

Hamilton Region Conservation Authority

Financial Statements

December 31, 2015

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Grant Thornton

Independent auditor's report

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To the Members of
Hamilton Region Conservation Authority

We have audited the accompanying financial statements of Hamilton Region Conservation Authority, which comprise the statement of financial position as at December 31, 2015, and the statements of operations, changes in net financial assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's responsibility for the financial statements

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

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Authority's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.



We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Hamilton Region Conservation Authority as at December 31, 2015, and the results of its operations, and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Grant Thornton LLP

Hamilton, Canada
May 5, 2016

Chartered Professional Accountants
Licensed Public Accountants

Hamilton Region Conservation Authority Statement of Financial Position

December 31

2015

2014

Financial assets

Cash and cash equivalents	\$ 5,796,958	\$ 6,588,995
Accounts receivable	1,549,209	1,124,592
Due from Confederation Park	-	221,515
Due from Hamilton Conservation Foundation	24,320	125,923
Total financial assets	<u>\$ 7,370,487</u>	<u>\$ 8,061,025</u>

Liabilities

Accounts payable and accrued liabilities	\$ 1,350,540	\$ 1,375,859
Due to Confederation Park	463,666	-
Due to Westfield Heritage Village	613,581	554,302
Employee future benefit costs (Note 5)	304,198	364,521
Deferred revenues (Note 7)	434,358	469,731
Long-term debt (Note 8)	1,306,500	1,597,921
Total liabilities	<u>\$ 4,472,843</u>	<u>\$ 4,362,334</u>

Net financial assets \$ 2,897,644 \$ 3,698,691

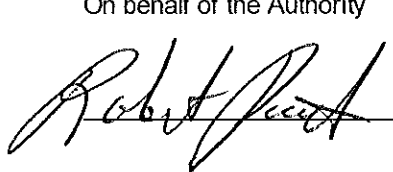

Non-financial assets

Inventory	60,692	70,846
Prepaid expenses	126,178	151,985
Tangible capital assets	37,020,323	32,755,530
Total non-financial assets	<u>\$ 37,207,193</u>	<u>\$ 32,978,361</u>

Accumulated surplus (Note 9) \$ 40,104,837 \$ 36,677,052

Contingent liabilities, contractual obligations and commitments (Notes 11 and 12)

On behalf of the Authority

 Chair  Vice Chair

Hamilton Region Conservation Authority

Statement of Operations

For the Year Ended December 31	2015	2015	2014
	<u>Budget</u> (Note 13)	<u>Actual</u>	<u>Actual</u>
Revenues			
Municipal levy & special projects	\$ 5,565,920	\$ 6,276,401	\$ 5,503,760
Federal & Provincial grants	613,257	650,403	650,647
Hamilton Conservation Foundation	187,400	811,114	910,060
Private and In-Kind donations (Note 10)	12,080	1,508,917	256,480
Admissions, product, service & program fees	4,004,145	4,389,785	4,064,842
Regulatory fees	295,500	325,978	306,258
Management fees	490,400	544,164	488,972
Rentals	1,001,359	1,019,848	970,151
Other income	151,985	154,201	214,302
	<u>12,322,046</u>	<u>15,680,811</u>	<u>13,365,472</u>
Expenditures			
Wages & benefits	6,407,912	7,010,788	6,782,641
Staff expenses	259,924	428,148	356,752
Utilities	618,994	600,986	620,992
Products for resale	308,590	296,097	293,107
Materials & supplies	459,450	650,275	943,011
Contractors / consultants	945,405	1,065,011	1,240,238
Professional fees	251,890	221,159	226,904
Miscellaneous expense	1,000,552	1,074,489	1,093,416
	<u>10,252,718</u>	<u>11,346,952</u>	<u>11,557,061</u>
Amortization	<u>875,000</u>	<u>906,074</u>	<u>878,388</u>
	<u>11,127,718</u>	<u>12,253,026</u>	<u>12,435,449</u>
Annual surplus	<u>\$ 1,194,328</u>	<u>\$ 3,427,785</u>	<u>\$ 930,023</u>
Accumulated surplus, beginning of year	36,677,052	36,677,052	35,747,029
Accumulated surplus, end of year	<u>\$37,871,380</u>	<u>\$ 40,104,837</u>	<u>\$ 36,677,052</u>

Hamilton Region Conservation Authority

Schedule of Corporate Support

For the Year Ended December 31	2015	2015	2014
	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
Revenues			
Municipal levy & special projects	\$2,433,000	\$ 2,932,618	\$ 2,412,142
Federal & Provincial grants	24,900	27,540	24,900
Hamilton Conservation Foundation	112,400	226,706	174,301
Private and In-Kind donations	-	1,415,250	208,850
Admissions, product, service & program fees	72,830	111,286	127,337
Management fees	490,400	544,164	488,972
Rentals	428,314	328,215	353,798
Other income	113,680	63,143	120,852
	<u>3,675,524</u>	<u>5,648,922</u>	<u>3,911,152</u>
Expenditures			
Wages & benefits	2,431,679	2,883,978	2,513,668
Staff expenses	159,565	273,176	182,207
Utilities	311,270	348,861	333,606
Materials & supplies	84,644	124,022	238,336
Contractors / consultants	161,000	136,225	128,361
Professional fees	139,930	128,111	140,275
Miscellaneous expense	494,957	466,431	468,223
	<u>3,783,045</u>	<u>4,360,806</u>	<u>4,004,676</u>
Amortization	<u>175,000</u>	<u>160,477</u>	<u>181,464</u>
	<u>3,958,045</u>	<u>4,521,283</u>	<u>4,186,140</u>
Annual surplus (deficit)	<u>\$ (282,521)</u>	<u>\$ 1,127,639</u>	<u>\$ (274,988)</u>

Hamilton Region Conservation Authority
Schedule of Watershed Planning and Engineering Operations
For the Year Ended December 31

	2015	2015	2014
	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
Revenues			
Municipal levy & special projects	\$1,223,420	\$1,239,237	\$1,440,995
Federal & Provincial grants	588,357	618,543	361,198
Hamilton Conservation Foundation	45,000	184,934	113,026
Private and In-Kind donations	12,080	33,490	47,630
Regulatory fees	295,500	325,978	306,258
Other income	22,000	51,945	52,235
	<u>2,186,357</u>	<u>2,454,127</u>	<u>2,321,342</u>
Expenditures			
Wages & benefits	1,603,233	1,524,567	1,706,382
Staff expenses	30,200	29,301	30,862
Utilities	21,750	24,521	23,609
Materials & supplies	101,266	52,905	40,279
Contractors / consultants	653,681	675,492	326,405
Professional fees	10,000	11,600	9,075
Miscellaneous expense	62,280	55,332	60,196
	<u>2,482,410</u>	<u>2,373,718</u>	<u>2,196,808</u>
Annual surplus (deficit)	<u>\$ (296,053)</u>	<u>\$ 80,409</u>	<u>\$ 124,534</u>

Hamilton Region Conservation Authority Schedule of Land Management Operations

For the Year Ended December 31	2015	2015	2014
	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
Revenues			
Municipal levy & special projects	\$ 1,909,500	\$ 2,104,546	\$ 1,650,623
Federal & Provincial grants	-	4,320	264,549
Hamilton Conservation Foundation	30,000	399,474	622,733
Private and In-Kind donations	-	60,177	-
Admissions, product, service & program fees	3,931,315	4,278,499	3,937,505
Rentals	573,045	691,633	616,353
Other income	16,305	39,113	41,215
	<u>6,460,165</u>	<u>7,577,762</u>	<u>7,132,978</u>
Expenditures			
Wages & benefits	2,372,999	2,602,245	2,562,590
Staff expenses	70,159	125,671	143,684
Utilities	285,974	227,604	263,777
Products for resale	308,590	296,097	293,107
Materials & supplies	273,540	473,348	664,396
Contractors / consultants	130,724	253,294	785,472
Professional fees	101,960	81,448	77,554
Miscellaneous expense	443,315	552,725	564,997
	<u>3,987,262</u>	<u>4,612,430</u>	<u>5,355,577</u>
Amortization	<u>700,000</u>	<u>745,597</u>	<u>696,924</u>
	<u>4,687,262</u>	<u>5,358,027</u>	<u>6,052,501</u>
Annual surplus	<u>\$ 1,772,903</u>	<u>\$ 2,219,735</u>	<u>\$ 1,080,477</u>

Hamilton Region Conservation Authority

Statement of Cash Flows

December 31	2015	2014
Increase (decrease) in cash and cash equivalents		
Cash Flow from operating transactions		
Annual surplus	\$ 3,427,785	\$ 930,023
Non-cash changes to operations		
Amortization	906,074	878,388
Retirements of capital assets	-	2,445
Loss on disposal of tangible capital assets	26,975	-
Increase in accounts receivable	(424,617)	(495,637)
Decrease in inventory	10,154	12,137
Decrease in prepaid expenses	25,807	22,582
Decrease in employee future benefit costs	(60,323)	(24,582)
Increase in accounts payable and accrued liabilities	(25,319)	99,017
Decrease in Due from		
Hamilton Conservation Foundation	101,603	107,401
Increase (decrease) in Due to (from) from Confederation Park	685,181	(78,456)
Increase (decrease) in Due to (from) Westfield Heritage Village	59,279	(74,162)
(Decrease) increase in deferred revenues	(35,373)	65,801
	<u>4,697,226</u>	<u>1,444,957</u>
Financing Activities		
Repayment of long term debt	(291,421)	(280,597)
Capital		
Proceeds on disposal of tangible capital assets	6,965	57,788
Purchase of tangible capital assets	(5,204,807)	(860,880)
	<u>(5,197,842)</u>	<u>(803,092)</u>
Net (decrease) increase in cash and cash equivalents	(792,037)	361,268
Cash and cash equivalents		
Beginning of year	<u>6,588,995</u>	<u>6,227,727</u>
End of year	<u>\$ 5,796,958</u>	<u>\$ 6,588,995</u>

Hamilton Region Conservation Authority Statement of Changes in Net Financial Assets

For the year ended December 31	2015	2015	2014
	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
Annual surplus	\$ 1,194,328	\$ 3,427,785	\$ 930,023
Purchase of tangible capital assets	-	(5,204,807)	(860,880)
Retirement of capital assets	-	-	2,445
Loss on sale of tangible capital assets	-	26,975	-
Net proceeds on disposal of tangible capital assets	-	6,965	57,788
Amortization	875,000	906,074	878,388
Change in inventory	-	10,154	12,137
Change in prepaids	-	25,807	22,582
	<u>875,000</u>	<u>(4,228,832)</u>	<u>112,460</u>
Change in net financial assets	2,069,328	(801,047)	1,042,483
Net financial assets, beginning of year	<u>3,698,691</u>	<u>3,698,691</u>	<u>2,656,208</u>
Net financial assets, end of year	<u>\$ 5,768,019</u>	<u>\$ 2,897,644</u>	<u>\$ 3,698,691</u>

Hamilton Region Conservation Authority
Schedule of Tangible Capital Assets

December 31

Cost	Land	Land Improvements	Infrastructure	Building & Building Improvements	Machinery & Equipment	Vehicles	Work In Progress (WIP)	2015	2014
	Beginning of year	\$21,253,712	\$3,149,123	\$17,106,215	\$5,846,605	\$432,133	\$2,535,853	\$152,126	\$50,475,767
Additions	3,051,057	159,073	56,856	24,044	106,001	178,565	1,629,211	5,204,807	860,880
Disposals	(29,060)	-	-	-	(9,495)	(112,959)	-	(151,514)	(112,517)
Retirements*	-	-	-	-	-	-	-	-	(80,428)
Transfer from WIP	-	-	807,380	75,628	-	-	(883,008)	-	-
End of year	<u>24,275,709</u>	<u>3,308,196</u>	<u>17,970,451</u>	<u>5,946,277</u>	<u>528,639</u>	<u>2,601,459</u>	<u>898,329</u>	<u>55,529,060</u>	<u>50,475,767</u>
Accumulated Amortization									
Beginning of year	-	2,018,333	10,389,940	3,262,155	149,572	1,902,450	-	17,720,237	16,974,561
Annual amortization	-	120,935	465,026	133,239	54,125	132,749	-	906,074	878,388
Disposals	-	-	-	-	(9,495)	(108,079)	-	(117,574)	(52,517)
Retirements	-	-	-	-	-	-	-	-	(80,195)
End of year	<u>-</u>	<u>2,139,268</u>	<u>10,854,966</u>	<u>3,395,394</u>	<u>194,202</u>	<u>1,924,907</u>	<u>-</u>	<u>18,508,737</u>	<u>17,720,237</u>
Net book value	<u>\$24,275,709</u>	<u>\$1,168,928</u>	<u>\$7,115,485</u>	<u>\$2,550,883</u>	<u>\$334,437</u>	<u>\$676,552</u>	<u>\$898,329</u>	<u>\$37,020,323</u>	<u>\$32,755,530</u>

See accompanying notes to the financial statements

Hamilton Region Conservation Authority

Notes to the Financial Statements

December 31, 2015

1. Nature of operations

The Hamilton Region Conservation Authority (the Authority) was established in 1966 under the Conservation Authorities Act of Ontario to manage a designated watershed of approximately 112,000 acres of which the Authority owns 11,000. The Authority is financed from municipal contributions, government grants, donations, user fees, product sales and services.

2. Summary of significant accounting policies

Basis of accounting and management responsibility

The financial statements of the Hamilton Region Conservation Authority are the responsibility of and prepared by management in accordance with Canadian Public Sector Accounting Standards. The more significant accounting policies are summarized as follows:

Accrual accounting

These statements reflect the incorporation of the full accrual basis of accounting and the reporting of the change in net financial assets and accumulated surplus. The accrual basis of accounting recognizes the effect of transactions and events in the period in which the transactions and events occur, regardless of whether there has been a receipt of payment of cash or its equivalent. Accrual accounting recognizes a liability until the obligation or condition(s) underlying the liability is partially or wholly satisfied. Accrual accounting recognized an asset until the future economic benefit underlying the asset is partially or wholly used or lost.

Revenues and expenditures

Revenues are comprised of grants, contributions, user fees and revenue from other Authority services. Revenues are recorded in the period in which the transactions or events occurred that gave rise to the revenues. Expenditures are recorded in the period that the goods or services are acquired, whether or not revenues for those expenditures are raised in the current or following periods.

Donations

Donations are recorded in income in the period they are received, unless designated for a specific purchase that is to occur in a later period at which time the related revenue will be recognized. Donated tangible capital assets, materials and services are recorded at fair market value when fair value can be reasonably estimated.

Cash and cash equivalents

Cash and cash equivalents includes cash on hand and balances held in the bank.

Hamilton Region Conservation Authority

Notes to the Financial Statements

December 31, 2015

2. Summary of significant accounting policies – continued

Pension plans

The Authority maintains a defined contribution plan for employees with more than one year service and who were hired subsequent to January 1, 2006.

Under the plan, the Authority matches employee contributions to a maximum of 6% of gross income.

Tangible capital assets

Tangible capital assets are comprised of property, plant, equipment, and inventories of materials and supplies and are recognized as assets in the period they are acquired. Tangible capital assets are recorded at cost which includes all amounts directly attributable to acquisition, construction, development or betterment of the asset. Amortization is provided on a straight-line basis, declining balance for vehicles, over the estimated useful life for all assets except land which is not amortized. Work in progress assets are not amortized until the asset is available for productive use.

Service life of tangible capital assets is estimated as follows:

Land improvements	10 - 20 years
Infrastructure	20 - 75 years
Building & building improvements	40 years
Machinery, equipment & software	3 - 10 years
Vehicles (light and heavy duty)	15% - 35%

The Authority has a collection of art and historical buildings not included as part of the tangible capital assets.

Government transfers

Government transfers are recognized in the financial statements as revenues in the period in which the 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.

Inventory

Inventories for resale are valued at the lower of cost or net realizable value.

Use of estimates

The preparation of financial statements in conformity with Canadian Public Sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities as at the date of the financial statements, and the reported amounts of revenues and expenditures during the period. Actual results could differ from those estimates.

Hamilton Region Conservation Authority

Notes to the Financial Statements

December 31, 2015

2. Summary of significant accounting policies – continued

Change in accounting policy

The Authority has implemented PS3260, Liability for contaminated sites. This requires organizations to record a liability if they have a contaminated site that meets the specified criteria. The standard defines contamination as the introduction into air, soil, water or sediment of a chemical, organic or radioactive or live organism that exceeds a prescribed environmental level. The standard generally applies to sites that are not in productive use. Sites that are in productive use are only considered contaminated if there was an unexpected event that resulted in contamination. This change has been applied retroactively without the restatement of prior periods. The adoption of this standard did not impact on the Authority's financial statements as no contaminated sites were found to exist.

3. Confederation Park and Westfield Heritage Village

These statements do not include the operating revenues and expenditures relating to Confederation Park and Westfield Heritage Village which are separate and distinct entities owned by the City of Hamilton and managed by the Authority at the request of the municipality. Under the terms of separate management agreements, the Hamilton Region Conservation Authority has exclusive authority to manage Confederation Park and Westfield Heritage Village for the City of Hamilton. In payment for the management function, the Authority receives a management fee of 15% of operating expenditures. This management fee accrues to the Authority for its own purposes.

All existing real and personal Confederation Park property as at January 1, 1980, all subsequently acquired properties, and any surpluses or deficits generated during a fiscal year will remain the exclusive property of the City of Hamilton. The most recent management agreement for Confederation Park was for three years, with two one year options, and executed effective May 1, 2012. The second one year option to renew was offered and accepted by both parties for 2016. Discussions regarding a formal long term contract will be held this year as no further option periods are available under the current agreement.

The Westfield Heritage Village agreement expired on November 30, 2000 and by mutual agreement, operations were continued under the same terms as in the expired agreement on a month to month basis. An agreement in principal has been reached whereby the Hamilton Region Conservation Authority will acquire all real and personal property of Westfield Heritage Village for a nominal fee and operate the facility in a similar fashion to its other conservation areas. It was originally anticipated that the transfer would occur January 1st, 2015 but the transaction met with delays and is now to be effective April 28th, 2016.

Hamilton Region Conservation Authority

Notes to the Financial Statements

December 31, 2015

4. Related party transactions

	<u>2015</u>	<u>2014</u>
Municipal funding from the City of Hamilton and Township of Puslinch	\$ 5,502,334	\$ 5,415,259
Municipal funding recognized as revenue in the current year	6,276,401	5,503,760
Receivable from the City of Hamilton	392,441	407,876
Funding from the Hamilton Conservation Foundation	811,114	910,060
Management fees from Confederation Park and Westfield Heritage Village	544,164	488,971
Municipal taxes paid to the City of Hamilton and Township of Puslinch	(134,328)	(140,323)

5. Employee future benefit costs

	<u>2015</u>	<u>2014</u>
Accumulated Sick Leave Liability	\$ 111,185	\$ 171,244
Supplemental early retirement package	119,619	122,087
Post-retirement benefits	73,394	71,190
	<u>\$ 304,198</u>	<u>\$ 364,521</u>

Under the Authority's sick leave plan, certain employees hired prior to January 1, 1993 become entitled to a cash payment when they leave the Authority's employment. The liability for these accumulated days, to the extent they are vested and could be taken in cash by employees on termination, is funded by operations.

The Authority committed in October 2002 to pay a former general manager a supplemental early retirement package. At the end of the current year, the cost of an annuity to satisfy this obligation was \$119,619 (2014- \$122,087) based on competitive quotes received from several insurance companies.

The Authority is committed to provide full health, life and vision coverage for all employees who have retired prior to the age of 65 for the period until they reach 65 years of age. A liability has been set up based on the current benefit rates for those retirees eligible for this coverage. The estimated value of these benefits in the current year is \$73,394 (2014 - \$71,190).

6. Defined contribution pension plan

Employer contributions to the Authority's defined contribution pension plan for the year was \$293,991 (2014 - \$294,111). The Plan is designed whereby employee contributions, ranging from 2% to 6% of gross salary, are matched by the employer.

Hamilton Region Conservation Authority

Notes to the Financial Statements

December 31, 2015

7. Deferred revenues

Revenue received but not earned at year-end is as follows:

	<u>2015</u>	<u>2014</u>
Storage fees and deposits	<u>\$ 434,358</u>	<u>\$ 469,731</u>

8. Long term debt

	<u>2015</u>	<u>2014</u>
City of Hamilton 5% loan - Marina wall reconstruction \$118,520 payable annually, matures April 2016	\$ 112,874	\$ 220,375
City of Hamilton 0% loan - Veldhuis property reclamation \$44,000 payable annually, matures March 2020	220,000	264,000
City of Hamilton 4.25% loan - Wind-up DB pension plan \$187,245 payable annually, matures June, 2021	<u>973,626</u>	<u>1,113,546</u>
	<u>\$ 1,306,500</u>	<u>\$ 1,597,921</u>

Principal repayments in future years are due as follows:

2016	302,740
2017	196,065
2018	202,528
2019	209,266
2020 and thereafter	<u>395,901</u>
	<u>\$ 1,306,500</u>

Interest on long term debt of \$51,788 (2014 - \$62,903) was paid during the year.

The Authority has a demand loan available in the amount of \$500,000 at 3.0% of which \$ nil was borrowed as at December 31, 2015.

Hamilton Region Conservation Authority

Notes to the Financial Statements

December 31, 2015

9. Accumulated surplus

	<u>2015</u>	<u>2014</u>
Reserve Funds		
Acquisitions of provincially significant lands or eligible water related projects	\$ 87,897	\$ 583,610
Future projects	3,740,364	4,816,335
Tangible Capital Assets	37,020,323	32,755,530
Unfunded long term debt	(1,306,500)	(1,597,921)
Operating surplus	<u>562,753</u>	<u>119,498</u>
Accumulated surplus	<u>\$ 40,104,837</u>	<u>\$ 36,677,052</u>

10. Donations in kind

During the year, in addition to cash donations, the Authority was the beneficiary through donations in kind of land and other tangible capital assets with a total appraised value of \$665,427 (2014 - \$191,000).

11. Contingent liabilities

The Authority is involved from time to time in litigation, which arises in the normal course of business. In respect of any outstanding claims, the Authority believes that insurance coverages are adequate and that no material exposure exists on the eventual settlement of such litigation, therefore no provision has been made in the accompanying financial statements.

12. Contractual obligations and commitments

As at December 31, 2015, the Authority is committed to \$59,110 (2014 - \$58,682) with respect to ongoing contracts for equipment in the following years:

2016	\$ 17,325
2017	17,325
2018	15,693
2019	4,574
2020 and beyond	<u>4,193</u>
	\$ 59,110

Hamilton Region Conservation Authority

Notes to the Financial Statements

December 31, 2015

13. Budget figures

The budgeted figures are presented for comparison purposes and were adopted by the Authority on January 27th, 2015. The adopted budget conforms with the Canadian Public Sector Accounting Standards except for the effect of the acquisition and amortization of tangible capital assets and principle repayment on debt. A reconciliation of the adopted and reported budgets is as presented below.

Adopted budget:

Budgeted annual surplus for the year	\$ 291,500
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Adjustments to adopted budget:

Amortization of tangible capital assets	(875,000)
Capital, special maintenance and vehicles	2,080,000
Transfer from reserves	<u>(302,172)</u>

Restated budgeted surplus	<u>\$ 1,194,328</u>
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