion: What does it mean & why does it matter to me?

- Session Chairs: Imshun Je, P.Geo. and Trina Maher, P.Geo.
- Michael Fox, President, Indigenous Community Engagement (ICE)
- Mary Kelly, Canadian Director of Social Inclusion, Wood
- Christian Naponse, Community Affairs Coordinator, Côté Gold Project, IAMGOLD

Panel Session B: Professional is a Verb not a Noun!

- Session Chairs: Jim Whyte, P.Geo. and Simon Gautrey, P.Geo.
- Sarah Murray, P.Geo., Project Manager, Earth and Environment, WSP
- Simon Gautrey, P.Geo., Principal Hydrogeologist, Wood
- Victoria Yehl, P.Geo., Senior Geologist, British Columbia Securities Commission
- Chris Collins, P.Geo., Chief Mining Advisor, British Columbia Securities Commission

Panel Session C: Communicating in Turbulent Times

- Session Chairs: Kristin Hanson, P.Geo. (Non-practicing) and Kristina Small, P.Geo.
- Haydon Mort, CEO and Founder, Geologize Ltd.
- Veronica Klassen, APGO Education Foundation
- Omar Ha-Redeye, Fleet Street Law
- Joanne Kearney, Managing Partner, Smithcom

Panel Session D: Sustainability and Climate Change – Embracing New Opportunities for Geoscience

- Session Chairs: Joanna Eyquem, P.Geo. and Alexandra Smofsky, P.Geo.
- Ben Chalmers, Senior Vice President, Mining Association of Canada
- Sean Cleary, Chair, Institute for Sustainable Finance (ISF), Smith School of Business, Queen’s University
- Joanna Eyquem, P.Geo., Managing Director, Climate-Resilient Infrastructure, Intact Centre on Climate Adaptation
- Harshan Radhakrishnan, P.Eng., Manager, Climate Change and Sustainability Initiatives, Engineers and Geoscientists B.C.

RECOGNITION OF 2022 CONTINUING PROFESSIONAL DEVELOPMENT SPEAKERS, VOLUNTEERS OF PGO OUTREACH AND MENTORS

Marilen Miguel, CAE - Director, Internal and External Affairs

A big thanks to all our volunteer speakers, stakeholders and sponsors for collaborating with PGO staff so we can continue to provide excellent CPD opportunities to professional geoscientists, GITs, students, members of PGO Council and Committees, and other stakeholders. Thank you for helping us sustain an accessible and high quality CPD program.

We acknowledge our Regional Councillors and volunteer Registrants who worked alongside our Registrar, Eilidh Lewis, P.Ge. and Assistant Registrar, Gabrielle Hosein, P.Ge. in our annual outreach to universities across Ontario to communicate the importance of registration in the practice of professional geoscience in Ontario and the role of PGO in safeguarding public interest and the integrity of the geoscience profession.

We acknowledge Education Reconciliation and First Nations University of Canada for partnering with us so PGO can provide the [Four Seasons of Reconciliation online course](#) to its Registrants and members of the public at a discounted rate.

We acknowledge Geoscientists Canada (GC) for sponsoring the Practical Geocommunication Online Course, which was developed by Dr. Haydon Mort of Geologize Ltd, that aims to help geoscientists communicate effectively to the public the important role of geosciences. GC made it possible for PGO to provide this online course for free to its Registrants, GITs and student members.

2022 Outreach – PGO Councillors and Registrants

Claire Milloy, P.Ge.

Ryan Weston, P.Ge.

David Leng, P.Ge.

Laura Katz, P.Ge.

Melanie Siewert, P.Ge. (Limited), FGC

Robert Hearst, P.Ge.

Paul Huble, P.Ge., FGC

Zen Keizars, P.Ge.

Roger Woeller, P.Ge., FGC

2022 PGO Lunch and Learns, Webinars and Short Course

EGBC's Equity, Diversity, and Inclusion (EDI) Strategy and Program

- Marcie Cochrane, P.Eng., MBA (She/Her), EDI Specialist, Engineers and Geoscientists B.C.
- Speakers: Ailene Lim, Acting Director, Programs and Professional Development, Engineers and Geoscientists B.C.

An Overview of OFC's Legislated Obligations and Fair Registration Best Practices Guide for Regulated Professions and Compulsory Trades

- Speaker: Mr. Irwin Glasberg, Ontario Fairness Commissioner

Best Practices in Risk Management for Professional Regulatory Bodies

- Speaker: Claude Balthazard, Ph.D., C. Psych., CHRL, Registrar and Vice-President of Regulation at the Human Resources Professionals Association

Short Course: Your Professional Career and Public Reporting – A Short Course for Students

- Instructor: David Leng, P.Geo., President and CEO, Reaction Geological Consulting Incorporated (RGCI)
- Instructor: Bailey Walters, P.Geo., Senior Geoscientist, Grounded Engineering Inc.

Irreversible Extreme Heat: Protecting Canadians and Communities from a Lethal Future

- Speaker: Joanna Eyquem, P.Geo., Managing Director, Climate-Resilient Infrastructure, Intact Centre on Climate Adaptation, University of Waterloo

Virtual Panel Session Hosted by PGO's Diversity and Inclusion Committee - "Sitting Together: Growing your understanding of Truth and Reconciliation"

- Lead Organizer and Facilitator: Trina Maher, President and Chief Creative Spirit, Bridging Concepts
- Lead Organizer: Imshun Je, Chair, Diversity and Inclusion Committee
- Panelist: Kerrie Blaise, Counsel –Northern Services, Canadian Environmental Law Association (CELA)
- Panelist: Mary-Anne Hildebrandt, P.Geo., FGC, Vice President, PGO Council
- Panelist: Justin Jimmy, Vice President of Finances and Operations, Canadian Council of Aboriginal Businesses
- Panelist: Nicole Julien, Geological Engineering Student, Queens University, Recipient of 2022 Indigenous Trailblazer Award

Virtual Q & A Session on PGO Knowledge Requirements

- Speaker: Eilidh Lewis, M.Sc., P.Geo., Registrar, Professional Geoscientists Ontario.

Thank you, PGO Mentors!

We acknowledge our PGO mentors for generously sharing their knowledge, insight and experience with student members, GITs and newly minted P.Geo.'s. Thank you for your guidance and support.

Khalid Ali, P.Geo.

David Benson, P.Geo.

Mark Goldie, P.Geo.

Imshun Je, P.Geo.

Luis Lasso, P. Geo.

Bill Leedham, P.Geo.

Michael Stendzis, P.Geo.

David Leng, P.Geo.



PGO REPRESENTATION ON NATIONAL COMMITTEES, GEOSCIENTISTS CANADA

Christine Vaillancourt, P.Geo., FGC - Committee Chair

Geoscientists Canada (GC) is the umbrella organization for geoscience regulatory bodies across Canada. It provides a platform for the discussion of matters of mutual interest or concerns, working together toward consensus and consistency on regulatory matters related to geoscience. The generation of guidance documents to facilitate national alignment of processes and practices such as registration, requirements for professional development or ethical considerations in the practice of geoscience is one of GC's core functions. GC also represents the provincial members with various international interest groups. In late 2022, we were very happy to welcome back Ordre des géologues du Québec (OGQ) to the GC Board.

It is a privilege to be the director representing PGO and I wish to thank the PGO Council for their renewed trust. On behalf of our CEO Andrea Waldie and the Board of Directors, I would also like to thank our volunteers from PGO. After 19 years of exemplary service, Greg Finn, Past President, has stepped down from the GC's Canadian Geoscience Standards Council (CGSG), ushering many important standards and guidance documents. Last year, current Councilor Roger Woeller was replaced by Past President Paul Hubley on the Professional Practice Committee. Deborah McCombe, also Past President, is sitting on the very important Securities Committee. PGO Registrar Eilidh Lewis also contributes to the CGSG and the revisions to the GIT booklet.



2022 AUDITED YEAR-END FINANCIAL STATEMENTS

ASSOCIATION OF PROFESSIONAL GEOSCIENTISTS OF ONTARIO
(Operating as Professional Geoscientists Ontario)
Audited Financial Statements
Year Ended December 31, 2022

ASSOCIATION OF PROFESSIONAL GEOSCIENTISTS OF ONTARIO

(Operating as Professional Geoscientists Ontario)

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Year Ended December 31, 2022

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INDEPENDENT AUDITOR'S REPORT

To the Registrants of Association of Professional Geoscientists of Ontario operating as Professional Geoscientists Ontario

Opinion

We have audited the audited financial statements of Association of Professional Geoscientists of Ontario, operating as Professional Geoscientists Ontario, (the Regulator), which comprise the audited statement of financial position as at December 31, 2022, and the audited statements of unrestricted revenues and expenditures, changes in net assets and cash flows for the year then ended, and notes to the audited financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying audited financial statements present fairly, in all material respects, the audited financial position of the Regulator as at December 31, 2022, and the audited results of its operations and audited cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations (ASNPO)

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 Audited Financial Statements* section of our report. We are independent of the Regulator in accordance with ethical requirements that are relevant to our audit of the audited 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 Audited Financial Statements

Management is responsible for the preparation and fair presentation of the audited financial statements in accordance with ASNPO, and for such internal control as management determines is necessary to enable the preparation of audited financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the audited financial statements, management is responsible for assessing the Regulator'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 Regulator or to cease operations, or has no realistic alternative but to do so.

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

(continues)

Independent Auditor's Report to the Registrants of Association of Professional Geoscientists of Ontario operating as Professional Geoscientists Ontario (*continued*)

Auditor's Responsibilities for the Audit of the Audited Financial Statements

Our objectives are to obtain reasonable assurance about whether the audited 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 audited 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 audited 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 Regulator'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 Regulator'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 audited 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 Regulator to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the audited financial statements, including the disclosures, and whether the audited 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.



Mississauga, Ontario
June 9, 2023

CHARTERED PROFESSIONAL ACCOUNTANTS
Licensed Public Accountants

ASSOCIATION OF PROFESSIONAL GEOSCIENTISTS OF ONTARIO

(Operating as Professional Geoscientists Ontario)

Audited Statement of Financial Position

December 31, 2022

	2022	2021
ASSETS		
CURRENT		
Cash	\$ 1,339,225	\$ 1,321,459
Short term investments <i>(Note 2)</i>	226,706	209,637
Registrant fees receivable <i>(Note 3)</i>	173,978	213,660
Prepaid expenses	24,881	29,449
	1,764,790	1,774,205
PROPERTY AND EQUIPMENT <i>(Note 4)</i>	12,986	19,044
RESTRICTED RESERVE FUND INVESTMENTS <i>(Note 2)</i>	1,001,031	1,001,031
	\$ 2,778,807	\$ 2,794,280
LIABILITIES AND NET ASSETS		
CURRENT		
Accounts payable and accrued liabilities	\$ 79,665	\$ 107,610
HST and payroll taxes payable	160,521	156,700
Deferred registrant dues revenue <i>(Note 5)</i>	1,268,209	1,235,969
	1,508,395	1,500,279
NET ASSETS		
Operating fund (unrestricted) <i>(Note 6)</i>	269,381	292,970
Contingency reserve fund (internally restricted) <i>(Note 6)</i>	878,940	878,940
Strategic initiatives fund (internally restricted) <i>(Note 6)</i>	122,091	122,091
	1,270,412	1,294,001
	\$ 2,778,807	\$ 2,794,280

LEASE COMMITMENTS *(Note 7)*

ON BEHALF OF COUNCIL

 Ana misra Councilor

 Melanie Siewert Councilor

The accompanying notes are an integral part of these financial statements.

ASSOCIATION OF PROFESSIONAL GEOSCIENTISTS OF ONTARIO

(Operating as Professional Geoscientists Ontario)

Audited Statement of Unrestricted Revenues and Expenditures

Year Ended December 31, 2022

	2022	2021
REVENUE		
Registrant dues	\$ 1,277,882	\$ 1,221,648
Registration fees	74,486	86,760
Advertising and sponsorship	41,564	32,187
Continuing professional development event fees	18,645	16,959
Interest earned	17,069	2,567
Exam fees	4,425	5,503
Stamps and seals	1,025	2,125
	1,435,096	1,367,749
EXPENSES		
Administrative wages and benefits	659,360	658,048
Legal, professional and government relations	267,613	160,803
CCPG (Geoscientists Canada) membership	119,859	112,883
Occupancy costs	112,013	112,785
Office and general	59,040	40,478
Interest, credit card and bank charges	45,721	43,810
Accounting and audit	39,700	39,250
Website	36,644	57,270
Examination services	27,732	26,318
Travel and accommodation	23,660	2,220
Communication	20,769	16,569
Liability insurance	20,345	19,494
Professional development	8,409	6,090
Amortization	7,870	12,440
Donations	5,050	203
Stamps, seals, cards and certificates	2,630	2,853
Member meetings	1,220	350
Advertising and promotion	1,050	99
	1,458,685	1,311,963
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENSES	\$ (23,589)	\$ 55,786

The accompanying notes are an integral part of these financial statements.

ASSOCIATION OF PROFESSIONAL GEOSCIENTISTS OF ONTARIO

(Operating as Professional Geoscientists Ontario)

Audited Statement of Changes in Net Assets

Year Ended December 31, 2022

	Operating Fund (unrestricted)	Contingency Reserve Fund (Internally Restricted)	Strategic Initiatives Fund (Internally Restricted)	2022	2021
NET ASSETS - BEGINNING OF YEAR	\$ 292,970	\$ 878,940	\$ 122,091	\$ 1,294,001	\$ 1,238,215
DEFICIENCY OF REVENUE OVER EXPENSES	(23,589)	-	-	(23,589)	55,786
NET ASSETS - END OF YEAR	\$ 269,381	\$ 878,940	\$ 122,091	\$ 1,270,412	\$ 1,294,001

The accompanying notes are an integral part of these financial statements.

ASSOCIATION OF PROFESSIONAL GEOSCIENTISTS OF ONTARIO*(Operating as Professional Geoscientists Ontario)***Audited Statement of Cash Flows****Year Ended December 31, 2022**

	2022	2021
OPERATING ACTIVITIES		
Excess (deficiency) of revenue over expenses	\$ (23,589)	\$ 55,786
Item not affecting cash:		
Amortization of property and equipment	<u>7,870</u>	12,440
	<u>(15,719)</u>	68,226
Changes in non-cash working capital:		
Registrant fees receivable	39,682	32,897
Prepaid expenses	4,568	(2,445)
Accounts payable and accrued liabilities	(27,945)	50,523
HST and payroll taxes payable	3,821	10,055
Deferred registrant dues revenue	<u>32,240</u>	29,367
	<u>52,366</u>	120,397
Cash flow from operating activities	<u>36,647</u>	188,623
INVESTING ACTIVITIES		
Purchase of property and equipment	(1,812)	(3,611)
Sale (purchase) of short term investments - net	<u>(17,069)</u>	(2,567)
Cash flow used by investing activities	<u>(18,881)</u>	(6,178)
INCREASE IN CASH FLOW	17,766	182,445
Cash - beginning of year	<u>1,321,459</u>	1,139,014
CASH - END OF YEAR	<u>\$ 1,339,225</u>	<u>\$ 1,321,459</u>

The accompanying notes are an integral part of these financial statements.

ASSOCIATION OF PROFESSIONAL GEOSCIENTISTS OF ONTARIO

(Operating as Professional Geoscientists Ontario)

Notes to Audited Financial Statements

Year Ended December 31, 2022

STATUS AND PURPOSE OF THE ORGANIZATION

The Association of Professional Geoscientists of Ontario is incorporated under the laws of the Province of Ontario. The Association of Professional Geoscientists of Ontario operates under the name Professional Geoscientists Ontario.

The purpose of Professional Geoscientists of Ontario is:

- to protect the public interest through the regulation of the practice of professional geoscience;
- to develop, establish and maintain standards of knowledge and skill, professional qualification, practice and ethics among registrants of the profession; and
- to share information, promote public awareness of the role of geoscientists and interact on matters relating to professional practice of the geoscientists with registration, licensing or regulatory bodies.

Professional Geoscientists of Ontario is a tax-exempt, not-for-profit organization.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

The audited financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations (ASNFPPO). Canadian accounting standards for not-for-profit organizations are part of Canadian GAAP.

Revenue recognition

The Regulator follows the deferral method of accounting for revenues. Registrant and registration fees are recognized as revenue in the year to which they relate. Exam fees are recognized when the respective exams are written. Revenues from sales of products or services is recognized when title passes to the customer, which generally coincides with the delivery and acceptance of goods. Interest revenue is recognized when earned based on the terms of the investment agreement.

Financial instruments policy

The Regulator initially measures its financial assets and liabilities at fair value. It subsequently measures all its financial assets and financial liabilities at amortized cost.

Financial assets subsequently measured at amortized cost include cash, short term investments and registrant fees receivable.

Financial liabilities measured at amortized cost include accounts payable and accrued liabilities.

(continues)

ASSOCIATION OF PROFESSIONAL GEOSCIENTISTS OF ONTARIO

(Operating as Professional Geoscientists Ontario)

Notes to Audited Financial Statements

Year Ended December 31, 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Property and equipment

Property and equipment are stated at cost or deemed cost less accumulated amortization and are amortized over their estimated useful lives at the following rates and methods:

Furniture and fixtures	20%	declining balance method
Computer equipment	55%	declining balance method
Telephone system	20%	declining balance method
Computer software	55%	declining balance method

The Regulator regularly reviews its property and equipment to eliminate obsolete items.

Property and equipment acquired during the year but not placed into use are not amortized until they are placed into use.

Leases

A lease that transfers substantially all of the benefits and risks of ownership is classified as a capital lease. At the inception of a capital lease, an asset and a payment obligation are recorded at an amount equal to the lesser of the present value of the minimum lease payments and the property's fair market value. Assets under capital leases are amortized on a straight-line basis, over their estimated useful lives. All other leases are accounted for as operating leases and rental payments are expensed as incurred.

Use of estimates

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make certain estimates and assumptions. These estimates and assumptions affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reported periods.

Financial statement items subject to significant management judgment include revenue recognition, the valuation and estimated useful lives of property and equipment, and the completeness of accounts payable and accrued liabilities. Actual results may differ from estimates.

2. INVESTMENTS

	<u>2022</u>	<u>2021</u>
<u>Short term investments</u>		
Money market mutual funds	\$ 226,706	\$ 209,637
<u>Restricted reserve fund investments</u>		
Money market mutual funds	<u>1,001,031</u>	<u>1,001,031</u>
	<u>\$ 1,227,737</u>	<u>\$ 1,210,668</u>

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3. REGISTRANT FEES RECEIVABLE

Both newly accepted registrants and continuing registrants are expected to pay annual fees by January 1, 2023 for the upcoming fiscal 2023 year. As the Regulator accepts registrants prior to the upcoming year, unpaid fees are recorded as registrant fee receivable as at December 31, 2022 until payment is received in fiscal 2023. On December 31, 2022, the number of fee paying registrants was 3,437 (2021 - 3,302), and the number of applications that were in process of approval was 306 (2021 - 74). Out of the \$173,978 total membership fees receivable at the end of the year, \$110,404 reflect registrants that have not paid the 2023 fees as at December 31, 2022.

4. PROPERTY, PLANT AND EQUIPMENT

	Cost	Accumulated amortization	2022 Net book value
Furniture and fixtures	\$ 46,219	\$ 39,864	\$ 6,355
Computer equipment	84,070	78,656	5,414
Telephone system	7,833	7,085	748
Computer software	15,750	15,281	469
	\$ 153,872	\$ 140,886	\$ 12,986

	Cost	Accumulated amortization	2021 Net book value
Furniture and fixtures	\$ 46,219	\$ 38,274	\$ 7,945
Computer equipment	82,258	73,136	9,122
Telephone system	7,833	6,895	938
Computer software	15,750	14,711	1,039
	\$ 152,060	\$ 133,016	\$ 19,044

5. DEFERRED MEMBERSHIP DUES REVENUES

The balances in the deferred revenue account is comprised of registrant fees billed in October 2022 for calendar 2023 registrant dues. The full amount of registrants billed at the end of the year is deferred and will be included as revenue in the following year.

6. NET ASSETS

The net assets of the Regulator are allocated as follows, for the purposes described.

Operating fund (unrestricted)

The purpose of the Operating fund is to reflect the day-to-day operations of the Regulator and to house the surplus/deficits from operations. Council may move amounts from the operating fund to either of the two restricted funds.

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6. NET ASSETS (continued)

Contingency reserve fund (internally restricted)

The Regulator's Contingency reserve fund (CRF) is intended to ensure that the Regulator has the financial resources to fund its operation in the event of unexpected or unbudgeted reduction of revenue or unexpected or unbudgeted increase of expenses, including expenses in defending or prosecuting legal challenges. The CRF is maintained in the amount equivalent to at least six months of operating requirement of the Regulator.

Strategic initiatives fund (internally restricted)

The Strategic initiatives fund (SIF) is a restricted fund that is used to provide funding for any special initiatives identified by council as part of its strategic planning. The SIF is intended to be used to cover some or all of the cost of discretionary projects/activities/initiatives that are outside of the Regulator's day-to-day operational activities and are designed to help the Regulator achieve its targeted goals outlined in the current Strategic Plan.

Council conducts an annual review of the SIF and CRF to ensure that the annual budget will achieve an appropriate operating surplus to allow these funds to be appropriately maintained.

7. LEASE COMMITMENTS

The Regulator's existing lease expired November 30, 2022 at which time they continued leasing the facility on a month to month basis in December 2022 and January 2023. The Regulator then entered into a new long term lease that begins February 1, 2023 and expires on August 31, 2028. Under the lease, the Regulator is required to pay a base annual rent, with the first seven months at no charge. In addition to the base rent, the Regulator must pay for its proportionate share of utilities, property taxes, maintenance and other related costs for the leased premises. Combined base and additional rent for 2023 is \$8,839 per month or \$35,356 for the year.

Future base annual rent payments as at year end are as follows:

2023	\$	17,787
2024		54,087
2025		56,265
2026		58,443
2027		60,621
2028		41,382
		<u>288,585</u>
	\$	<u>288,585</u>

8. FINANCIAL INSTRUMENTS

The Regulator is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks. The following analysis provides information about the Regulator's risk exposure and concentration as of December 31, 2022.

Credit risk

Credit risk arises from the potential that a counter party will fail to perform its obligations. The Regulator is exposed to credit risk from members. Collection is reasonably assured since registrants need the license to practice, and there is no history of default. The Regulator has a significant number of registrants which minimizes concentration of credit risk. There has been no change to the risk exposures from 2021.

The allowance for doubtful accounts at December 31, 2022 is \$nil (2021 - \$nil).

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8. FINANCIAL INSTRUMENTS *(continued)*

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Regulator is exposed to this risk mainly in respect of its receipt of its accounts payable and accrued liabilities. There has been no change to the risk exposures from 2021.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency rate risk, interest rate risk and other price risk. The Regulator is not exposed to any of these risks. There has been no change to the risk exposures from 2021.