



Board of Directors Meeting Agenda

Thursday, May 5, 2022



Board of Directors Meeting

Thursday, May 5, 2022 at 7:00 p.m.

This meeting will be held in person for Board of Directors members and designated, limited staff only.

**The public may view the meeting live on HCA's You Tube Channel:
<https://www.youtube.com/user/HamiltonConservation>**

- 1. Call to Order** – Ferguson
- 2. Declarations of Conflict of Interest**
- 3. Approval of Agenda**
- 4. Delegations**
- 5. Consent Items for Applications, Minutes and Correspondence**
 - 5.1. Applications – Development, Interference with Wetlands, Alterations to Shorelines and Watercourses
 - 5.2. Approval of Board of Directors Minutes – April 7, 2022
 - 5.3. Approved February 10, 2022 Conservation Advisory Board Minutes – for receipt only
 - 5.4. Approved March 17, 2022 Budget & Administration Committee Minutes – for receipt only
 - 5.5. Email from Ministry of Environment, Conservation and Parks regarding Regulations and Policy under the Conservation Authorities Act, dated April 22, 2022
- 6. Foundation Briefing** Foundation Chair – Stebbing
- 7. Member Briefing**
 - 7.1. Conservation Authorities Act – Phase 2 Regulations and Policy – Burnside
- 8. Business Arising from the Minutes**

9. Reports from Budget & Administration Committee and Conservation Advisory Board

9.1. Budget & Administration Committee – April 21, 2022 – Moccio
(Recommendations)

9.1.1. BA 2218 2021 Report by the Auditors and 2021 12-Month
Financial Results – Audited Financial Statements

9.1.2. BA 2219 Reserve Funds and Balances Report

9.2. Conservation Advisory Board – April 14, 2022 – Bowman
(Recommendations)

9.2.1. CA 2211 HCA Trail Map Standards

10. Other Staff Reports/Memorandums

10.1. Christie Lake CA Entrance Road Rebuild – Tender Results – Hall

10.2. 2022 Tar & Chip Resurfacing (Various Areas) – Tender Results – Hall

10.3. Watershed Conditions Report – Peck

10.4. Conservation Areas Experiences Update – Costie

11. New Business

12. In-Camera Items

13. Next Meeting – Thursday, June 2, 2022 at 7:00 p.m.

14. Adjournment

Memorandum

TO: Board of Directors

FROM: Lisa Burnside, Chief Administrative Officer

**RECOMMENDED
& PREPARED BY:** T. Scott Peck, MCIP, RPP, Deputy Chief Administrative
Officer/Director, Watershed Planning and Engineering

Mike Stone, MCIP, RPP, Manager, Watershed Planning,
Stewardship & Ecological Services

DATE: May 5, 2022

RE: Summary Enforcement Report
Development, Interference with Wetlands and Alterations to
Shorelines and Watercourses Regulation 161/06
Applications for May 5, 2022

HCA Regulation applications approved by staff between the dates of March 24, 2022 and April 22, 2022 are summarized in the following Summary Enforcement Report (SER-4/22).

RECOMMENDATION

THAT the Board of Directors receive this Summary Enforcement Report SER-4/22 as information.

HAMILTON REGION CONSERVATION AUTHORITY

DEVELOPMENT, INTERFERENCE WITH WETLANDS, AND ALTERATIONS TO SHORELINES AND WATERCOURSES APPLICATIONS

April 24, 2022

Development, Interference with Wetlands, and Alterations to Shorelines and Watercourses Applications Report to the Board of Directors of the Hamilton Region Conservation Authority,
May 05, 2022

The proposed works are subject to Ontario Regulation 161/06, and in particular Section 2, Subsection (1).

SUMMARY ENFORCEMENT REPORT SER 4/22

File Number	Date Received	Date Permit Issued	Review Days	Applicant Name	Location	Application Description	Recommendation / Conditions
H/F,A/22/26	08-Mar-22	24-Mar-22	25		386 Wilcox St Lot 8, Concession BF Hamilton	Completion of dredging for the Number 3 Coal Dock and shaping of banks in a regulated area of the Hamilton Harbour.	Approved subject to standard condition
SC/F,C,A/22/27	10-Mar-22	28-Mar-22	38		380 and 400 McNeilly Rd Lot 8, Concession 1 Stoney Creek	Construction of two industrial buildings and related site grading and landscaping, including the alteration and re-alignment of the on-site watercourse, in a regulated area of Stoney Creek Numbered Watercourse 7.2.	Approved subject to standard condition
D/F/22/30	23-Mar-22	28-Mar-22	12		71 Cootes Dr Lot , Concession Dundas	Placement of fill and rip rap to restore a headwall outfall in a regulated area associated with Spencer Creek.	Approved subject to standard condition

HAMILTON REGION CONSERVATION AUTHORITY**DEVELOPMENT, INTERFERENCE WITH WETLANDS, AND ALTERATIONS TO SHORELINES AND WATERCOURSES APPLICATIONS**

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SUMMARY ENFORCEMENT REPORT SER 4/22

F/F,C/22/28	16-Mar-22	30-Mar-22	23		662 Harvest Rd Lot 10, Concession 2 Flamborough	For the installation of approximately 34.0 metres of new main NPS 2-inch natural gas pipeline as well as approximately 129.0 metre of 1-1/4 inch service in a regulated area of Middle Spencer Creek.	Approved subject to standard condition
A/F,C/21/103	15-Dec-21	06-Apr-22	41		30 Queen St Lot 45, Concession 2 Ancaster	Construction of an eight-unit, 2-storey townhouse condominium block with associated permeable paver driveways, grading, servicing and landscaping, in a regulated area of Sulphur Creek and associated wetland.	Approved subject to standard condition
A/F,C,A/22/34	12-Apr-22	22-Apr-22	10		496 Wilson St E to 1271 Filman Rd Lot 46-52, Concession 2 Ancaster	Rehabilitation and repair of Wilson Street East, between Rousseaux Street and Filman Road, in a regulated area of Ancaster Creek and Tiffany Creek.	Approved subject to standard condition

Hamilton Region Conservation Authority

Minutes

Board of Directors Meeting

April 7, 2022

Minutes of the Board of Directors meeting held on Thursday, April 7, 2022 at 7.p.m., by videoconference and livestreamed via YouTube.

PRESENT:

Lloyd Ferguson – in the Chair	
Dan Bowman	Jim Cimba
Susan Fielding	Tom Jackson
Cynthia Janzen	Santina Moccio
Maria Topalovic	

Jennifer Stebbing – Foundation Chair

REGRETS: Brad Clark, Esther Pauls, Russ Powers

STAFF PRESENT: Jonathan Bastien, Lisa Burnside, Grace Correia, Gord Costie, Matt Hall, Sara Kinnear, Neil McDougall, Scott Peck, Mike Stone, Jaime Tellier, and Nancy Watts

OTHERS: Carmela Agro, John Ariens, Jason Jenkins,
Everist Prokofiev

NOTE: *For clarity, the minutes are reported in the original agenda order.*

1. Call to Order

The Chair called the meeting to order and welcomed everyone present.

2. Declarations of Conflict of Interest

The Chair asked members to declare any conflicts under the Board's Governance Policy. There were none.

3. Approval of Agenda

The Chair requested any additions or deletions to the agenda. Lisa Burnside requested the Foundation Briefing be moved ahead of item 5 as the Foundation Chair had another engagement.

BD12, 3023

MOVED BY: Tom Jackson

SECONDED BY: Susan Fielding

THAT the agenda be approved, as amended.

CARRIED

4. Delegations

There were none.

5. Section 28 Hearing

- 5.1. 26 Marshboro Avenue, City of Hamilton (Greensville)
Permit Application No. F/F,C,A/21/104

The Chair instructed the Board that it would conduct a hearing under Section 28 of the Conservation Authorities Act in respect of an application by 2549863 Ontario Inc. (c/o Everist Prokofiev) for development of a single family dwelling, driveway, and septic bed, in a regulated area of Middle Spencer Creek at 26 Marshboro Avenue, City of Hamilton. The Chair requested a motion to sit as the hearing board.

BD12, 3024

MOVED BY: Santina Moccio

SECONDED BY: Cynthia Janzen

THAT the Board of Directors sit as the Hearing Board.

CARRIED

Mike Stone presented a summary of the report outlining policy and regulatory framework under which staff were unable to support the application. HCA and provincial policy generally direct new development beyond hazardous lands associated with ravine slopes and beyond the adjacent lands of wetlands. In addition, there were a number of municipal designations for significant natural heritage features on the property.

John Ariens introduced Jason Jenkins, Professional Engineer with IBI Group,

Carmelo Agro, Planning Technician, also with IBI Group, and Everist Prokofiev, the owner of the property. Mr. Prokofiev is a local artist hoping to build a home and studio for his work.

Mr. Ariens represented the applicant's position. He highlighted the property is not subject to flooding or on an unstable slope, and indicated the applicant is prepared to submit a geotechnical assessment to confirm stability of the slope should the permit be approved by the hearing board.

There was discussion that the property is within the existing Greenville settlement area and contended development of the property was likely intended at the time the subdivision was planned, particularly noting the bisection of Marshboro Avenue by this property. Mike Stone advised staff were not able to determine why Marshboro Avenue was not completed and contended it also could be speculated that the development constraints of the site were a contributing factor. The municipal zoning designations applicable to the property and surrounding area were reviewed.

Mr. Ariens contended that HCA's policies are not prohibitions, rather they include provisions for demonstrating no negative impacts to the natural hazards and natural heritage features which can be addressed through tests and studies.

The development proposal in relation to its position on the lower portion of the ravine slope was discussed. The house would be a reverse walkout, one storey at the back with two storeys at the front.

The setbacks from the proposed development to the natural heritage features were reviewed. The wetland was described as a narrow band along the watercourse. Two pockets on the property were also noted as not being part of the Significant Woodland. The applicant offered to plant a meadow at the top of the ravine slope as compensation for trees removed to facilitate the proposed development. There was discussion regarding the suitability of the meadow area for planting, rather than other habitat types. On later questioning, Mike Stone advised HCA does not have any policies currently in place for compensation plantings, however, should the board approve the application with that condition, staff would assist with any restoration plan.

Mr. Ariens advised the board the proposal had been revised from proposing two lots, to one, as a result of the constraints on the property. The Environmental Impact Study (EIS) was conducted for the two house concept. The EIS was not supportive of the second house and therefore the development proposal was revised. It was noted the EIS did not disclose any species at risk.

BD12, 3025

MOVED BY: Cynthia Janzen

SECONDED BY: Maria Topalovic

THAT Hearing Board moves *in camera*.

CARRIED

During the *in-camera* session, the hearing board deliberated on the application.

BD12, 3026

MOVED BY: Santina Moccio

SECONDED BY: Tom Jackson

THAT the Board of Directors moves out of *in camera*.

CARRIED

The meeting reconvened in open session and the following resolution was passed:

BD12, 3027

MOVED BY: Jim Cimba

SECONDED BY: Maria Topalovic

THAT the application by 2549863 Ontario Inc. (c/o Everist Prokofiev) for development of a single family dwelling, driveway, and septic bed, in a regulated area of Middle Spencer Creek at 26 Marshboro Avenue, City of Hamilton, be approved subject to standard conditions, that HCA be provided with the final approved side plan as approved by the City of Hamilton, completion of a satisfactory geotechnical assessment, and the regeneration of the meadow area as directed by Hamilton Conservation Authority staff.

CARRIED

6. Consent Items for Applications, Minutes and Correspondence

The following consent items were adopted:

- 6.1. Applications – Development, Interference with Wetlands, Alterations to Shorelines and Watercourses
- 6.2. Approval of Board of Directors Minutes – March 3, 2022
- 6.3. Approved February 17, 2022 Budget & Administration Committee Minutes – for receipt only
- 6.4. Letter from Sue Carson regarding livestreaming of Board of Directors meetings, dated March 22, 2022
- 6.5. Letter from Minister of Municipal Affairs and Housing regarding Phase 2 Consultation on Urban River Valleys to Grow the Greenbelt: Proposed amendments to the Greenbelt Plan (2017) and Greenbelt Area Boundary Regulation (O. Reg 59/05) and Ideas for Adding more Urban River Valleys to the Greenbelt, dated March 24, 2022

7. Foundation Briefing

Jennifer Stebbing reported the Foundation received a total of **\$7,159.50** in donations from March 1 to 31, 2022, bringing their fiscal year to date fundraising total to \$80,303, ahead of the same time last year. Last month's donations were directed to a number of areas including benches, Stewardship, Westfield, trails, and our Area of Greatest Need Fund.

Tamra Brent joined the Foundation team in March, filling the Administrative Coordinator position vacated by Toby Tresidder earlier this year. Tamra is quickly becoming familiar with the Foundation to ensure the administrative side of their fundraising efforts are met.

The Foundation has started planning for their Annual General Meeting of members to take place in May and will be held virtually once again this year. Individuals who met the membership donation level for the past fiscal year have been invited to opt-in to membership and participate in the AGM.

BD12, 3028

MOVED BY: Santina Moccio

SECONDED BY: Maria Topalovic

THAT the Foundation Briefing be received.

CARRIED

8. Member Briefing

There was none.

9. Business Arising from the Minutes

9.1. Urban River Valleys to Grow the Greenbelt Phase 2 Consultation

Scott Peck provided an overview of the proposed amendments to the Greenbelt Plan, highlighting that Battlefield Creek and Stoney Creek are proposed to be included as Urban River Valleys. The inclusion of these watercourses recognizes the importance of these features and their function and the links they provide between Lake Ontario and the Greenbelt Plan area associated with the Niagara Escarpment and adjacent lands and HCA lands. Susan Fielding thanked fellow directors for supporting Puslinch Township's concerns about the moraine proposal.

BD12, 3029

MOVED BY: Susan Fielding

SECONDED BY: Santina Moccio

THAT the Board of Directors direct staff to respond to the Environmental Registry of Ontario postings (ERO#-019-4485 and ERO#019-4483) to outline the HCA's support for the policy and regulation that would see the Greenbelt Plan amended to include Battlefield Creek and Stoney Creek as Urban River Valleys.

CARRIED

10. Reports from Budget & Administration Committee and Conservation Advisory Board

10.1. Budget and Administration Committee – March 17, 2022 (Recommendations)

10.1.1. BA 2212 Hybrid Meeting Participation and Livestreaming

Santina Moccio introduced the report advising of upgrades to the technology in the HCA auditorium that provides for hybrid meeting capabilities, as well as a recommendation to continue livestreaming HCA Board, CAB and B&A Committee meetings once in-person meetings are resumed.

BD12, 3030

MOVED BY: Santina Moccio

SECONDED BY: Tom Jackson

THAT the Budget & Administration Committee recommends to the Board of Directors:

THAT the Board of Directors approve the livestreaming of Board of Director and Advisory Board meetings when in-person meetings resume to provide for an additional method of public participation once the new audio visual technology in the HCA auditorium is finalized; and

THAT staff be directed to bring a report to an upcoming Budget & Administration Committee to address any necessary revisions or clarifications in HCA's Administrative By-law as a result of the addition to livestream and any housekeeping amendments related to hybrid participation.

CARRIED

11. Other Staff Reports/Memoranda

11.1. Renewal of Collaboration Agreement between City of Hamilton and HCA to Enforce Violations on HRCA Lands

Lisa Burnside presented a summary of the report, proposing to renew the collaboration agreement between the City of Hamilton and HCA to extend a pilot program where City Municipal Law Enforcement Officers (MLEO) assist with enforcement of violations under the Trespass to Property Act, on premises owned or occupied by the HCA, until November 15, 2022. The intent is for City enforcement staff to primarily educate the public on HCA's behalf, but also, where appropriate, to issue verbal or written warnings to individuals who are caught engaging in prohibited activities or entering prohibited areas.

BD12, 3031

**MOVED BY: Tom Jackson
SECONDED BY: Maria Topalovic**

WHEREAS in 2021 HCA had entered into an agreement with City of Hamilton Municipal Law Enforcement Officers (MLEO) to enforce violations under the Trespass to Property Act, on premises owned or occupied by the HCA, primarily to educate the public on HCA's behalf, but also, where appropriate, to issue verbal or written warnings to individuals who are caught engaging in prohibited activities or entering prohibited areas;

WHEREAS HCA has limited human resources to designate staff as Provincial Offices Officers to enforce

infractions to the *Conservation Authorities Act* and the *Trespass to Property Act*;

WHEREAS HCA is experienced with working with other enforcements agencies such as Hamilton Police Services, Ministry of Natural Resources and Forestry, and municipal parking bylaw and welcome working closer with Municipal Law Enforcement Officers where the two organizations can benefit in tourism and enforcement consistency across the City;

WHEREAS the City of Hamilton council endorsed a motion at its February 23, 2022 council meeting (attached as Appendix A) that the increased Municipal Law and Parking Enforcement in Waterfall areas pilot program be extended for one year to end on April 1, 2023, with operations ending November 15, 2022;

THEREFORE, BE IT RESOLVED

THAT the HCA Board of Directors authorize staff to renew the collaboration agreement between City of Hamilton and Hamilton Conservation Authority to enforce violations on HRCA lands as an extension of the pilot program to November 15th, 2022 (attached as Appendix B), under the same terms and conditions that were highlighted in the May 13, 2021 letter of agreement (attached as Appendix C).

CARRIED

11.2. Saltfleet Wetland Construction Verbal Update

Scott Peck provided the members with an update on the status of the construction of the first wetland for Saltfleet CA. The project was tendered in December 2021 and work commenced on-site in January 2022, primarily survey work, sediment and erosion control fencing and fencing around an archeological site. Winter conditions and Spring melt have posed challenges over the past few months. The site had been too muddy to continue. The site is now nearly dry enough for the contractors to resume working and are looking to restart next week. There has also been some necessary out of scope work that was not included in the tender to address drainage issues in the form of survey, design and construction.

BD12, 3032**MOVED BY: Santina Moccio
SECONDED BY: Maria Topalovic****THAT the verbal update regarding Saltfleet Wetland Construction be received.****CARRIED****11.3. Watershed Conditions Report**

Jonathan Bastien presented a summary of the memorandum, highlighting the past month and half has been active with storm events but nothing of major concern. There are currently no watercourse or Lake Ontario shoreline flooding of concern, nor in the coming weeks. With regard to drought conditions, the watershed is currently in normal conditions.

BD12, 3033**MOVED BY: Santina Moccio
SECONDED BY: Tom Jackson****THAT the memorandum entitled Watershed Conditions Report be received.****CARRIED****11.4. Conservation Areas Experiences Update**

Staff shared with the members the success of the Maple Syrup Festival at Westfield Heritage Village. All days were sold out and we have received excellent feedback from attendees on the reservation system and their overall experience at the event. All of our conservation areas continue to receive visitors. HCA is experiencing some softening of visitation with the lifting of provincial Covid restrictions, however the conservation areas remain well used. The Chair commented that he had attended the Maple Syrup Festival with his family and that it was enjoyable. He congratulated staff on another successful season.

BD12, 3034**MOVED BY: Cynthia Janzen
SECONDED BY: Tom Jackson****THAT the verbal update on the Conservation Areas Experiences be received.****CARRIED**

12. New Business

There was none.

13. In-Camera Items**BD12, 3035****MOVED BY: Santina Moccio****SECONDED BY: Jim Cimba**

THAT the Board of Directors moves *in camera* for matters of law, personnel and property.

CARRIED

During the *in camera* session, one property on one personnel matter were discussed.

13.1. Confidential Memorandum – BD/Apr 01-2022

Scott Peck provided a summary of the memorandum regarding a property matter and answered the members' questions.

BD12, 3036**MOVED BY: Tom Jackson****SECONDED BY: Santina Moccio**

THAT the confidential memorandum entitled BD/Apr 01-2022 be received and remain in camera.

CARRIED**BD12, 3037****MOVED BY: Cynthia Janzen****SECONDED BY: Santina Moccio**

THAT the Board of Directors meeting continue past 10:00 p.m.

CARRIED**13.2. Confidential Verbal Update – BD/Apr 02-2022**

Lisa Burnside provided a presentation regarding a personnel matter and answered the members' questions.

BD12, 3038**MOVED BY: Santina Moccio
SECONDED BY: Maria Topalovic****THAT the confidential verbal update entitled BD/Apr 02-2022 be received and remain in camera.****CARRIED****BD12, 3039****MOVED BY: Tom Jackson
SECONDED BY: Susan Fielding****THAT the Board of Directors moves out of *in camera*.****CARRIED****14. Next Meeting**

The next meeting of the Board of Directors will be held on Thursday, May 5, 2022 at 7:00 p.m.

15. Adjournment

On motion, the meeting adjourned.

Neil McDougall
Secretary-Treasurer

HAMILTON CONSERVATION AUTHORITY

Conservation Advisory Board

MINUTES

February 10, 2022

Minutes of the Conservation Advisory Board meeting held on Thursday, February 10, 2022 at 4:00 p.m., by videoconference and livestreamed via YouTube.

PRESENT: **Dan Bowman - in the Chair**
 Lydia Cartlidge
 Cynthia Janzen **Joanne Di Maio**
 Wayne Terryberry **Duke O’Sullivan**

Lloyd Ferguson – Ex-officio

REGRETS: **None**

STAFF PRESENT: **Rondalyn Brown, Lisa Burnside, Grace Correia, Gord Costie, Lindsay Davidson, Matt Hall, Bruce Harschnitz, Peter Lloyd, Lesley McDonell, Neil McDougall, Scott Peck, Mike Stone, and Jaime Tellier**

OTHERS: **N/A**

1. Chairman’s Remarks

The Chair called the meeting to order and welcomed everyone present.

2. Declaration of Conflict of Interest

The Chair asked members to declare any conflicts under the HCA Administrative By-law. There were none.

3. Approval of Agenda

The Chair requested any additions or deletions to the agenda. There were none.

**CA 2201 MOVED BY: Joanne Di Maio
 SECONDED BY: Duke O'Sullivan**

THAT the agenda be approved.

CARRIED

4. Delegations

There were none.

5. Election of the Vice Chair

The Chair advised the election for Vice-Chair of the Conservation Advisory Board for 2022 would begin. The Chair declared the office of Vice-Chair vacant and called for nominations.

Nominated: Wayne Terryberry

By – Mover: Joanne Di Maio

The Chair called for nominations twice more. Having no further nominations, the Chair asked Wayne Terryberry if he would serve. Wayne indicated he would. The Chair declared Wayne Terryberry as Vice Chair of the Conservation Advisory Board for 2022 by acclamation.

**CA 2202 MOVED BY: Joanne Di Maio
 SECONDED BY: Duke O'Sullivan**

**THAT Wayne Terryberry be confirmed as Vice Chair of the
Conservation Advisory Board for 2022.**

CARRIED

6. Member Briefing

There was none.

7. Chairman's Report on Board of Directors Actions

CA 2126 Fifty Point Conservation Area & Marina Master Plan
CA 2127 Spencer Gorge Conservation Area Reservation System

The Chair advised that both recommendations were approved by the Board, as recommended by CAB.

8. Approval of Minutes of Previous Meeting

8.1. Minutes – Conservation Advisory Board (December 9, 2021)

**CA 2203 MOVED BY: Cynthia Janzen
 SECONDED BY: Lydia Cartlidge**

THAT the minutes of the December 9, 2021 Conservation Areas Advisory Board meeting be approved.

CARRIED

9. Business Arising from the Minutes

There was none.

10. Staff Reports/Memorandums

10.1. Westfield Heritage Village Accession and Deaccession Lists

Peter Lloyd presented a summary of the report, outlining how the artifact collection at Westfield is managed. Peter highlighted an Ideal Lever spinning wheel, a very rare and significant acquisition for the collection, as well as other items recommended for accession. He also displayed items recommended for deaccession and described the criteria used to select items for deaccession, often due to poor condition or lack of interpretive value.

Disposition processes were discussed. Items on the deaccession list are made available for sale on the CHIN. They are then offered for public sale with the proceeds going to support the collection. Items can also be gifted. Disposal is the final option once all other alternatives are explored.

**CA 2204 MOVED BY: Joanne Di Maio
 SECONDED BY: Lydia Cartlidge**

THAT the Conservation Advisory Board recommends to the Board of Directors:

THAT the Westfield 2021 Artifact Accessions and Deaccessions List as noted in the February 10, 2022

Accessions/Deaccessions report be accepted as the artifacts to be added to, or removed from, the Westfield Heritage Village Conservation Area and the Hamilton Conservation Authority collection.

CARRIED

10.2. 2022 Annual Membership Pass Program Renewal Strategy

Lindsay Davidson presented a summary of the report reviewing the history of the membership pass program. She reviewed the great increase in sales since the pandemic began with 2021, ending with a record of over 12,000 passes sold.

The primary target audience for our memberships continues to be young families, active seniors and outdoor enthusiasts, including birders, hikers, runners, boaters and campers.

The report outlined a 6-point strategy of additional member engagement tools to retain and attract new pass holders. The strategy includes a postal code analysis to better understand pass holder demographics, improving platforms for online pass sales and tracking pass holders for renewal, as well as ensuring staff have the appropriate training and tools to market and sell the pass.

The provision of passes at local libraries has also been very well received. Staff look forward to feedback from the library system after their experience having the passes available later this year.

**CA 2205 MOVED BY: Wayne Terryberry
 SECONDED BY: Cynthia Janzen**

THAT the Conservation Advisory Board recommend to the Board of Directors:

THAT the 2022 Annual Membership Program Renewal Strategy Report be received for information regarding our Annual Membership Pass Program; further;

THAT staff be directed to implement the six-point strategy outlined in the 2022 Annual Membership Program Renewal Strategy Report dated February 10, 2022,

CARRIED

10.3. HCA 10 Year Masterplan Strategy Update

Matt Hall presented a summary of the report, including a background on the master and management plans as long-term planning mechanisms for HCA lands and areas. He provided an overview of the plans completed to date and advised that the plans for the Saltfleet Conservation Area and surrounding lands are underway for 2022.

Staff brought forward a recommended adjustment to the 2019 Board approved schedule. Staff recommended moving the East Mountain conservation areas to be the next review to provide complete plans for the new Hamilton Mountain business unit. Additionally, this also addresses recent staffing changes with the phased retirement of the Design Projects Manager to develop and mentor junior staff prior to undertaking the complex final study areas of Christie Lake and Dundas Valley.

**CA 2206 MOVED BY: Duke O'Sullivan
 SECONDED BY: Wayne Terryberry**

**THAT the Conservation Advisory Board recommend to the
Board of Directors:**

**THAT the amended Master Plans Implementation Priority List
of the HCA Ten Year Master Plan Update Strategy be
approved.**

CARRIED

10.4. Conservation Areas Attendance and General Update

Bruce Harschnitz presented on the 2021 visitor attendance and started with a summary of 2020 which saw record visitation numbers, despite the shorted seasons at the CA's in general and Spencer Gorge and Wild Waterworks, in particular, due to pandemic closures. There were notable increases at Dundas Valley, Fifty Point and Valens Lake Conservation Areas following reopening.

In 2021, with pandemic restrictions still in place, HCA Conservation Areas continued to be popular destinations for visitors. Estimated visitation increased to over 1.2 million people. Wild Waterworks remained closed during this season. Visitation numbers previously included in the Dundas Valley Conservation Area estimates were separated out and allocated to the new Hamilton Mountain Conservation Areas business unit, in 2021. As a result, there was a slight decline in the Dundas Valley CA visitation estimate, but now accurately reflects the visitors to the Hamilton Mountain CAs. In addition, trail and vehicle counts undertaken for master planning purposes revealed previously unknown entrance points to some Conservation Areas, particularly at Fifty Point Conservation Area where visitors were gaining entry via a Kelson Road beach access point. This resulted in a significant increase in visitors for Fifty Point for 2021, when compared with 2020. In addition, the Spencer Gorge pilot reservation system was extended to the Summer and Fall in 2021, resulting in more accurate visitation numbers for the area. Also, new pay and

display and auto gate parking systems were installed at various Conservation Areas, also contributing more information to visitation estimates.

Bruce provided an overview of the pay and display and autogate systems, noting that ten of HCA's conservation areas have auto gate systems and eleven areas have pay and display systems. The four busiest areas, Devil's Punchbowl, Tiffany Falls, Artaban Road and the Hermitage, have twin pay and display machines to improve customer service and functionality. These systems create equity among customers by better ensuring that all patrons are paying entrance fees. Bruce showed a 108% pay station revenue increase between 2018 and 2021.

Bruce clarified the attendance numbers are estimates as we do not have the ability to count every visitor that comes to the conservation areas, adding that every year the methods are refined and the estimations improved. It was noted that attendance is based on parking sales and an estimate of 3 people per vehicle, membership pass sales, vehicle and trail counters at certain areas, and ticketed entrances at Wild Waterworks.

**CA 2207 MOVED BY: Joanne Di Maio
 SECONDED BY: Wayne Terryberry**

**THAT the verbal update entitled Conservation Areas
Attendance and General Update be received.**

CARRIED

10.5. LDD ((Gypsy) Moth Surveys & 2022 Control Program Report

Lesley McDonell provided a presentation on the background of the invasive moth and the extensive survey work staff have undertaken on HCA's properties. Staff advised the moth has now become endemic and will have to be managed continuously.

Lesley noted that Royal Botanical Gardens and the City of Hamilton have decided to spray select areas this spring, however, HCA staff are recommending against spraying as it is not ecologically or economically effective. HCA sprayed in 2018 and 2019 and despite these efforts, LDD moth numbers have risen again.

Staff recommended a targeted approach that focuses on scraping egg masses and using burlap banding to protect high value oak trees in our forests for 2022 which has worked well in recent years. Staff are also looking to rely on the moths' natural enemies, including a bacterium, virus and parasitic wasps that feed on the caterpillars, to reduce the population.

**CA 2208 MOVED BY: Cynthia Janzen
 SECONDED BY: Lydia Cartlidge**

THAT the Conservation Advisory Board recommends to the Board of Directors:

THAT this report be received for information regarding our LDD moth surveys and results; and further;

THAT the HCA not undertake a spray program to control LDD Moths in 2022, and;

THAT the HCA undertake a targeted approach (banding, egg mass scraping) that focuses on high value oak trees in our forests for 2022.

CARRIED

11. New Business

There was none.

12. Next Meeting

The next meeting of the CAB is scheduled for Thursday, April 14, 2022 at 4:00 p.m.

13. Adjournment

On motion, the meeting was adjourned.

Hamilton Conservation Authority

Minutes

Budget & Administration Committee

March 17, 2022

Minutes of the Budget & Administration Committee meeting held on Thursday, March 17, 2022 at 6:00 p.m. at the HCA main office, 838 Mineral Springs Road, in Ancaster, and livestreamed on YouTube.

Present: **Santina Moccio, in the Chair**
 Dan Bowman
 Jim Cimba
 Lloyd Ferguson – by videoconference
 Maria Topalovic

Regrets: **None**

Staff Present: **Lisa Burnside, Matt Hall, Neil McDougall, Scott Peck, and Jaime Tellier, and Nancy Watts**

Others Present: **None**

1. Welcome

The Chair called the meeting to order and welcomed everyone present.

2. Declarations of Conflict of Interest

The Chair asked members to declare any conflicts under the HCA Administrative By-law. There were none.

3. Approval of Agenda

The Chair requested any additions or deletions to the agenda. There were none.

BA 2210

**MOVED BY: Maria Topalovic
SECONDED BY: Dan Bowman**

THAT the agenda be approved.

CARRIED

4. Delegations

There were none.

5. Consent Items

The following consent items were adopted:

- 5.1. Approval of Budget & Administration Committee Minutes – February 17, 2022
- 5.2. WSIB Injury Statistics from January – 12 months (2021)

The status of lost time injuries was discussed. Nancy Watts advised there have been no lost time injuries since December. There has been one approved medical aid incident in 2022.

6. Business Arising from the Minutes

There was none.

7. Staff Reports/Memoranda

7.1. 12-month Financial Results – Operating

Neil McDougall presented a summary of the report noting that 2021 was very similar to 2020 in that HCA's Conservation Areas remained popular as destinations for safe activities during the pandemic. Revenues associated with Conservation Area admissions were high as a result of the increased visitation. The revenues are a combination of increased membership pass sales, day admissions, and additional fee stations in parking lots. The marina was also fully operational and camping remained popular.

In 2022, there is a softening in day pass and membership pass sales, which was expected with the easing of pandemic related restrictions. Projected pass sales for

2022 may remain higher than pre-pandemic levels, however are unlikely to sustain 2020 or 2021 levels.

Staff are conscientious in managing surplus funds to have a reserve and for special projects. Staff will return to an upcoming Budget & Administration Committee meeting with the annual reserves report on how surplus funds will be allocated to special projects, such as land acquisition and the development of the Saltfleet Conservation Area, and an emergency reserve.

The members thanked staff for their efforts over the year.

7.2. 12-month Financial Results – Capital & Major Maintenance

Neil McDougall presented a summary of the report noting it shows a breakdown of expenditures for major maintenance and capital projects on a per Conservation Area basis. He highlighted various projects and maintenance work completed, including construction of the cabins at Valens Lake Conservation Area, construction of a lab at the main office for ecology and engineering field staff, a shoreline stabilization project at Fifty Point, and installation of an automated gate at Eramosa Karst Conservation Area, as well as trail, bridge, and hazard tree maintenance throughout the areas, including Dundas Valley, Hamilton Mountain Conservation Areas and Westfield Heritage Village.

In total, HCA spent 2.2 million on capital projects and major maintenance, with 40% on spent on major maintenance and 60% on capital projects. This is a typical distribution of funds, balanced between new projects and maintenance.

Members posed questions to staff regarding the Valens cabins and environmental studies and improvements to Tiffany Falls and Artaban Road parking lots.

The prioritization scheme for projects and maintenance was reviewed. The development of the capital budget each year is based on a combination of factors that are taken into account which include master plans, building and bridge inspection reports, feedback from area staff and input and analysis by senior management. Consideration is given for safety-related projects, infrastructure improvements, and those that meet legislative requirements. The approach to scheduling projects and maintenance, and therefore the capital budget, based on planning and regular evaluations, was praised.

7.3. 4th Quarter Vendor Report

Neil McDougall introduced the report. There were no questions.

BA 2211**MOVED BY: Dan Bowman
SECONDED BY: Maria Topalovic****THAT the memoranda entitled Twelve-month Financial Results – Operating, Twelve-month Financial Results – Capital & Major Maintenance, and 4th Quarter Vendor Report, be received for information.****CARRIED****7.4. Hybrid Meeting Participation and Livestreaming**

Lisa Burnside presented a summary of the report that upgrades to the technology in the HCA auditorium provides for hybrid meeting capabilities and recommendation to continue livestreaming of meetings.

A sound quality issue was identified during the meeting with the new audiovisual equipment which was resolved by turning the table microphones off. An additional issue related to calling up documents on line was also experienced, however that was identified as being related to member's individual computer. Lisa indicated staff will continue to test the equipment to identify and resolve any further issues.

Lloyd Ferguson left the meeting at this point to attend to an appointment.

There was discussion regarding the potential for hybrid meeting participation to eventually lead to fewer members attending in person or to fully transitioning to electronic meetings. It was noted that generally members prefer to attend in person however, flexibility to attend by telephone or by videoconference is appreciated when members are unable to attend in person and that this is already permitted in the administrative bylaws.

BA 2212**MOVED BY: Jim Cimba
SECONDED BY: Maria Topalovic****THAT the Budget & Administration Committee recommends to the Board of Directors:****THAT the Board of Directors approve the livestreaming of Board of Director and Advisory Board meetings when in-person meetings resume to provide for an additional method of public participation once the new audio visual technology in the HCA auditorium is finalized; and****THAT staff be directed to bring a report to an upcoming Budget & Administration Committee to address any necessary revisions or clarifications in HCA's**

Administrative By-law as a result of the addition to livestream and any housekeeping amendments related to hybrid participation.

CARRIED

8. New Business

8.1. City of Hamilton Citizen Code of Conduct Training

Jim Cimba inquired about a recent newspaper article indicating that citizen appointees by the City of Hamilton to local boards and committees will be required to attend an upcoming code of conduct training session and if this applied to the citizen appointees on HCA's Board of Directors. Lisa Burnside advised that HCA is an organization that has citizen appointments by the City of Hamilton, however HCA has not been advised of the training at this time. Citizen members at the meeting confirmed that they have also not been contacted.

9. In-Camera Items for Matters of Law, Personnel and Property

BA 2213

MOVED BY: Dan Bowman

SECONDED BY: Maria Topalovic

THAT the Budget and Administration Committee moves *in camera* for matters of law, personnel and property.

CARRIED

During the *in camera* session, one legal matter and one personnel were discussed.

9.1. Confidential Verbal Update – BA/Mar 01-2022

Nancy Watts provided a verbal update regarding a legal matter and answered the members' questions.

9.2. Confidential Verbal Update – BA/Mar 02-2022

Lisa Burnside provided a verbal update regarding a personnel matter and answered the members' questions.

BA 2214

MOVED BY: Maria Topalovic

SECONDED BY: Jim Cimba

THAT the Budget and Administration Committee moves out of *in camera*.

CARRIED

10. Next Meeting

The next meeting of the Budget and Administration Committee will be held on Thursday, April 21, 2022 at 6:00 p.m.

11. Next Meeting Adjournment

On motion, the meeting adjourned.

From: [Lisa Burnside](#)
To: [Jaime Tellier](#)
Subject: FW: Regulations and Policy under the Conservation Authorities Act – Ministry of the Environment, Conservation and Parks
Date: April 24, 2022 8:21:53 PM
Attachments: [image001.png](#)

From: ca.office (MECP) <ca.office@ontario.ca>

Sent: April 22, 2022 3:42 PM

Subject: Regulations and Policy under the Conservation Authorities Act – Ministry of the Environment, Conservation and Parks

Ministry of the Environment, Conservation and Parks Conservation and Source Protection Branch 14 th Floor 40 St. Clair Ave. West Toronto ON M4V 1M2	Ministère de l'Environnement, de la Protection de la nature et des Parcs Direction de la protection de la nature et des sources 14 ^e étage 40, avenue St. Clair Ouest Toronto (Ontario) M4V 1M2
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Good afternoon:

We are moving forward with Phase 2 regulations to improve the governance, oversight, transparency and accountability of conservation authority (CA) operations. These new regulations and provincial policy build on the [first phase of regulations](#) put in place in October 2021 and support [amendments to the Conservation Authorities Act](#) that focus CAs on their core mandate:

- Ontario Regulation 402/22: Budget and Apportionment. This regulation details CA budget and municipal apportionment methods and requirements.
- Ontario Regulation 401/22: Determination of Amounts Under Subsection 27.2 (2) of the Act. This regulation details the methods available to CAs to determine amounts owed by their specified municipalities for CA programs and services provided in respect of the *Clean Water Act, 2006* and *Lake Simcoe Protection Act, 2008*.
- Policy: Minister's Fee Classes Policy. This policy is a published list of the classes of programs and services for which a CA may charge a fee.
- Ontario Regulation 400/22: Information Requirements. This regulation increases transparency of CA operations by requiring the public posting of prescribed information on a Governance section of a CA's website.
- Ontario Regulation 399/22: Amending the Minister's Transition Plans and Agreements for Programs and Services Under Section 21.1.2 of the Act regulation (Ontario Regulation 687/21). This regulation increases transparency of user fees for programs and services that a CA determines is advisable to provide in its jurisdiction, where a cost apportioning agreement is in place.

The regulations and policy build on current CA budgetary practices with updates to align the levy apportionment methods and budget processes with the new funding framework and categories of programs and services established by recent amendments to the *Conservation Authorities Act* and first phase of regulations. The changes will ensure a smooth transition by January 1, 2024 of CAs to the new funding framework and three categories of programs and services.

The regulations and policy were consulted on through the Environmental Registry of Ontario from January 26 to February 25, 2022. We held webinars on the proposals in which over 400 people attended, and we received 24 submissions from municipalities, conservation authorities, environmental non-government organizations, community groups, industry, agricultural sector, and individuals. A decision notice with links to the final regulations and policy is available on the Environmental Registry of Ontario ([notice number 019-4610](#)), which includes a summary of the feedback received and how it was considered.

Thank you again for your input. You can reach the Conservation Authority Office at ca.office@ontario.ca if you have any questions. We will have information on training webinars in the near future.

Sincerely,

Kirsten Corrigan
Director, Conservation and Source Protection Branch

Overview: Phase 2 Regulations and Policy under the *Conservation Authorities Act*

HCA Board of Directors May 5, 2022



Context / Background

- These new regulations and policy build on the first phase of regulations put in place in October 2021
- Earlier this year, Province released the proposed Phase 2 levy and budget regulations on the ERO with consultation until February 25, 2022, and decision was released April 22, 2022
- The proposals are to support the development of regulations related to:
 - Municipal levy
 - Budget process
 - Scope of the classes and programs/services that CAs can charge fees for
 - Requirements to increase transparency of CA operations

Decision Posting on ERO

- MECP received 24 unique comments from the public, CAs, municipalities and others
- As noted on the ERO, the regulations and policy:
 - Reflect what is already working between CAs and municipalities
 - Build in flexibility where possible
 - Avoid being overly prescriptive
 - Recognize differing circumstances at the local level for budget processes due to the range in participating municipalities across CAs and varying CA revenue streams

Overview of the New Regulations & Policy

The following regulations and policy have been finalized:

1. Budget & Apportionment Regulation
2. Minister's Fee Classes Policy
3. Information Requirements Regulation
4. Amendments to the Minister's Transition Plans and Agreements Regulation

Budget & Apportionment Regulation

- This regulation sets out how CAs determine their operating expenses and capital costs, apportion those to each participating municipality and follow transparent and consistent process
- Regulation describes what is to be set out in a **draft budget** that is to be approved by the Board for consultations with municipalities
- Then a final budget is to be approved with copy to Minister and posted
- These process rules start for preparation of the **2024 annual budget** and onwards

Minister's Fee Class Policy

- Sets out the Minister's published list of classes of program and services for which CAs may charge a fee
- User-pay principle must be appropriate, that is user fees are fees paid by a person or organization for a service that they specifically benefit from
- Includes use of a public resources e.g. parks access or facility rental or the privilege to do something e.g. receive an approval through a permit or other permission to undertake a regulated activity
- Requires the CA to prepare a fee schedule and fee policy

Information Requirements Regulation

- Regulation sets out that CAs are to maintain a Governance section on their website and that must include prescribed information such as:
 - ✓ CA membership – participating municipalities and board members
 - ✓ Annual meeting schedule
 - ✓ Full meeting agendas and minutes
 - ✓ Authority bylaws
 - ✓ Annual auditor's report
 - ✓ Other governance docs

Notice to Minister by January 1, 2023 that the requirements have been met

Transition Plans and Agreements Regulation

- This is an amendment to an existing regulation that enables the charging of fees for "Category 3" Programs & Services where a cost apportioning agreement is in place

Moving Forward

- ERO notes that the regulations and policy are financial and administrative in nature and largely reflect what is currently occurring
- Recognize that there will be new one-time short-term administrative costs for CAs and municipalities for staff to learn about the new regulations and policy and preparing the budgets under the new regulatory and financial framework
- MECP webinars anticipated soon to learn more about the regulations/policy
- Conservation Ontario will also be hosting session(s) on Phase 2 Regulations/Policy (timing TBD)



Questions / Comments

Report

TO: Budget & Administration Committee

FROM: Neil McDougall, Secretary-Treasurer

DATE: April 21, 2022

RE: Report by the Auditors and
2021 Twelve-Month Audited Financial Statements

STAFF RECOMMENDATION

THAT the Budget & Administration Committee recommends to the Board of Directors:

THAT the Report by the Auditors be approved; and further

THAT the 2021 Twelve-Month Audited Financial Statements for Hamilton Conservation Authority and Confederation Beach Park be approved.

Hamilton Region Conservation Authority and Confederation Beach Park

For the year ended December 31, 2021

Report to the Budget and Administration Committee
Audit strategy and results

April 19, 2022

Melanie Dugard, CPA, CA
Principal
T 416 607 7303
E Melanie.Dugard@ca.gt.com

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Appendices

Appendix A – Overview and approach
Appendix B – Draft management representation letter
Appendix C – Accounting developments
Appendix D – Auditing developments

Executive summary

Purpose of report and scope

The purpose of this report is to engage in an open dialogue with you regarding our audit of the financial statements of Hamilton Region Conservation Authority and Confederation Beach Park (the "Authority") for the year ended December 31, 2021. This communication will assist the Budget and Administration Committee in understanding our overall audit strategy and results of audit procedures and includes comments on misstatements, significant accounting policies, sensitive estimates and other matters.

The information in this document is intended solely for the information and use of the Budget and Administration Committee. It is not intended to be distributed or used by anyone other than these specified parties.

We have obtained our engagement letter dated October 28, 2021, which outlines our responsibilities and the responsibilities of management.

We were engaged to provide the following deliverables:

Deliverable
Report on the December 31, 2021 financial statements
Communication of audit strategy and results

Status of our audit

We have substantially completed our audit of the financial statements of the Authority and the results of that audit are included in this report.

We will finalize our report upon resolution of the following items that were outstanding as at April 19, 2022:

- Receipt of signed management representation letter (a draft has been attached in the appendices);
- Approval of the financial statements by the Board;
- Response from the Authority's legal counsel to be dated within five days of when the financial statements are approved by the Board; and
- Inquiries which will be required between the date of the report to the date the financial statements are approved by the Board.

Approach

Our audit approach requires that we establish an overall strategy that focuses on risk areas. We identify and assess risks of material misstatement of the financial statements, whether due to fraud or error. The greater the risk of material misstatement associated with an area of the financial statements, including disclosures, the greater the audit emphasis placed on it in terms of audit verification and analysis. Where the nature of a risk of material misstatement is such that it requires special audit consideration, it is classified as a significant risk.

Our approach is discussed further in the Appendix A.

Audit risks and results

Audit Risks

The spread of COVID-19 is severely impacting economies around the globe, causing extensive disruptions to many industries and business operations and a level of economic uncertainty that is unprecedented in our time. Given the impact on ongoing operations, we have considered how these events may affect the Organization's financial reporting. As every entity will be impacted differently, we highlight our significant findings in respect of COVID-19 impacts on audit risks and responses, significant transactions, risks, accounting practices and other areas of focus.

Area of focus	Matter	Our response and findings
Impact of COVID-19	<p>COVID-19 continues to impact economies around the globe, causing extensive disruptions to many sectors and creating a level of economic uncertainty that is unprecedented in our time. This is having a significant impact on organizations, their operations and financial reporting. Management determined the impact resulting from COVID-19 and has included the appropriate disclosures in the financial statements.</p> <p>Management believes the Authority will continue as a going concern and that there are no indicators of impairment that would require assets to be tested for impairment.</p>	<ul style="list-style-type: none">• We have reviewed the fiscal 2022 budget for the Authority and have had extensive discussions with management regarding the impact of COVID-19.• We noted that while rental revenue decreased due to mandated closure and gathering restriction, the Authority had higher day attendance during the year as the conservation areas are safe places to go during the pandemic. A surplus of \$3.4M was realized this year. This coupled with \$2.1M in unrestricted accumulated surplus available for use indicates that the Authority does not have a risk relating to going concern. Management believes the Authority will continue as a going concern and that there are no indicators otherwise. <p>Our findings:</p> <p>Based on the nature of the assets held by Authority, we agree with management that there are no indicators of impairment.</p>

Significant risks

Area of focus	Why there is a risk	Our response and findings
Admission, product, service and program fees	<p>There is a presumed risk of fraud in revenue.</p> <p>The risk primarily relates to revenue recognized under user fees and other revenue.</p>	<p>We verified significant revenues to supporting documentation on sample basis, as well as an analysis of user fees by month compared to expectations (prior year).</p> <p>We performed reasonability analysis of the accounts receivable at year end by testing subsequent receipts and reviewing any accounts written off during the year.</p> <p>We tested key controls around the user fee process on sample basis.</p> <p><i>No matters of concern were found.</i></p>
Fraud risk from management override or weakness in segregation of duties	<p>This is a presumed fraud risk.</p> <p>The risk primarily relates to inherent pressure for a public sector entity to not exceed any budgeted amounts. The combination of the opportunity and motivation makes this presumed fraud risk applicable to the Authority.</p>	<p>We obtained the entire population of journal entries for the year and using data analytics, tested a sample based on characteristics deemed unusual given our knowledge of the Authority's operations.</p> <p>We reviewed any accounting estimates for biases,</p> <p>We evaluated the business rationale for significant transactions that are or appear to be outside the normal course of business.</p> <p><i>No matters of concern were found.</i></p>
Risk of expenditures and payables understated or not recorded in the correct period	<p>This risk primarily relates to the inherent bias to manage the budget.</p>	<p>We performed a variance analysis of operating expenses and accrued liabilities between prior year and current year and then investigated any significant or unusual variances.</p> <p>We tested a sample of expenses to ensure that the expenses were recorded in the appropriate period; and</p> <p>We performed a search for unrecorded liabilities by testing a sample of disbursements after year end to ensure they were recognized in the correct period.</p> <p><i>No matters of concern were found.</i></p>

Accounting practices

Area of focus	Matter	Our response and findings
Accounting estimates and disclosures	<p><u>Allowance for doubtful accounts</u></p> <p>Accounts receivable balances are allowed for by the Authority based on their aging date and assessment of collectability. Allowance for doubtful accounts is considered an estimate.</p>	<p>Our audit work focused on the judgments and assumptions used by management in calculating the allowance. We have determined that management's estimate is reasonable.</p>
Fraud and illegal acts	<p>Our audit procedures were performed for the purpose of forming an opinion of the financial statements and although these procedures might bring possible fraudulent or illegal activities to our attention, our audit procedures are less likely to detect material misstatements arising from fraud or other illegal acts because such acts are usually accompanied by acts designed to conceal their existence.</p>	<p>We did not detect any fraudulent or illegal activities or material misstatements resulting from fraudulent or illegal activities during our audit.</p>
Litigation proceedings	<p>We are required to examine legal costs incurred in the year to verify that there are not any contingent liabilities that could have an effect today and in the future of Authority's financial results.</p>	<p>We have had preliminary communication with the Authority's legal counsel. Based on management's representations, we are not aware of any claims against the Authority except for the ongoing lawsuit relating to one terminated employee.</p>

Adjustments and uncorrected misstatements

Adjustments

We have no adjusted misstatements to report.

Uncorrected misstatements

We have no non-trivial unadjusted misstatements to report.

Summary of disclosure matters

Our audit did not identify any unadjusted non-trivial misstatements of disclosure matters.

Other reportable matters

Internal control

The audit is designed to express an opinion on the financial statements. We obtain an understanding of internal control over financial reporting to the extent necessary to plan the audit and to determine the nature, timing and extent of our work. Accordingly, we do not express an opinion on the effectiveness of internal control.

If we become aware of a deficiency in your internal control over financial reporting, the auditing standards require us to communicate to the Budget and Administration Committee those deficiencies we consider significant. However, a financial statement audit is not designed to provide assurance on internal control.

Based on the results of our audit, we did not identify any reportable observations.

Independence

We have a rigorous process where we continually monitor and maintain our independence. The process of maintaining our independence includes, but is not limited to:

- Identification of threats to our independence and putting into place safeguards to mitigate those threats. For example, we evaluate the independence threat of any non-audit services provided to the Authority
- Confirming the independence of our engagement team members

We have identified no information regarding our independence that in our judgment should be brought to your attention.

Accounting

There have been no significant changes in accounting standards that would impact the financial statements. However, please refer to Appendix C on further changes.

Assurance

There have been no significant changes in assurance standards that would impact the financial statements. However, please refer to Appendix D on further changes.

Appendix A – Overview and approach

Our audit is planned with the objective of obtaining reasonable assurance about whether the financial statements as a whole are free from material misstatement, so that we are able to express an opinion on whether the financial statements are prepared, in all material respects, in accordance with Canadian public sector accounting standards. The following outlines key concepts that are applicable to the audit, including the responsibilities of parties involved, our general audit approach and other considerations.

Roles and responsibilities

Role of the board of directors	<ul style="list-style-type: none">• Help set the tone for the organization by emphasizing honesty, ethical behaviour and fraud prevention• Oversee management, including ensuring that management establishes and maintains internal controls to provide reasonable assurance regarding reliability of financial reporting• Oversee the work of the external auditors including reviewing and discussing the audit plan
Role of management	<ul style="list-style-type: none">• Prepare financial statements in accordance with Canadian public sector accounting standards• Design, implement and maintain effective internal controls over financial reporting processes, including controls to prevent and detect fraud• Exercise sound judgment in selecting and applying accounting policies• Prevent, detect and correct errors, including those caused by fraud• Provide representations to external auditors• Assess quantitative and qualitative impact of misstatements discovered during the audit on fair presentation of the financial statements
Role of Grant Thornton LLP	<ul style="list-style-type: none">• Provide an audit opinion that the financial statements are in accordance with Canadian public sector accounting standards• Conduct our audit in accordance with Canadian Generally Accepted Auditing Standards (GAAS)• Maintain independence and objectivity• Be a resource to management and to those charged with governance• Communicate matters of interest to those charged with governance• Establish an effective two-way communication with those charged with governance, to report matters of interest to them and obtain their comments on audit risk matters

Audit approach

Our understanding of the Authority and its operations drives our audit approach, which is risk based and specifically tailored to Hamilton Region Conservation Authority and Confederation Beach Park.

The five key phases of our audit approach



Phase	Our approach
1. Planning	<ul style="list-style-type: none"> We obtain our understanding of your operations, internal controls and information systems We plan the audit timetable together
2. Assessing risk	<ul style="list-style-type: none"> We use our knowledge gained from the planning phase to assess financial reporting risks We customize our audit approach to focus our efforts on key areas
3. Evaluating internal controls	<ul style="list-style-type: none"> We evaluate the design of controls you have implemented over financial reporting risks We identify areas where our audit could be more effective or efficient by taking an approach that includes testing the controls We provide you with information about the areas where you could potentially improve your controls
4. Testing accounts and transactions	<ul style="list-style-type: none"> We perform tests of balances and transactions We use technology and tools, including data interrogation tools, to perform this process in a way that enhances effectiveness and efficiency
5. Concluding and reporting	<ul style="list-style-type: none"> We conclude on the sufficiency and appropriateness of our testing We finalize our report and provide you with our observations and recommendations

Our tailored audit approach results in procedures designed to respond to an identified risk. The greater the risk of material misstatement associated with the account, class of transactions or balance, the greater the audit emphasis placed on it in terms of audit verification and analysis.

Throughout the execution of our audit approach, we maintained our professional skepticism, recognizing the possibility that a material misstatement due to fraud could exist notwithstanding our past experiences with the entity and our beliefs about management's honesty and integrity.

Fraud risk factor considerations

We are responsible for planning and performing the audit to obtain reasonable assurance as to whether the financial statements are free of material misstatement caused by error or by fraud. Our responsibility includes:

- The identification and assessment of the risks of material misstatement of the financial statements due to fraud through procedures including discussions amongst the audit team and specific inquiries of management
- Obtaining sufficient appropriate audit evidence to respond to the fraud risks noted
- Responding appropriately to any fraud or suspected fraud identified during the audit

Due to the inherent limitations of an audit, there is an unavoidable risk that some material misstatements may not be detected and this is particularly true in relation to fraud. The primary responsibility for the prevention and detection of fraud rests with those charged with governance and management.

We are required to communicate with you on fraud-related matters, including:

- Obtaining an understanding of how you exercise oversight of management's processes for identifying and responding to the risks of fraud in the entity and the internal control that management has established to mitigate these risks
- Inquiring as to whether you have knowledge of any actual, suspected or alleged fraud affecting the entity

The following provides a summary of some of the fraud related procedures that are performed during the audit:

- Testing the appropriateness of journal entries recorded in the general ledger and other adjustments made in the preparation of the financial statements
- Reviewing accounting estimates for biases
- Evaluating the business rationale (or the lack thereof) for significant transactions that are or appear to be outside the normal course of operations

Quality control

We have a robust quality control program that forms a core part of our client service. We combine internationally developed audit methodology, advanced audit technology, rigorous review procedures, mandatory professional development requirements, and the use of specialists to deliver high quality audit services to our clients. In addition to our internal processes, we are subject to inspection and oversight by standard setting and regulatory bodies. We are proud of our firm's approach to quality control and would be pleased to discuss any aspect with you at your convenience.

IDEA Data Analysis Software

We apply our audit methodology using advanced software tools. IDEA Data Analysis Software is a powerful analysis tool that allows audit teams to read, display, analyze, manipulate, sample and extract data from almost any electronic source. The tool has the advantages of enabling the audit team to perform data analytics on very large data sets in a very short space of time, while providing the checks, balances and audit trail necessary to ensure that the data is not corrupted and that the work can be easily reviewed. SmartAnalyzer, an add-on to IDEA, further improves the efficiency and effectiveness of the audit by providing automated routines for certain common analytical tasks, such as identifying unusual and potentially fraudulent journal entries. Grant Thornton continues to invest in developing industry-leading audit data analytical tools.

Appendix B – Management Representation Letter

DRAFT

Management Representation Letter

[audit report date]

Grant Thornton LLP
33 Main Street East
Hamilton, ON
L8N 4K5

Dear Ms. Dugard:

We are providing this letter in connection with your audit of the financial statements of Hamilton Region Conservation Authority ("the Authority") as of December 31, 2021, and for the year then ended, for the purpose of expressing an opinion as to whether the financial statements present fairly, in all material respects, the financial position, results of operations, and cash flows of Hamilton Region Conservation Authority in accordance with Canadian public sector accounting standards.

We acknowledge that we have fulfilled our responsibilities for the preparation of the financial statements in accordance with Canadian public sector accounting standards and for the design and implementation of internal controls to prevent and detect fraud and error. We have assessed the risk that the financial statements may be materially misstated as a result of fraud, and have determined such risk to be low. Further, we acknowledge that your examination was planned and conducted in accordance with Canadian generally accepted auditing standards (GAAS) so as to enable you to express an opinion on the financial statements. We understand that while your work includes an examination of the accounting system, internal controls and related data to the extent you considered necessary in the circumstances, it is not designed to identify, nor can it necessarily be expected to disclose, fraud, shortages, errors and other irregularities, should any exist.

Certain representations in this letter are described as being limited to matters that are material. An item is considered material, regardless of its monetary value, if it is probable that its omission from or misstatement in the financial statements would influence the decision of a reasonable person relying on the financial statements.

We confirm, to the best of our knowledge and belief, as of [audit report date], the following representations made to you during your audit.

Financial statements

- 1 The financial statements referred to above present fairly, in all material respects, the financial position of the Authority as at December 31, 2021 and the results of its operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards, as agreed to in the terms of the audit engagement.

Completeness of information

- 2 We have made available to you all financial records and related data and all minutes of the meetings of directors, and committees of directors, as agreed in the terms of the audit

engagement. Summaries of actions of recent meetings for which minutes have not yet been prepared have been provided to you. All significant board and committee actions are included in the summaries.

- 3 We have provided you with unrestricted access to persons within the Authority from whom you determined it necessary to obtain audit evidence.
- 4 There are no material transactions that have not been properly recorded in the accounting records underlying the financial statements. The adjusting journal entries which have been proposed by you are approved by us and will be recorded on the books of the Authority.
- 5 There were no restatements made to correct a material misstatement in the prior period financial statements that affect the comparative information.
- 6 We are unaware of any known or probable instances of non-compliance with the requirements of regulatory or governmental authorities, including their financial reporting requirements.
- 7 We are unaware of any violations or possible violations of laws or regulations the effects of which should be considered for disclosure in the financial statements or as the basis of recording a contingent loss.
- 8 We have disclosed to you all known deficiencies in the design or operation of internal control over financial reporting of which we are aware.
- 9 We have identified to you all known related parties and related party transactions, including sales, purchases, loans, transfers of assets, liabilities and services, leasing arrangements guarantees, non-monetary transactions and transactions for no consideration.

Fraud and error

- 10 We have no knowledge of fraud or suspected fraud affecting the Authority involving management; employees who have significant roles in internal control; or others, where the fraud could have a non-trivial effect on the financial statements.
- 11 We have no knowledge of any allegations of fraud or suspected fraud affecting the Authority's financial statements communicated by employees, former employees, analysts, regulators or others.
- 12 We acknowledge our responsibility for the design, implementation and maintenance of internal control to prevent and detect fraud.

Recognition, measurement and disclosure

- 13 We believe that the methods, significant assumptions and data used by us in making accounting estimates and related disclosures are appropriate to achieve recognition, measurement and disclosure that are in accordance with Canadian public sector accounting standards.

- 14 We have no plans or intentions that may materially affect the carrying value or classification of assets and liabilities, both financial and non-financial, reflected in the financial statements.
- 15 All related party transactions have been appropriately measured and disclosed in the financial statements.
- 16 The nature of all material measurement uncertainties has been appropriately disclosed in the financial statements, including all estimates where it is reasonably possible that the estimate will change in the near term and the effect of the change could be material to the financial statements.
- 17 All outstanding and possible claims, whether or not they have been discussed with legal counsel, have been disclosed to you and are appropriately reflected in the financial statements.
- 18 All liabilities and contingencies, including those associated with guarantees, whether written or oral, have been disclosed to you and are appropriately reflected in the financial statements.
- 19 With respect to environmental matters:
 - a) at year end, there were no liabilities or contingencies that have not already been disclosed to you;
 - b) liabilities or contingencies have been recognized, measured and disclosed, as appropriate, in the financial statements; and
 - c) commitments have been measured and disclosed, as appropriate, in the financial statements.
- 20 The Authority has satisfactory title to (or lease interest in) all assets, and there are no liens or encumbrances on the Authority's assets nor has any been pledged as collateral **[except: specify]**.
- 21 We have disclosed to you, and the Authority has complied with, all aspects of contractual agreements that could have a material effect on the financial statements in the event of non-compliance, including all covenants, conditions or other requirements of all outstanding debt.
- 22 The Goods and Services Tax (GST) and Harmonized Sales Tax (HST) transactions recorded by the Authority are in accordance with the federal and provincial regulations. The GST and HST liability/receivable amounts recorded by the Authority are considered complete.
- 23 Employee future benefit costs, assets, and obligations have been determined, accounted for and disclosed in accordance with the requirements of Section PS3255 *Post-Employment Benefits, Compensated Absences and Termination Benefits* of the Chartered Professional Accountants of Canada (CPA Canada) Handbook Part II – Accounting.
- 24 There have been no events subsequent to the balance sheet date up to the date hereof that would require recognition or disclosure in the financial statements. Further, there have been no events subsequent to the date of the comparative financial statements that would require adjustment of those financial statements and related notes.

Other

- 25 We have considered whether or not events have occurred or conditions exist which may cast significant doubt on the Authority's ability to continue as a going concern and have concluded that no such events or conditions are evident.

Yours very truly,

Lisa Burnside
Chief Administration Officer

Neil McDougall
Secretary-Treasurer

DRAFT

Management Representation Letter

[audit report date]

Grant Thornton LLP
33 Main Street East
Hamilton, ON
L8N 4K5

Dear Ms. Dugard:

We are providing this letter in connection with your audit of the financial statements of Confederation Beach Park ("the Organization") as of December 31, 2021, and for the year then ended, for the purpose of expressing an opinion as to whether the financial statements present fairly, in all material respects, the financial position, results of operations, and cash flows of Confederation Beach Park in accordance with Canadian public sector accounting standards.

We acknowledge that we have fulfilled our responsibilities for the preparation of the financial statements in accordance with Canadian public sector accounting standards and for the design and implementation of internal controls to prevent and detect fraud and error. We have assessed the risk that the financial statements may be materially misstated as a result of fraud, and have determined such risk to be low. Further, we acknowledge that your examination was planned and conducted in accordance with Canadian generally accepted auditing standards (GAAS) so as to enable you to express an opinion on the financial statements. We understand that while your work includes an examination of the accounting system, internal controls and related data to the extent you considered necessary in the circumstances, it is not designed to identify, nor can it necessarily be expected to disclose, fraud, shortages, errors and other irregularities, should any exist.

Certain representations in this letter are described as being limited to matters that are material. An item is considered material, regardless of its monetary value, if it is probable that its omission from or misstatement in the financial statements would influence the decision of a reasonable person relying on the financial statements.

We confirm, to the best of our knowledge and belief, as of [audit report date], the following representations made to you during your audit.

Financial statements

- 1 The financial statements referred to above present fairly, in all material respects, the financial position of the Organization as at December 31, 2021 and the results of its operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards, as agreed to in the terms of the audit engagement.

Completeness of information

- 2 We have made available to you all financial records and related data and all minutes of the meetings of directors, and committees of directors, as agreed in the terms of the audit engagement. Summaries of actions of recent meetings for which minutes have not yet been prepared have been provided to you. All significant board and committee actions are included in the summaries.
- 3 We have provided you with unrestricted access to persons within the Organization from whom you determined it necessary to obtain audit evidence.
- 4 There are no material transactions that have not been properly recorded in the accounting records underlying the financial statements. The adjusting journal entries which have been proposed by you are approved by us and will be recorded on the books of the Organization.
- 5 There were no restatements made to correct a material misstatement in the prior period financial statements that affect the comparative information.
- 6 We are unaware of any known or probable instances of non-compliance with the requirements of regulatory or governmental authorities, including their financial reporting requirements.
- 7 We are unaware of any violations or possible violations of laws or regulations the effects of which should be considered for disclosure in the financial statements or as the basis of recording a contingent loss.
- 8 We have disclosed to you all known deficiencies in the design or operation of internal control over financial reporting of which we are aware.
- 9 We have identified to you all known related parties and related party transactions, including sales, purchases, loans, transfers of assets, liabilities and services, leasing arrangements guarantees, non-monetary transactions and transactions for no consideration.

Fraud and error

- 10 We have no knowledge of fraud or suspected fraud affecting the Organization involving management; employees who have significant roles in internal control; or others, where the fraud could have a non-trivial effect on the financial statements.
- 11 We have no knowledge of any allegations of fraud or suspected fraud affecting the Organization's financial statements communicated by employees, former employees, analysts, regulators or others.
- 12 We acknowledge our responsibility for the design, implementation and maintenance of internal control to prevent and detect fraud.

Recognition, measurement and disclosure

- 13 We believe that the methods, significant assumptions and data used by us in making accounting estimates and related disclosures are appropriate to achieve recognition, measurement and disclosure that are in accordance with Canadian public sector accounting standards.
- 14 We have no plans or intentions that may materially affect the carrying value or classification of assets and liabilities, both financial and non-financial, reflected in the financial statements.
- 15 All related party transactions have been appropriately measured and disclosed in the financial statements.
- 16 The nature of all material measurement uncertainties has been appropriately disclosed in the financial statements, including all estimates where it is reasonably possible that the estimate will change in the near term and the effect of the change could be material to the financial statements.
- 17 All outstanding and possible claims, whether or not they have been discussed with legal counsel, have been disclosed to you and are appropriately reflected in the financial statements.
- 18 All liabilities and contingencies, including those associated with guarantees, whether written or oral, have been disclosed to you and are appropriately reflected in the financial statements.
- 19 With respect to environmental matters:
 - a) at year end, there were no liabilities or contingencies that have not already been disclosed to you;
 - b) liabilities or contingencies have been recognized, measured and disclosed, as appropriate, in the financial statements; and
 - c) commitments have been measured and disclosed, as appropriate, in the financial statements.
- 20 The Organization has satisfactory title to (or lease interest in) all assets, and there are no liens or encumbrances on the Organization's assets nor has any been pledged as collateral.
- 21 We have disclosed to you, and the Organization has complied with, all aspects of contractual agreements that could have a material effect on the financial statements in the event of non-compliance, including all covenants, conditions or other requirements of all outstanding debt.
- 22 The Goods and Services Tax (GST) and Harmonized Sales Tax (HST) transactions recorded by the Organization are in accordance with the federal and provincial regulations. The GST and HST liability/receivable amounts recorded by the Organization are considered complete.
- 23 Employee future benefit costs, assets, and obligations have been determined, accounted for and disclosed in accordance with the requirements of Section PS3255 *Post-Employment Benefits, Compensated Absences and Termination Benefits* of the Chartered Professional Accountants of Canada (CPA Canada) Handbook Part II – Accounting.

- 24 There have been no events subsequent to the balance sheet date up to the date hereof that would require recognition or disclosure in the financial statements. Further, there have been no events subsequent to the date of the comparative financial statements that would require adjustment of those financial statements and related notes.

Other

- 25 We have considered whether or not events have occurred or conditions exist which may cast significant doubt on the Organization's ability to continue as a going concern and have concluded that no such events or conditions are evident.

Yours very truly,

Lisa Burnside
Chief Administration Officer

Neil McDougall
Secretary-Treasurer

Appendix C Accounting developments

Public Sector Accounting Standards	Effective date
Section PS 1150 <i>Generally Accepted Accounting Principles</i>	
<p>Section PS 1150 has been amended to require public sector entities to look to accounting pronouncements published by the International Public Sector Accounting Standards Board (IPSASB) as the first accounting framework to consult in situations not covered by primary sources of GAAP. When a standard from the IPSASB exists, it must be consulted first before standards issued by other bodies authorized to issue accounting standards.</p> <p>This amendment would only be applied only to new transactions or other events after the effective date for which the entity has no existing accounting policy. It also does not require the revision of existing accounting policies.</p>	<p>Fiscal years beginning on or after April 1, 2021.</p>
Section PS 3450 <i>Financial instruments</i> and Section PS 2601 <i>Foreign currency translation</i>	
<p>PS 2601 <i>Foreign currency translation</i> has been amended:</p> <ul style="list-style-type: none"> • To provide an irrevocable accounting policy election for all financial assets and financial liabilities arising from a foreign currency transaction. This election allows a public sector entity to elect on initial recognition to recognize their exchange gains and losses on a financial asset or financial liability directly in the statement of operations. If this election is not chosen, unrealized foreign exchange gains and losses are included in remeasurement gains and losses until they are realized, upon which they are reclassified to the statement of operations • to require for financial assets and financial liabilities in the fair value category, that the exchange gain or loss component of the change in fair value is separated and recognized directly in the statement of operations in cases where the above accounting policy election was made and amounts subject to this election would not be considered remeasurement gains and losses <p>For those public sector entities that applied PS 2601 to fiscal years beginning on or after April 1, 2012, the election may be made on a one-time basis, at the beginning of the fiscal year, for existing financial assets and financial liabilities arising from a foreign currency transaction. For any financial asset or financial liability for which this election is made, cumulative unrealized exchange gains and losses arising at the date of the election are recognized as an adjustment to the accumulated surplus or deficit at the beginning of the fiscal year in which this election is applied. Disclosure is required to indicate the use of this election and any adjustment to the accumulated surplus or deficit in the year of application.</p> <p>As a result of accounting policy election in PS 2601 noted above, PS 3450 has also been amended to require the disclosure of the carrying amounts of financial assets and financial liabilities in which exchange gains and losses are recognized directly in the statement of operations</p>	<p>For those public sector entities that applied PS 2601/PS 3450 to fiscal years beginning on or after April 1, 2012, the election in paragraph PS 2601.19A may be made on a one-time basis, at the beginning of the fiscal year, for existing financial assets and financial liabilities arising from a foreign currency transaction. This election may be applied no later than the fiscal year beginning on or after April 1, 2022. Earlier application is permitted.</p>

Section PS 3160 Public Private Partnerships

New Section PS 3160 *Public Private Partnerships* establishes standards on how to account for public private partnerships between public and private sector entities where infrastructure is procured by a public sector entity using a private sector partner that is obligated to design, build, acquire or better infrastructure; finance the infrastructure past the point where the infrastructure is ready for use and operate and/or maintain the infrastructure. Infrastructure typically includes items such as tangible capital assets (i.e., complex network systems), but may also include items that are intangible in nature. The main features of the new Section are:

- The infrastructure is recognized as an asset when the public sector entity acquires control of the infrastructure. A liability is also recognized when the public sector entity recognizes an asset.
- The infrastructure asset and corresponding liability are initially measured at the cost of the infrastructure asset.
- Subsequent measurement of the infrastructure asset is based on the asset cost amortized in a rational and systematic manner over the useful life of the asset.
- Subsequent measurement of the financial liability is at amortized cost using the effective interest method. When all or a portion of the liability represents a performance obligation, revenue is recognized, and the liability reduced in accordance with the substance of the public private partnership agreement (as performance is achieved).
- Retrospective or prospective application is permitted.

Fiscal years beginning on or after April 1, 2023.

Earlier adoption is permitted.

Section PS 1000 Financial statement concepts, Section 1201 Financial Statement Presentation, and PSG-8 Purchased intangibles

Section PS 1000 has been amended to remove the prohibition of recognition of purchased intangibles in public sector financial statements. Consequentially, Section PS 1201 has also been amended to remove disclosure requirements for unrecognized purchased intangibles since entities can now recognize purchased intangibles in their financial statements. Entities still reporting in accordance with Section PS 1200 *Financial Statement Presentation* can also adopt the amendments and recognize purchased intangible assets. New Public Sector Guideline, PSG-8 *Purchased intangibles*, has been issued to explain the scope of the intangibles that are allowed to be recognized in the financial statements given this amendment to Section PS 1000. However, it is important to note that no further recognition, measurement, disclosure and presentation guidance has been provided.

The main features of PSG-8 include:

- A definition of purchased intangibles
- Examples of items that are not purchased intangibles
- References to other guidance in the PSA Handbook on intangibles
- Reference to the asset definition, general recognition criteria and the GAAP hierarchy for accounting for purchased intangibles
- Retrospective or prospective application is permitted.

Fiscal years beginning on or after April 1, 2023.

Earlier adoption is permitted.

Section PS 3400 Revenues

New Section PS 3400 *Revenue* establishes standards on how to account for and report on revenue. It does not apply to revenues for which specific standards already exist, such as government transfers, tax revenue or restricted revenues. The Section distinguishes between revenue that arises from transactions that include performance obligations (i.e., exchange transactions) and transactions that do not have performance obligations (i.e., non-exchange transactions). The main features of the new Section are:

- Performance obligations are defined as enforceable promises to provide specific goods or services to a specific payer
- Revenue from transactions with performance obligations will be recognized when (or as) the performance obligation is satisfied by providing the promised goods or services to the payer
- Revenue from transactions with no performance obligations will be recognized when a public sector entity has the authority to claim or retain the revenue and identifies a past transaction or event that gives rise to an asset

Fiscal years beginning on or after April 1, 2023.

Earlier adoption is permitted.

(NOTE: The effective date was previously April 1, 2022, but in August 2020, as a result of the COVID-19 pandemic, the Public Sector Accounting Board (PSAB) has deferred the effective date by one year.)

Section PS 3280 Asset retirement obligations

New Section PS 3280 *Asset Retirement Obligations* establishes standards on how to account for and report a liability for asset retirement obligations. An asset retirement obligation is a legal obligation associated with the retirement of a tangible capital asset.

Asset retirement costs associated with a tangible capital asset increase the carrying amount of the related tangible capital asset and are expensed in a rational and systematic manner, while asset retirement costs associated with an asset no longer in productive use are expensed. Measurement of the liability for an asset retirement obligation should result in the best estimate of the amount required to retire a

Fiscal years beginning on or after April 1, 2022.

Earlier adoption is permitted.

(NOTE: The effective date was previously April 1, 2021, but in August 2020, as a result of the

tangible capital asset at the financial statement date. A present value technique is often the best method to estimate the liability. Subsequent measurement of the liability can result in either a change in the carrying amount of the related tangible capital asset, or an expense, depending on the nature of the remeasurement or whether the asset remains in productive use.

As a result of the issuance of Section PS 3280, the Public Sector Accounting Board (PSAB) approved the withdrawal of Section PS 3270 *Solid waste landfill closure and post-closure liability* as asset retirement obligations associated with landfills will be within the scope of PS 3280. PS 3280 does not address costs related to remediation of contaminated sites, which will continue to be addressed in Section PS 3260 *Liability for contaminated sites*. Some consequential amendments have been made to PS 3260 to conform with PS 3280 and further clarify the scope of each standard.

COVID-19 pandemic, the PSAB has deferred the effective date by one year.)

Section PS 3450 *Financial instruments*, Section PS 2601 *Foreign currency translation*, Section PS 1201 *Financial statement presentation*, and PS 3041 *Portfolio investments*

PS 3450 *Financial instruments* is a new Section that establishes standards for recognizing and measuring financial assets, financial liabilities and non-financial derivatives. Some highlights of the requirements include:

- a public sector entity should recognize a financial asset or a financial liability on its statement of financial position when it becomes a party to the contractual provisions of the instrument
- financial instruments within the scope of the Section are assigned to one of two measurement categories: fair value, or cost / amortized cost
- almost all derivatives are measured at fair value
- fair value measurement is required for portfolio investments in equity instruments that are quoted in an active market
- other financial assets and financial liabilities are generally measured at cost or amortized cost
- until an item is derecognized, gains and losses arising due to fair value remeasurement are reported in the statement of remeasurement gains and losses when the public sector entity defines and implements a risk management or investment strategy to manage and evaluate the performance of a group of financial assets, financial liabilities or both on a fair value basis, the entity may elect to include these items in the fair value category
- additional disclosures with respect to financial instruments will be required, including the nature and extent of risks arising from a public sector entity's financial instruments

PS 2601 *Foreign currency translation* revises and replaces Section PS 2600 *Foreign currency translation*. Some highlights of the requirements include:

- the deferral and amortization of foreign exchange gains and losses relating to long-term foreign currency denominated monetary items is discontinued
- until the period of settlement, foreign exchange gains and losses are recognized in the statement of remeasurement gains and losses rather than the statement of operations, unless an irrevocable election is made at initial measurement to recognize exchange gains and losses on a financial asset or financial liability directly in the statement of operations.

PS 1201 *Financial statement presentation* revises and replaces Section PS 1200 *Financial statement presentation*. The main amendment to this Section is the addition of the statement of remeasurement gains and losses.

PS 3041 *Portfolio investments* revises and replaces Section PS 3040 *Portfolio investments*.

The issuance of these new sections also includes consequential amendments to:

- *Introduction to accounting standards that apply only to government not-for-profit organizations*
- PS 1000 *Financial statement concepts*
- PS 1100 *Financial statement objectives*
- PS 2125 *First-time adoption by government organizations*
- PS 2500 *Basic principles of consolidation*
- PS 2510 *Additional areas of consolidation*

The new requirements are all required to be applied at the same time.

For governments - Fiscal years beginning on or after April 1, 2022.

For government organizations that applied the CPA Canada Handbook – Accounting prior to their adoption of the CPA Canada Public Sector Accounting Handbook - Fiscal years beginning on or after April 1, 2012.

For all other government organizations - Fiscal years beginning on or after April 1, 2022.

Earlier adoption is permitted.

(NOTE: For public sector entities other than government organizations that applied the CPA Canada Handbook – Accounting prior to adopting the CPA Canada Public Sector Accounting Handbook, the effective date was previously April 1, 2021, but in August 2020, as a result of the COVID-19 pandemic, the PSAB has deferred the effective date by one year.)

- PS 3050 *Loans receivable*
- PS 3060 *Government partnerships*
- PS 3070 *Investments in government business enterprises*
- PS 3230 *Long-term debt*
- PS 3310 *Loan guarantees*
- PS 4200 *Financial statement presentation by not-for-profit organizations*

PSG-6 *Including results of organizations and partnerships applying fair value measurement* was withdrawn as a result of the issuance of these sections.

In April 2020, the PSAB issued amendments to clarify aspects of Section PS 3450's application and add new guidance to its transitional provisions.

The amendments introduce changes to the accounting treatment for bond repurchase transactions. Specifically, the amendments no longer require bond repurchase transactions to be treated as extinguishments, unless they are discharged or legally released from the obligation or the transactions meet certain criteria to be considered an exchange of debt.

The amendments also provide clarification on the application of certain areas of Section PS 3450, these include:

- Section PS 3450 does not apply unless a contractual right or a contractual obligation underlies a receivable or payable
- how a transfer of collateral pursuant to a credit risk management mechanism in a derivative contract is accounted for, and
- derecognition of a financial asset does not occur if the transferor retains substantially all the risks and benefits of ownership

Finally, the amendments have added new guidance to the transitional provisions as follows:

- controlling governments should use the carrying values of the financial assets and liabilities in the records of its government organizations when consolidating a government organization
- any unamortized discounts, premiums, or transaction costs associated with a financial asset or financial liability in the cost/amortized cost category should be included in the item's opening carrying value, and
- in cases where derivatives were not recognized or were not measured at fair value prior to adopting PS 3450, any difference between the previous carrying value and fair value should be recognized in the opening balance of accumulated remeasurement gains and losses

Strategic plan for not-for-profit organizations in the public sector

Since 2012, government not-for-profit organizations (GNPOs) have been required to adopt PSAS but were given the option of applying the specific GNPO accounting standards in PSAS. Some GNPOs have utilized those standards, while others have not. The PSAB recognized that a "one-size-fits-all" approach may not be appropriate for all stakeholders. As a result, in PSAB's 2017-2022 Strategic Plan, the Board signaled intent to understand the needs and concerns of GNPOs and consider if some standards should be applied differently by them. In 2018, PSAB consulted with over 100 GNPO stakeholders to understand their fiscal and regulatory environment, their financial reporting needs, and their financial reporting perspectives in its first Consultation Paper. Diversity in the financial reporting framework, presentation of net debt and fund accounting, the impact of balanced budget requirements and endowments were some of the items stakeholders raised. In January 2021, PSAB released a second Consultation Paper. The purpose of the paper was to:

- summarize the feedback to Consultation Paper I;
- describe the options considered for a GNPO Strategy;
- describe the decision-making criteria used to evaluate the options; and
- propose a GNPO Strategy.

The deadline to respond to the Consultation paper ended June 30, 2021 and the PSAB is deliberating the feedback received.

International strategy

The PSAB has reviewed its current approach towards International Public Sector Accounting Standards (IPSAS) with the intent of developing options for its International Strategy. At its May 2020 meeting, PSAB decided that it will adapt IPSAS principles when developing future Canadian Public Sector Accounting Standards for the Public Sector Accounting Handbook. PSAB has issued a brief document summarizing its decision and what it means, entitled [In Brief – A plain and simple overview of PSAB's 2020 decision to adapt IPSAS principles when developing future standards](#), as well as the [Basis for Conclusions](#) on how it reached its decision. This decision applies to all projects beginning on or after April 1, 2021.

Concepts underlying financial performance

In response to feedback from stakeholders, the PSAB is proposing changes to its conceptual framework and its reporting model with a focus on measuring the financial performance of public sector entities. A conceptual framework is a clear set of related concepts that act as the foundation for the development of standards and the application of professional judgment. In January 2021, PSAB issued four important exposure drafts:

- *The Conceptual Framework for Financial Reporting in the Public Sector* - PSAB has proposed to issue a revised Conceptual Framework that would include 10 chapters:
 - Chapter 1: Introduction to the Conceptual Framework
 - Chapter 2: Characteristics of public sector entities
 - Chapter 3: Financial reporting objective
 - Chapter 4: Role of financial statements
 - Chapter 5: Financial statement foundations
 - Chapter 6: Financial statement objectives
 - Chapter 7: Financial statement information
 - Chapter 8: Elements of financial statements
 - Chapter 9: Recognition and measurement in financial statements
 - Chapter 10: Presentation concepts for financial statements

The proposed Conceptual Framework would replace the existing conceptual framework in Section PS 1000 *Financial Statement Concepts* and Section PS 1100 *Financial Statement Objectives*

- *Financial Statement Presentation, Proposed Section PS 1202* – PSAB has proposed replacing the existing reporting model standard in Section PS 1201 *Financial Statement Presentation*. The proposed changes would make some significant changes to financial presentation for public sector entities
- *Consequential Amendments Arising from the Proposed Conceptual Framework* – This Exposure Draft will summarize the implications for the rest of the CPA Canada Public Sector Accounting (PSA) Handbook; and
- *Consequential Amendments Arising from the Financial Statement Presentation Standard, Proposed Section PS 1202* – This Exposure Draft will summarize the implications for the rest of the PSA Handbook as a result of new proposed Section PS 1202.

The deadline for responses to the exposure drafts was June 30, 2021 and the PSAB is deliberating the feedback received.

Appendix D – Auditing developments

Canadian Auditing Standards (CASs) and other Canadian Standards issued by the AASB	Effective date
<p>Revisions to CAS 315 <i>Identifying and Assessing Risks of Material Misstatement</i></p> <p>In July 2018, the IAASB issued an Exposure Draft proposing changes to ISA 315 that could drive more consistent and effective identification and assessment of the risks of material misstatement by auditors. The AASB published an Exposure Draft of the equivalent Canadian standard, which included the same proposed revisions as the ISA with no Canada-specific amendments. The revised CAS 315 has been issued and key amendments to the standard include the following:</p> <ul style="list-style-type: none">• Focusing on the applicable financial reporting framework in identifying and assessing risks of material misstatement• Updating the understanding of the system of internal control, including clarifying the work effort for understanding each of the components of internal control and "controls relevant to the audit", as well as the relationship between this understanding and the assessment of control risk• Updating aspects relating to IT, in particular to the IT environment, the applications relevant to the audit and general IT controls relevant to the audit• Introducing the new concepts of inherent risk factors, relevant assertions, significant classes of transactions, account balances and disclosures, and the spectrum of inherent risk• Separating the inherent risk and control risk assessments for assertion level risks, enhancing the requirements relating to financial statement level risks, and updating the definition of "significant risks"	<p>Periods beginning on or after December 15, 2021.</p>

Proposed changes to CAS 600 *Special Considerations – Audits of Group Financial Statements (Including the Work of Component Auditors)*

Many audits today are of group financial statements, also known as group audits, and these types of engagements can be very challenging. In April 2020, the IAASB issued an Exposure Draft proposing changes to ISA 600 and related ISAs with the goals of strengthening the auditor's approach to planning and performing group audits and clarifying the interaction of ISA 600 with other ISAs. The AASB has published an Exposure Draft of the equivalent Canadian standard, which includes the same proposed revisions as the ISA with no Canada-specific amendments. The Exposure Draft proposes changes that:

- Clarify the scope and applicability of the standard
- Emphasise the importance of exercising professional skepticism throughout the group audit
- Clarify and reinforce that all CASs need to be applied in a group audit situation
- Focus the group engagement team's attention on identifying and assessing the risks of material misstatement of the group financial statements and emphasise the importance of designing procedures to respond to those risks
- Reinforce the need for robust communication between the group engagement team and component auditors
- Include new guidance and considerations relating to testing common controls, addressing access restrictions, establishing materiality and documenting group audits

The comment period for the Exposure Draft has ended. An effective date for the revised standard has not yet been established.

Hamilton Region Conservation Authority

Financial Statements

December 31, 2021

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Independent auditor's report

Grant Thornton LLP
33 Main Street East
Hamilton, ON
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To the Members of
Hamilton Region Conservation Authority

Opinion

We have audited the financial statements Hamilton Region Conservation Authority, which comprise the statement of financial position as at December 31, 2021, and the statements of operations, changes in net financial assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Hamilton Region Conservation Authority as at December 31, 2021, and the results of its financial performance and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of Hamilton Region Conservation Authority in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

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

In preparing the financial statements, management is responsible for assessing Hamilton Region Conservation Authority's ability to continue as a going concern, disclosing, as applicable, matters related to a going concern and using the going concern basis of accounting unless management either intends to liquidate Hamilton Region Conservation Authority or to cease operations, or has no realistic alternative to do so.

Those charged with governance are responsible for overseeing Hamilton Region Conservation Authority's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Hamilton Region Conservation Authority's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on Hamilton Region Conservation Authority's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Hamilton Region Conservation Authority to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Hamilton, Canada
Date, 2022

Chartered Professional Accountants
Licensed Public Accountants

Hamilton Region Conservation Authority Statement of Financial Position

December 31

2021

2020

Financial assets

Cash and cash equivalents (Note 4)	\$ 19,142,629	\$ 17,096,940
Accounts receivable	605,965	614,752
Total financial assets	<u>\$ 19,748,594</u>	<u>\$ 17,711,692</u>

Liabilities

Accounts payable and accrued liabilities	\$ 1,336,561	\$ 1,292,276
Due to Confederation Beach Park	143,112	212,500
Due to Hamilton Conservation Foundation	1,555	-
Employee future benefit costs (Note 7)	177,477	202,071
Deferred revenues (Note 8)	845,492	773,849
Long-term debt (Note 9)	-	179,611

Total liabilities	<u>\$ 2,504,197</u>	<u>\$ 2,660,307</u>
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Net financial assets	\$ 17,244,397	\$ 15,051,385
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Non-financial assets

Inventory	77,948	76,325
Prepaid expenses	296,693	248,401
Tangible capital assets (Page 7)	<u>46,469,287</u>	<u>45,528,905</u>

Total non-financial assets	<u>\$ 46,843,928</u>	<u>\$ 45,853,631</u>
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Accumulated surplus (Note 10)	\$ 64,088,325	\$ 60,905,016
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Contingent liabilities, contractual obligations and commitments (Notes 14 and 15)

On behalf of the Authority

_____ Chair _____ Vice Chair

See accompanying notes to the financial statements

Hamilton Region Conservation Authority

Statement of Operations

For the Year Ended December 31

2021

2021

2020

	<u>Budget</u> (Note 16)	<u>Actual</u>	<u>Actual</u>
Revenues			
Admissions, product, service & program fees	\$ 5,561,050	\$ 7,500,657	\$ 5,994,100
Municipal levy & special projects	6,480,150	6,678,400	6,585,955
Rentals	984,736	759,597	558,828
Federal & Provincial grants	223,996	473,527	1,134,720
Regulatory fees	300,000	303,490	227,134
Management fees	426,000	202,424	182,977
Hamilton Conservation Foundation	182,375	161,542	444,491
Interest	75,000	91,524	114,375
Private and In-Kind donations (Note 11)	8,500	2,110	9,304
Other income	33,670	111,177	195,094
	<u>14,275,477</u>	<u>16,284,448</u>	<u>15,446,978</u>
Expenditures			
Wages & benefits	8,688,861	7,330,403	6,718,769
Staff expenses	307,313	1,252,533	1,115,703
Utilities	665,270	692,010	582,489
Professional fees	427,250	677,673	200,770
Contractors / consultants	475,350	538,435	802,526
Materials & supplies	458,310	442,988	342,694
Products for resale	283,650	309,921	227,468
Miscellaneous expense (Note 13)	1,240,338	704,726	659,400
	<u>12,546,341</u>	<u>11,948,688</u>	<u>10,649,819</u>
Amortization	<u>1,050,000</u>	<u>1,152,451</u>	<u>1,159,568</u>
	<u>13,596,341</u>	<u>13,101,139</u>	<u>11,809,387</u>
Annual surplus for the year	<u>\$ 679,136</u>	<u>\$ 3,183,309</u>	<u>\$ 3,637,591</u>
Accumulated surplus, beginning of year	60,905,016	60,905,016	57,267,425
Accumulated surplus, end of year	<u>\$ 61,584,152</u>	<u>\$ 64,088,325</u>	<u>\$ 60,905,016</u>

See accompanying notes to the financial statements

Hamilton Region Conservation Authority

Statement of Cash Flows

December 31

2021

2020

Change in cash and cash equivalents

Operating

Annual surplus	\$ 3,183,309	\$ 3,637,591
Items not affecting cash		
Amortization	1,152,451	1,159,568
Gain on disposal of assets	(25,061)	-
	<u>4,310,699</u>	<u>4,797,159</u>
Non-cash changes to operations		
Change in accounts receivable	8,787	60,596
Change in inventory	(1,623)	24,069
Change in prepaid expenses	(48,292)	(21,973)
Change in employee future benefit costs	(24,594)	(17,818)
Change in accounts payable and accrued liabilities	44,285	(394,201)
Change in Due to HC Foundation	1,555	61,978
Change in Due to Confederation Beach Park	(69,388)	(103,611)
Change in deferred revenues	71,643	204,733
	<u>4,293,073</u>	<u>4,610,933</u>

Financing

Repayment of long term debt	<u>(179,611)</u>	<u>(216,290)</u>
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Capital

Proceeds on disposal of tangible capital assets	30,922	2,640
Purchase of tangible capital assets	<u>(2,098,695)</u>	<u>(1,581,427)</u>
	<u>(2,067,773)</u>	<u>(1,578,787)</u>

Net change in cash and cash equivalents 2,045,689 2,815,856

Cash and cash equivalents

Beginning of year 17,096,940 14,281,084

End of year \$ 19,142,629 \$ 17,096,940

See accompanying notes to the financial statements

Hamilton Region Conservation Authority

Statement of Changes in Net Financial Assets

For the year ended December 31

2021

2021

2020

	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
Annual surplus	\$ 679,136	\$ 3,183,309	\$ 3,637,591
Purchase of tangible capital assets	(2,000,000)	(2,098,695)	(1,581,427)
Proceeds on disposal of tangible capital assets	-	30,922	2,640
Gain on sale of assets	-	(25,061)	-
Amortization	1,050,000	1,152,451	1,159,568
Change in inventory	-	(1,623)	24,069
Change in prepaid expenses	-	(48,292)	(21,973)
	<u>1,050,000</u>	<u>1,108,398</u>	<u>1,164,305</u>
Change in net financial assets	1,729,136	4,291,707	4,801,896
Net financial assets, beginning of year	<u>16,632,812</u>	<u>16,632,812</u>	<u>11,830,916</u>
Net financial assets, end of year	<u>\$ 18,361,948</u>	<u>\$ 20,924,519</u>	<u>\$ 16,632,812</u>

See accompanying notes to the financial statements

Hamilton Region Conservation Authority

Schedule of Tangible Capital Assets

	Land	Land Improvements	Infrastructure	Building & Building Improvements	Machinery & Equipment	Vehicles	Work In Progress (WIP)	December 31 2021	December 31 2020
Cost									
Beginning of year	\$ 28,672,747	\$ 3,833,721	\$ 21,715,534	\$ 8,073,566	\$ 1,987,014	\$ 2,584,045	\$ 1,937,700	\$ 68,804,327	\$ 67,298,505
Additions	35,000	333,415	79,884	15,553	361,849	341,955	931,039	2,098,695	1,581,427
Disposals	-	-	-	-	-	(124,289)	-	(124,289)	(75,605)
Transfer from WIP	-	21,777	-	45,293	1,102	-	(68,172)	-	-
End of year	<u>28,707,747</u>	<u>4,188,913</u>	<u>21,795,418</u>	<u>8,134,412</u>	<u>2,349,965</u>	<u>2,801,711</u>	<u>2,800,567</u>	<u>70,778,733</u>	<u>68,804,327</u>
Accumulated Amortization									
Beginning of year	-	2,767,445	13,305,309	4,321,915	805,913	2,074,840	-	23,275,422	22,188,818
Annual amortization	-	114,394	486,250	187,560	216,849	147,397	-	1,152,451	1,159,568
Disposals	-	-	-	-	-	(118,427)	-	(118,427)	(72,964)
End of year	<u>-</u>	<u>2,881,839</u>	<u>13,791,559</u>	<u>4,509,475</u>	<u>1,022,762</u>	<u>2,103,810</u>	<u>-</u>	<u>24,309,446</u>	<u>23,275,422</u>
Net book value	<u>\$ 28,707,747</u>	<u>\$ 1,307,074</u>	<u>\$ 8,003,859</u>	<u>\$ 3,624,937</u>	<u>\$ 1,327,203</u>	<u>\$ 697,901</u>	<u>\$ 2,800,567</u>	<u>\$ 46,469,287</u>	<u>\$ 45,528,905</u>

See accompanying notes to the financial statements

Hamilton Region Conservation Authority

Notes to the Financial Statements

December 31, 2021

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 over 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 ("PSAS"). 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, management fees, regulatory 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, 2021

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 and equipment 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	3 - 10 years
Vehicles (light and heavy duty)	15 - 35 percent

The Authority has a collection of art and historical buildings which now include a multitude of artifacts and chattels which came with the acquisition of the Westfield Heritage Village. None of these are included as part of the tangible capital assets due to the lack of any objective value comparatives.

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 PSAS 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, 2021

2. Summary of significant accounting policies – continued

Contaminated sites

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

3. Confederation Beach Park

These statements do not include the operating revenues and expenditures relating to Confederation Beach Park which is a separate and distinct operation owned by the City of Hamilton and managed by the Authority under a formal management agreement with the municipality.

All existing real and personal Confederation Beach 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.

Under the terms of the management agreement, the Hamilton Region Conservation Authority has exclusive authority to manage specifically defined areas of Confederation Beach Park 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. The newest version of the management agreement has been agreed to and signed by both the City of Hamilton and the Hamilton Region Conservation Authority and runs from January 1st, 2017 until December 31st, 2026, inclusive.

4. Restricted cash

Included in cash and cash equivalents is \$202,897 (2020 – \$201,885) that was received as an endowment fund which has been externally restricted by the organization that contributed the amount.

5. Government remittances payable

Included in accounts receivable, accounts payable and accrued liabilities are government remittances payable of \$ Nil (2020 – \$45).

Hamilton Region Conservation Authority

Notes to the Financial Statements

December 31, 2021

6. Related party transactions

	2021	2020
Municipal funding recognized as revenue in the current year	\$ 6,678,400	\$ 6,585,955
Receivable from the City of Hamilton	27,828	212,164
Management fees from Confederation Beach Park	202,424	182,977
Funding from the Hamilton Conservation Foundation	161,542	444,491
Municipal taxes paid to the City of Hamilton and Township of Puslinch	(115,556)	(115,913)

7. Employee future benefit costs

	2021	2020
Accumulated Sick Leave Liability	\$ 35,988	\$ 39,262
Supplemental early retirement package	93,220	104,435
Post-retirement benefits	48,269	58,375
	<u>\$ 177,477</u>	<u>\$ 202,072</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 \$93,220 (2020 - \$104,435) 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 \$48,269 (2020 - \$58,375).

8. Deferred revenues

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

	2021	2020
Storage fees and deposits	<u>\$ 845,492</u>	<u>\$ 773,849</u>

Hamilton Region Conservation Authority

Notes to the Financial Statements

December 31, 2021

9. Long term debt

	2021	2020
City of Hamilton 4.25% loan - Wind-up DB pension plan		
Payable annually, paid in full June, 2021	\$ -	\$ 179,611

Interest on long term debt of \$3,816 (2020 - \$11,294) was paid during the year.

10. Accumulated surplus

	2021	2020
Reserve Funds		
Acquisitions of provincially significant lands or eligible water related projects	\$ 6,200,509	\$ 4,257,373
Future projects and operating areas	9,293,386	8,651,128
Tangible Capital Assets	46,469,287	45,528,905
Unfunded long term debt	-	(179,611)
Operating surplus	2,125,143	2,647,221
Accumulated surplus	\$ 64,088,325	\$ 60,905,016

11. Donations in kind

During this year the Authority was not the beneficiary of any donations in kind of tangible capital assets (2020 - \$6,707).

12. Defined contribution pension plan

Employer contributions to the Authority's defined contribution pension plan for the year was \$313,250 (2020 - \$316,423). 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, 2021

13. Miscellaneous expense breakdown

	2021	2020
Computer software, hardware & support	\$ 159,707	\$ 69,382
Property taxes	123,857	110,279
Mechanical & garage supplies	116,797	102,034
Memberships & subscriptions	100,114	83,519
Postage, printed material & supplies	52,876	118,290
Communications & advertising	50,865	100,625
Third party equipment rental	22,840	18,108
Interest & banking	17,736	36,190
All other	59,934	20,973
	<u>\$ 704,726</u>	<u>\$ 659,400</u>

14. 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.

15. Contractual obligations and commitments

As at December 31, 2020, the Authority is committed to \$18,543 (2020 - \$26,060) with respect to ongoing contracts for equipment in the following years:

2022	\$ 6,983
2023	5,761
2024	3,278
2025	<u>2,520</u>
	\$ 18,543

Hamilton Region Conservation Authority

Notes to the Financial Statements

December 31, 2021

16. Budget figures

The budgeted figures are presented for comparison purposes and were adopted by the Authority on January 19th, 2021. The adopted budget conforms to the Canadian Public Sector Accounting Standards except for the effect of the acquisition and amortization of tangible capital assets and principal repayment on debt. A reconciliation of the adopted and reported budgets is as presented below.

Adopted budget:

Budgeted annual surplus for the year

\$ 180,000

Adjustments to adopted budget:

Amortization of tangible capital assets

(1,050,000)

Block funding for major maintenance and capital projects

2,000,000

Removal of intercompany and funding from reserves

(450,864)

Restated budgeted surplus

\$ 679,136

Hamilton Region Conservation Authority

Schedule of Corporate Support

For the Year Ended December 31

2021

2021

2020

	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
Revenues			
Municipal levy & special projects	\$ 2,574,556	\$ 2,908,142	\$ 2,617,582
Rentals	572,186	455,242	407,657
Management fees	426,000	202,424	182,977
Hamilton Conservation Foundation	181,375	92,263	157,637
Interest	75,000	91,524	114,375
Admissions, product, service & program fees	45,250	86,039	40,720
Private and In-Kind donations	-	-	4,784
Federal & Provincial grants	-	-	892,588
Other income	500	33,215	28,718
	<u>3,874,867</u>	<u>3,868,849</u>	<u>4,447,038</u>
Expenditures			
Wages & benefits	3,298,130	2,602,384	2,613,075
Staff expenses	174,158	689,056	541,071
Utilities	309,070	328,532	239,438
Contractors / consultants	118,250	85,885	90,826
Materials & supplies	112,150	59,186	66,622
Professional fees	193,350	188,361	152,377
Miscellaneous expense (Note 13)	839,410	442,176	347,269
	<u>5,044,518</u>	<u>4,395,580</u>	<u>4,050,678</u>
Amortization	<u>200,000</u>	<u>245,369</u>	<u>252,663</u>
	<u>5,244,518</u>	<u>4,640,949</u>	<u>4,303,341</u>
Annual surplus (deficit)	\$ (1,369,651)	\$ (772,100)	\$ 143,697

Hamilton Region Conservation Authority

Schedule of Watershed Management Services

For the Year Ended December 31

2021

2021

2020

	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
Revenues			
Municipal levy & special projects	\$ 1,484,219	\$ 1,158,883	\$ 1,411,033
Federal & Provincial grants	193,996	473,527	242,132
Regulatory fees	300,000	303,490	227,134
Hamilton Conservation Foundation	-	1,027	31,242
Private and In-Kind donations	1,500	510	997
Other income	250	10,678	22,796
	<u>1,979,965</u>	<u>1,948,115</u>	<u>1,935,334</u>
Expenditures			
Wages & benefits	1,804,750	1,423,770	1,436,761
Staff expenses	34,105	221,429	243,159
Contractors / consultants	52,000	126,881	221,789
Materials & supplies	45,310	22,503	22,205
Utilities	25,000	16,750	19,492
Professional fees	9,700	14,697	12,075
Miscellaneous expense (Note 13)	74,923	60,930	55,866
	<u>2,045,788</u>	<u>1,886,960</u>	<u>2,011,347</u>
Annual surplus (deficit)	<u>\$ (65,823)</u>	<u>\$ 61,155</u>	<u>\$ (76,013)</u>

For the Year Ended December 31	2021	2021	2020
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For the Year Ended December 31	2021	2021	2020
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Hamilton Region Conservation Authority

Schedule of Westfield Heritage Village

For the Year Ended December 31

2021

2021

2020

	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
Revenues			
Federal and Provincial grants	\$ 5,000	\$ -	\$ -
Municipal contributions	611,375	611,375	747,340
User fees	103,000	171,914	119,076
Donations	2,000	1,600	3,523
Grants	5,000	-	-
Food and novelty	25,000	1,980	2,673
Other Authority generated	22,200	26,465	14,988
	<u>773,575</u>	<u>813,334</u>	<u>887,600</u>
Expenditures			
Wages & benefits	592,040	479,583	431,144
Staff expenses	2,450	69,965	60,946
Utilities	48,600	46,128	46,048
Products for resale	16,700	817	5,372
Materials & supplies	39,700	21,822	21,583
Contractors / consultants	11,600	21,433	6,100
Professional fees	19,300	16,840	12,849
Miscellaneous expense (Note 13)	95,600	24,602	37,388
	<u>825,990</u>	<u>681,189</u>	<u>621,430</u>
Amortization	<u>50,000</u>	<u>78,641</u>	<u>75,524</u>
	<u>875,990</u>	<u>759,830</u>	<u>696,954</u>
Annual surplus	<u>\$ (102,415)</u>	<u>\$ 53,504</u>	<u>\$ 190,646</u>

Confederation Beach Park

Financial Statements

December 31, 2021

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Independent auditor's report

To the Members of
Hamilton Region Conservation Authority

Grant Thornton LLP
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Opinion

We have audited the financial statements Confederation Beach Park, which comprise the statement of financial position as at December 31, 2021, and the statements of operations, changes in net financial assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Confederation Beach Park as at December 31, 2021, and the results of its financial performance and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of Confederation Beach Park in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Matter – Supplementary Information

We draw attention to the fact that the supplementary information included in the Schedule of Operating Activity does not form part of the financial statements. We have not audited or reviewed this *supplementary* information and accordingly, we do not express an opinion, a review conclusion or any other form of assurance on this supplementary information.

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

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

In preparing the financial statements, management is responsible for assessing Confederation Beach Park's ability to continue as a going concern, disclosing, as applicable, matters related to a going concern and using the going concern basis of accounting unless management either intends to liquidate Confederation Beach Park or to cease operations, or has no realistic alternative to do so. Those charged with governance are responsible for overseeing Confederation Beach Park's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Confederation Beach Park'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 Confederation Beach Park's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Confederation Beach Park to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Hamilton, Canada
DATE, 2022

Chartered Professional Accountants
Licensed Public Accountants

Confederation Beach Park Statement of Financial Position

December 31

2021

2020

Financial assets

Due from Hamilton Region Conservation Authority	<u>\$ 143,112</u>	<u>\$ 212,502</u>
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Liabilities

Deferred revenues (Note 3)	<u>-</u>	<u>12,403</u>
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Total liabilities	<u>-</u>	<u>12,403</u>
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Net financial assets	<u>143,112</u>	<u>200,099</u>
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Non-financial assets

Tangible capital assets	<u>4,657,211</u>	<u>4,952,767</u>
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Accumulated surplus (Note 5)	<u>\$ 4,800,323</u>	<u>\$ 5,152,866</u>
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Contingencies (Note 7)

On behalf of the Authority

Chair Vice Chair

Confederation Beach Park

Statement of Operations

For the Year Ended December 31

2021

2021

2020

	<u>Budget</u> (Note 8)	<u>Actual</u>	<u>Actual</u>
Revenues			
Municipal contributions	\$ 1,145,000	\$ 1,177,742	\$ 1,339,788
Lease and rentals	400,000	660,050	460,704
Admissions, product and service fees	180,000	54,434	23,591
Other income	7,870	4,472	200
	<u>1,732,870</u>	<u>1,896,698</u>	<u>1,824,283</u>
Expenditures (Note 6)			
Operating	1,345,469	1,484,116	1,425,651
Management fees	202,401	202,424	182,977
Marketing	10,000	4,095	15,556
	<u>1,557,870</u>	<u>1,690,635</u>	<u>1,624,184</u>
Amortization	<u>350,000</u>	<u>358,507</u>	<u>363,254</u>
	<u>1,907,870</u>	<u>2,049,142</u>	<u>1,987,438</u>
Net annual deficit for the year	\$ (175,000)	\$ (152,444)	\$ (163,155)
Operating surplus distribution (Note 10)	<u>-</u>	<u>(200,099)</u>	<u>(280,047)</u>
Deficit for the year	<u>\$ (175,000)</u>	<u>\$ (352,543)</u>	<u>\$ (443,202)</u>
Accumulated surplus, beginning of year	5,152,866	5,152,866	5,596,068
Accumulated surplus, end of year	<u>\$ 4,977,866</u>	<u>\$ 4,800,323</u>	<u>\$ 5,152,866</u>

See accompanying notes to the financial statements

4

For the Year Ended December 31	2021	2021	2020
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For the Year Ended December 31	2021	2021	2020
	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
Annual deficit for the year	<u>\$ (175,000)</u>	<u>\$ (152,444)</u>	<u>\$ (163,155)</u>
Loss on disposal of assets	-	639	-
Acquisition of tangible capital assets	(175,000)	(63,590)	-
Amortization	350,000	358,507	363,254
Operating surplus distribution (Note 10)	<u>(200,099)</u>	<u>(200,099)</u>	<u>(280,047)</u>
Change in net financial assets	(200,099)	(56,986.61)	(79,948)
Net financial assets, beginning of the year	<u>200,099</u>	<u>200,099</u>	<u>280,047</u>
Net financial assets, end of year	\$ -	\$ 143,112	\$ 200,099

Confederation Beach Park

Schedule of Tangible Capital Assets

Year Ended December 31

	Land Improvements	Infrastructure	Building & Building Improvements	Machinery & Equipment	Work In Progress (WIP)	Total 2021	Total 2020
Cost							
Beginning of year	\$ 27,589	\$ 12,244,156	\$ 5,246,415	\$ 282,166	\$ -	\$ 17,800,326	\$ 17,800,326
Additions	-	11,300	-	37,290	15,000	63,590	-
Disposals	-	-	-	(4,260)	-	(4,260)	-
End of year	<u>27,589</u>	<u>12,255,456</u>	<u>5,246,415</u>	<u>315,196</u>	<u>15,000</u>	<u>17,859,656</u>	<u>17,800,326</u>
Accumulated amortization							
Beginning of year	8,277	9,950,329	2,700,934	188,019	-	12,847,559	12,484,305
Annual amortization	1,103	199,710	123,970	33,724	-	358,507	-
Disposals	-	-	-	(3,621)	-	(3,621)	363,254
End of year	<u>9,380</u>	<u>10,150,039</u>	<u>2,824,904</u>	<u>218,122</u>	<u>-</u>	<u>13,202,445</u>	<u>12,847,559</u>
Net book value	<u>\$ 18,209</u>	<u>\$ 2,105,417</u>	<u>\$2,421,511</u>	<u>\$ 97,074</u>	<u>\$ 15,000</u>	<u>\$ 4,657,211</u>	<u>\$ 4,952,767</u>

See accompanying notes to the financial statements

Confederation Beach Park

Notes to the Financial Statements

December 31, 2021

1. Nature of operations

Under the terms of a management agreement originating December 1, 1991, the Hamilton Region Conservation Authority (the "Authority") has exclusive authority to manage Confederation Beach Park (the "Organization") for the City of Hamilton. In payment of 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 Beach Park property as at December 1, 1991, 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 newest version of the management agreement has been agreed to and signed by both the City of Hamilton and the Hamilton Region Conservation Authority and runs from January 1st, 2017 until December 31st, 2026, inclusive.

2. Summary of significant accounting policies

Basis of accounting and management responsibility

The financial statements of the Confederation Beach Park are the responsibility of and prepared by management of the Hamilton Region Conservation Authority in accordance with Canadian Public Sector Accounting Standards (PSAS). 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 recognizes an asset until the future economic benefit underlying the asset is partially or wholly used or lost.

Revenues and expenditures

Revenues are comprised of municipal contributions, admissions, product and service fees and leases, rentals and other activities. 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. Donation pledges are recognized when a realizable value can be determined and collection is assured. Donated tangible capital assets, materials and services are recorded at fair market value when fair value can be reasonably estimated.

Confederation Beach Park

Notes to the Financial Statements

December 31, 2021

2. Summary of significant accounting policies - continued

Tangible capital assets

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 over the estimated useful life for all assets. Work in progress assets are not amortized until the asset is available for productive use.

Service life of tangible capital assets is as follows:

Land improvements	10 - 20 years
Building & building improvements	40 years
Machinery, equipment	3 - 10 years
Infrastructure	20 - 40 years

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.

Internal vehicle and equipment rentals

Authority owned vehicles and equipment are charged on an hourly basis to the appropriate expenditure categories at rates comparable to prevailing rates in the private business sector.

Use of estimates

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

3. Deferred revenues

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

	2021	2020
For Wild Waterworks season passes:	\$ -	\$ 12,403

Confederation Beach Park

Notes to the Financial Statements

December 31, 2021

4. Related party transactions

Confederation Beach Park paid \$202,424 (2019 - \$182,977) in management fees to the Hamilton Region Conservation Authority. These amounts were calculated in accordance with the management agreement.

5. Accumulated surplus

	2021	2020
Accumulated surplus consists of:		
Tangible capital assets	\$ 4,657,211	\$ 4,952,767
Operating surplus	143,112	200,099
Accumulated surplus	<u>\$ 4,800,323</u>	<u>\$ 5,152,866</u>

6. Expenditures by object

	2021	2020
Salaries, wages & employee benefits	\$ 868,049	\$ 765,699
Contracts/consulting	145,474	242,820
Materials, goods, supplies and utilities	474,688	432,688
Management fees	<u>202,424</u>	<u>182,977</u>
	<u>\$ 1,690,635</u>	<u>\$ 1,624,184</u>

7. Contingencies

Confederation Beach Park is involved from time to time in litigation which arises in the normal course of business. In respect of any outstanding claims, the organization believes that insurance coverage is 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.

Confederation Beach Park

Notes to the Financial Statements

December 31, 2021

8. Budget figures

The budgeted figures are presented for comparison purposes and were adopted by the City of Hamilton on March 4th, 2021. The adopted budget conforms to 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:

Net annual surplus for the year	\$ -
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Adjustments to adopted budget

Less:

Amortization expense	(350,000)
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Plus:

Capital & special maintenance funding	175,000
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Annual (deficit)/surplus per Statement of Operations	(175,000)
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9. Absence of Cash Flow Statement

As part of the management agreement referenced in Note 1, Confederation Beach Park has no separate bank account and all cash transactions and changes in working capital are handled by the Authority and are reflected solely in the Due to/from account. Consequently, a cash flow statement for this entity would serve no value and is purposely omitted.

10. Operating surplus distribution

As required under article 15. Trust Monies, Surplus Funds and operating deficits of the Confederation Beach Park Management agreement “(2) Any operating surplus shall be transferred to the Waterpark Reserve fund in accordance with the resolutions approved by City Council on December 9, 2015 in response to Report PW11005c/FCS15090”. The Waterpark Reserve fund is in the custody of, and managed by, the City of Hamilton.

Confederation Beach Park Schedule of Operating Activity

December 31, 2021

	Budget 2021 (unaudited)	Actual 2021 (unaudited)	Actual 2020 (unaudited)
Open Greenspace Park and Lakeland Centre			
Revenues			
City support	\$ 670,000	\$ 670,000	\$ 670,000
Lakeland centre	150,000	131,134	73,254
Facilities, films, etc.	37,870	62,964	42,643
	<u>857,870</u>	<u>864,098</u>	<u>785,897</u>
Expenses			
Park operations	600,000	611,433	507,537
Lakeland centre	100,000	165,476	57,124
Adv, G&A, ins.	24,340	5,994	4,803
Management fees	108,650	116,440	84,699
	<u>832,990</u>	<u>899,343</u>	<u>654,163</u>
Open Greenspace Park surplus	<u>\$ 24,880</u>	<u>\$ (35,245)</u>	<u>\$ 131,734</u>
Commercial Operations			
Revenues			
Wild Waterworks admissions	\$ -	\$ 2,343	\$ (297)
City support	300,000	300,000	425,000
Wild WaterWorks food	-	-	-
Park commercial tenants	400,000	522,516	368,896
	<u>700,000</u>	<u>824,859</u>	<u>793,599</u>
Expenses			
Water park operations	550,000	369,133	504,499
Concession operations	-	234	2,502
Marketing & Advertising	5,000	3,890	14,778
Admin/Ins/Water	70,000	166,455	105,177
Management fees	99,880	85,983	98,278
	<u>724,880</u>	<u>625,695</u>	<u>725,234</u>
Commercial surplus/(deficit)	<u>\$ (24,880)</u>	<u>\$ 199,164</u>	<u>\$ 68,365</u>
Combined operations surplus	\$ -	\$ 163,919	\$ 200,099
Less:			
Amortization expense	(350,000)	(358,507)	(363,254)
Capital and special maintenance expense	(175,000)	(229,188)	(244,788)
Plus:			
Capital & special maintenance funding	175,000	207,742	244,788
Capital addback	175,000	63,590	-
Surplus / (deficit) per Statement of Operations	<u>\$ (175,000)</u>	<u>\$ (152,444)</u>	<u>\$ (163,155)</u>

Report

TO: Budget & Administration Committee

FROM: Neil McDougall, Secretary-Treasurer

MEETING DATE: April 21, 2022

RE: Reserve Funds and Balances as of December 31, 2021

STAFF RECOMMENDATION

THAT the Budget & Administration Committee recommends to the Board of Directors:

THAT the allocation of the 2021 operating surplus primarily be directed to the East Mountain (Saltfleet) wetland project with minor adjustments to other reserves as outlined in the table report and further;

THAT the Westfield regular projects are recategorized to be part of Construction Capital and Major Maintenance projects keeping the monies from the Friends of Westfield and the Westfield Endowment fund separately.

		2021 Opening	2021 Operating Surplus	2021 Closing
Construction Capital and Major Maintenance projects	a	\$ 2,482	\$ 179	\$ 2,661
Watershed Engineering projects	b	1,152	4	1,156
East Mountain wetland construction/land acquisition funds	c	4,303	1,487	5,790
General land acquisition funds	d	1,951	49	2,000
Major equipment replacement funds	e	440	60	500
Westfield FOW & endowment fund	f	589	(347)	242
Seasonal operating shortfall protection	g	2,919	281	3,200
Human resources fund	h	500	-	500
Legal issues	i	300	-	300
Unscheduled capital	j	650	350	1,000
Records management	k	270	-	270
		<u>\$ 15,556</u>	<u>\$ 2,063</u>	<u>\$ 17,619</u>

Descriptions:

- a Shortage of staff kept us from making inroads into the carryforward list; better year expected in 2022
- b Projects slower than expected with supply issues and consulting speeds being a concern
- c Applying the bulk of the current year surplus in support of land acquisition and wetland construction
- d Maintaining reserve for non-East Mountain land purchases when they become available
- e Maintaining reserve to replace major construction equipment when needed
- f Regular projects rolled into (a) above allowing isolation of endowment fund and Friends of Westfield
- g Small improvement to operating reserve to guard against bad weather or unforeseen issues
- h Maintain for potential costs of job evaluation project
- i Maintain for unexpected legal challenges
- j Rounded up reserve for capital items unanticipated
- k Maintain for software purchases / storage requirements

Report

TO: Conservation Advisory Board

FROM: Lisa Burnside, Chief Administrative Officer (CAO)

RECOMMENDED BY: HCA Trail Mapping Committee

PREPARED BY: Matt Hall, Director Capital Projects & Strategic Services

MEETING DATE: April 14, 2022

RE: HCA Trail Map Standards

STAFF RECOMMENDATION

THAT the Conservation Advisory Board recommends to the Board of Directors:

THAT the new HCA Trail Map Standard & Wayfinding system be adopted and implemented within the Eramosa Karst Conservation Area as a pilot program; and further

THAT the HCA Trails Mapping Committee continue to develop and implement associated systems across other HCA properties on a priority basis; and further

THAT the HCA Trails Mapping Committee reports back to CAB on an annual basis with trail map and wayfinding system program progress updates.

BACKGROUND

In late 2020, HCA staff identified a key initiative for our conservation areas to review and update all trail maps for HCA owned and managed properties across the watershed. Currently there are a wide variety of trail maps in use at our areas, and additionally, staff noted in some areas maps on-site do not match updates shown on the HCA website, and in a few instances staff identified where no official map exists at all.

As a result, to address these inconsistencies and gaps, an internal Trails Mapping Committee was formed with staff representing multiple departments including: Marketing, Watershed Management Services, Conservation Area Services, and Capital Projects & Strategic Services. The Committee's goal was to develop a template of HCA Trail Map Standards that could be applied consistently to all HCA trail maps moving forward.

STAFF COMMENT

In early 2021, the committee began the task of reviewing our various existing internal maps, researching external map examples, as well as reviewing applicable standards, best practices and regulations that may apply. During this material review phase, certain common map characteristics and attributes were selected by the Committee, which were deemed to be an ideal way to navigate one's self around an area.

Some of the key elements created for the mapping standard consist of:

- Simplified map colour scheme
- Highlight key geographic areas and Points of Interest
- Clear distinction between trail lines and other map features
- Addition of total trail lengths and approximate hiking times
- Addition of trail post ID markers
- Development of a standard HCA Trail Difficulty Rating System

The Committee discussed a pilot area to develop a new map using these key elements, it was agreed that the Eramosa Karst Conservation Area (EKCA) would be an ideal site to start with. A draft map of the EKCA was developed and posted on the HCA's "Bang the Table" public commenting site, as well as various HCA social media platforms, in order to obtain public feedback. The commenting period lasted for two weeks from February 22, 2022 to March 11, 2022. Well over 100 responses were received during this time, capturing some invaluable feedback along the way.

Once the public commenting period ended, HCA staff reviewed the comments received and made final edits to the draft map. The result is a three-page downloadable pamphlet that allows users to either print the document themselves to carry with them, or to keep it saved to a mobile device.

Many public comments reiterated the importance of having clear trail wayfinding signage on-site, in addition to the trail map itself. They must work hand in hand with one another in order to be successful. As such, next steps for the Committee will include a full review of the existing signage at the EKCA., in order to redevelop it alongside of the new trail map.

While the implementation of the new map and wayfinding system is being undertaken at the EKCA, all other HCA properties with official public trails on them will be reviewed, evaluated and scored on a priority basis for their respective trail map & wayfinding system upgrades. This process is expected to last for a period of several years, until all necessary HCA trail map and on-site wayfinding systems have been adequately upgraded.

STRATEGIC PLAN LINKAGE

The initiative refers directly to the HCA Strategic Plan 2019 - 2023:

- **Strategic Priority Area – Conservation Area Experience**
 - Initiatives – Develop visitor and parking management strategies to support conservation areas for sustainable recreation, education and tourism
 - Work with partners such as the City of Hamilton, the Cootes to Escarpment Ecopark System, and the Hamilton Burlington Trails Council, to enhance trail networks for recreational uses
 - Identify and support a more diverse and accessible range of programs for our conservation area users

- **Strategic Priority Area – Education and Environmental Awareness**
 - Initiatives – Develop enhanced and consistent interpretive signage and information for conservation areas
 - Create engaging communication materials for HCA website and social media to enhance environmental awareness and the programs and services conservation authorities deliver
 - Support community participation through user group engagement and volunteer group coordination
 - Identify and create input and engagement opportunities for conservation area visitors on site
 - Promote the connection between environmental health and human wellness

AGENCY COMMENTS

Members of the Hamilton Burlington Trails Council and the Cootes to Escarpment Ecopark System were circulated with the public survey for any input they wished to provide.

LEGAL/FINANCIAL IMPLICATIONS

Cost of new signage on-site will be covered within annual Capital Project and Operational budgets, as required. Potential for additional grants or donation opportunities may exist and will be explored as well.

CONCLUSIONS

Ensuring up to date and consistent trail mapping is an important initiative to our visitors navigating themselves through HCA areas. It not only helps inform users how to make their way around an area, but also helps them engage with the areas themselves and explore them with more confidence. Developing and maintaining a consistent standard for this purpose will help users visiting multiple areas become familiar and comfortable with a new location faster, in addition to helping improve HCA branding across the areas.

ERAMOSA KARST TRAILS



Adventure through this natural area featuring underground caves and streams, meadows and forests. As one of the watershed's most unique natural gems, Eramosa Karst is the perfect location for hiking, nature appreciation and education.

Karst Features

Please stay out of the caves, they can be dangerous. You can observe these natural features from the outside.

Pottruff Homestead

In the 1800s, Eramosa Karst was owned by several farming families and many features have since been named after them. The old Pottruff homestead included a house and a barn, and is gone other than some old foundations. This area is now protected, so these ruins will remain as the only man made structures in the conservation area.

The Amphitheatre

This large semi-circular depression is affectionately called the "Amphitheatre." This landmark has been influenced by both people and the forces of nature. The ridge of rock you see is the top of the Eramosa Escarpment. Like the Niagara Escarpment, this erosional escarpment extends east to west across the Hamilton Mountain. It varies up to 30 m tall but much of it is buried under soil. The semi-circular shape of the amphitheater is a result of quarrying, this area was a convenient place for early settlers to extract blocks of the dolostone rock to use for building barn foundations and homes.

Pottruff Spring

Pottruff Spring is an example of a resurgent spring, which means the water is re-emerging after flowing underground through caves or smaller conduits from stream sinks situated farther upstream. Pottruff Spring is fed by Stewart Creek and Phoenix Creek. The flow of water from this spring varies greatly depending on recent rainfall.

Pottruff Cave

Pottruff Cave is an example of a karst window. It was created by the collapse of its bedrock roof into the underlying cave passage. During rainfall, a stream emerges from a conduit on the southwest side of the cave and disappears down a vertical fissure on the northwest side. The water comes from the confluence of Stewart and Phoenix Creeks. Once it sinks through the fissure in the floor, it flows through underground passages until emerging at Pottruff Spring.

Pottruff Half-Blind Valley

A stream valley that ends abruptly at a stream sink is called a "blind valley." In some cases, water can overwhelm that stream sink during excessive rainfall, forcing the stream to overflow the blind valley and carry on overland. This is what geologists refer to as a "half-blind valley."

Pottruff Creek

Unless it has been raining, this rocky creek bed is likely dry. However, there is more here than meets the eye. You can see several small caves or sinks, all along the creek bed if you look closely. These are called overflow sinks. Upstream from this area, the water in Stewart & Phoenix Creeks flows down a set of sinks, or caves, at the end of each creek bed. The water continues its journey in underground conduits. When there is a lot of water, the conduits fill up, and the water of the two creeks is forced to flow over land where they join (called a confluence) and become Pottruff Creek. Pottruff Creek then flows down this shallow valley until it reaches another sink. If that sink is overwhelmed, the water is forced to flow down the valley floor again. This process continues until the water eventually reaches Pottruff Cave.

Nexus Cave & Window

This cave is the largest at Eramosa Karst and the tenth longest cave in Ontario. It has 344 m of surveyed passage that extends to a water-filled cave called a sump. Although not passable, the underground stream continues another 320 m to the north where it resurges at an inaccessible spring outside of the park. The main entrance is a large fissure or grike that overlies a wider cave passage. Farther downstream, there is a second entrance called the Window where a roof collapse created a small vertical opening. When flowing, the underground stream can be seen below.



This 2.3 km trail is the most popular loop and travels through forest woodlands and open meadows. Highlights on the loop include the Nexus Cave window and entrance, and the Pottruff Cave. Take the connection trail for a shorter 1.5 km loop.



This 1.7 km trail travels through the open meadows of the Eramosa Karst Conservation Area. Take the Meadows Trail to connect with local access points. See where underground streams come to life in the springtime.



This 1.3 km connector loop extends off of the Meadows Trail taking you deeper into the open meadows and old hedgerows.

ERAMOSA KARST TRAIL MAP



LEGEND

- Washrooms
- Information
- Trail Head
- Picnic Area
- Trail ID Post
- Site Feature
- Building
- Parking
- Field
- Forest
- Watercourse

0 125 m 250 m



TRAILS

		Trail Length	Hike Times	Rating	Surface Type
Karst Features Trail		2.6 km	40 minutes	Moderate	Gravel
Meadows Trail		1.7 km	30 minutes	Easy	Mown Grass
Bobolink Trail		1.3 km	25 minutes	Easy	Mown Grass
Connector Trail		See map	Varies	Varies	Varies
East Mountain Trail Loop		See City of Hamilton for more information		Easy	Asphalt

Main Entrance & Parking Area

86 Upper Mount Albion Road, Stoney Creek, ON

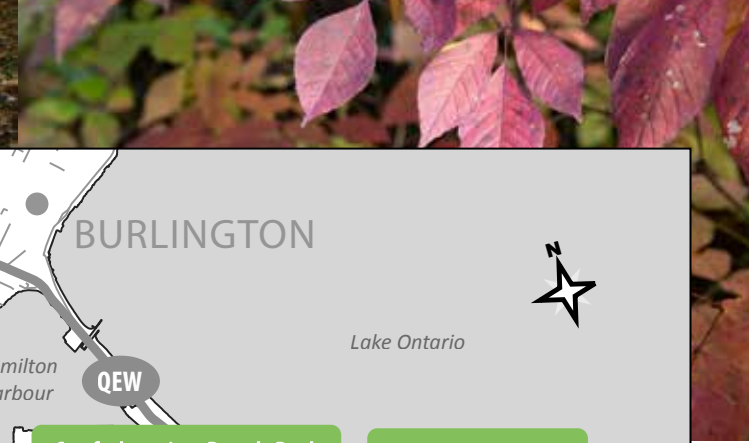


PERMITTED TRAIL USE



Pets must be on a leash at all times. Pet waste must be picked up and thrown away in the garbage.





On all of the trails, obstacles to be aware of include bridges, rocks, roots and areas of flooding after heavy rain events.

When preparing to explore a trail, visitors should consider gear including water, nourishment, proper clothing and footwear, and maps or GPS equipment.

Rating System



Accessible

Barrier free trails that are less than 2km in length and generally flat with slopes from 0% - 5%, mostly less than 3%. Hard packed, firm surfaces with no obstacles.



Easy

Generally flat trails less than 5km in length with firm, stable surfaces and slopes from 0% to 5%. Some obstacles may be present. Little to no trail experience or preparation are required.



Moderate

Trails less than 10km in length that may have some obstacles, short steep sections and uneven ground with slopes from 5% to 10%. Some experience and preparation is recommended.



Difficult

Trails that are longer than 10km, and/or have many steep sections with slopes greater than 10%, narrow or uneven sections and obstacles. Moderate experience and preparation are highly recommended.



Unrated

Trails may be unmaintained, faint or unmarked in sections with a variety of terrain to cross. Exceptional experience, navigation skills and preparation are required.



Hours & Admission

Open 7 days a week, from sunrise to sunset, unless otherwise posted.
Fees: Parking is \$7.50 per day; free with HCA Membership Pass.

Parking

11586 Upper Mount Albion Road
Stoney Creek, ON

Connect with us!

conservationhamilton.ca
mountain@conservationhamilton.ca

#ExploreHCA



Report

TO: Board of Directors

FROM: Lisa Burnside, Chief Administrative Officer (CAO)

**PREPARED &
RECOMMENDED BY:** Matt Hall, C.E.T.; Director, Capital Projects & Strategic Services

DATE: May 5, 2022

RE: Christie Lake C.A. Entrance Road Rebuild Project – Tender Results

STAFF RECOMMENDATION

THAT the construction tender for the Christie Lake C.A. Entrance Road Rebuild Project, be awarded to Brantco Construction for a total cost of \$497,188.70 which includes a contingency sum and HST.

BACKGROUND

In spring 2021 during HCA staff's annual road condition inspections across all HCA areas, it was highlighted that the entry road into Christie Lake Conservation Area needed a major rehabilitation. As a result, HCA CaPSS staff proceeded to develop detailed designs for its appropriate rehabilitation, with the anticipation that the project would be undertaken during the 2022 road construction season.

Upon completion of the final detailed engineering review of this area, construction tender documents were developed in order to secure contracting services required to complete the necessary rehabilitation work. The project site will begin at the park's main entrance along Highway #5 and proceed down to the three-way intersection, within the park (see Appendix A for details). The total scope of work includes 5840 square meters of asphalt resurfacing, removal and replacement of existing asphalt, granular and soil materials and pavement markings.

This Public Tender was issued on March 22, 2022 through the HCA's Bidding Tender website. A Recommended Bidders Meeting was held on April 6, 2022. Tenders closed on April 20, 2022 at 1:00 p.m. A summary of bid results received is as follows:

Company Name	Necessary Bonding	Total Price (including tax and contingency) Preferred Approach*	Notes
Brantco Construction	yes	\$497,188.70	Low bid meeting tender spec
Associated Paving & Materials Ltd.	yes	\$583,359.59	
CRL Campbell Construction & Drainage Ltd.	yes	\$604,628.91	
Steed & Evans Limited	yes	\$617,633.59	
Agg-flo Haulage Inc.	yes	\$665,971.49	
King Paving & Construction Ltd.	yes	\$684,022.90	
Coco Paving Inc.	yes	\$726,413.72	
Dufferin Construction Company	yes	\$764,416.75	
Rankin Construction Inc.	yes	N/A	Incomplete Tender Submission

**Preferred approach refers to Form of Tender – Item 1.8 (Option #1 – Reclamation of existing asphalt)*

STAFF COMMENT

This project is necessary to maintain and enhance our existing park infrastructure at one of the busiest Conservation Areas within the HCA watershed. Over time it is expected that more and more large scale, maintenance of viability projects such as this, will begin to surface as our existing HCA park infrastructure reaches the end of its serviceable lifespan.

The work proposed is expected to have a serviceable lifespan for a minimum of twenty years, before significant repairs are required once again.

The anticipated schedule for this project is as follows:

April 20, 2022 - 1:00pm	Public Tenders closed
May 5, 2022	Recommendation Report to HCA Board of Directors
May 6, 2022	Contract awarded
May 9, 2022	Contract work period commencement
Sept. 2, 2022	Project Substantial Completion Date

It is anticipated that the scope of work will be substantially completed on or before September 2, 2022. Third party materials testing consultants will be retained to review key milestone points during the construction period. HCA CaPSS staff will also be actively involved in site review as the project progresses.

STRATEGIC PLAN LINKAGE

The initiative refers directly to the HCA Strategic Plan 2019 – 2023:

- **Strategic Priority Areas – Organizational Excellence**
 - Initiatives – support the capital development and major maintenance program to enhance our facilities and ensure they are safe, functional and current

AGENCY COMMENTS

N/A

LEGAL/FINANCIAL IMPLICATIONS

Sufficient funding for this work has been allocated within the HCA Capital and Major Maintenance Budget. A contingency sum of \$40,000 for unforeseen issues during construction works has also been allocated for this project. This has been included in the prices listed above.

CONCLUSIONS

It is recommended that this contract be awarded to Brantco Construction Inc. located in Cambridge, Ont. They are a fully qualified and bonded, contracting firm that specializes in parking lot and road construction projects. Recent, similar completed projects of theirs include parking lot rehabilitation and improvement projects with the Hamilton Wentworth District School Board and the Thames Valley District School Board, as well as various road reconstruction projects for local area municipalities.



LEGEND

--- ROAD CENTERLINE

— PROPOSED ROAD



1	ISSUED FOR TENDER	MARCH 2022
rev no.	description	date

Hamilton Conservation Authority

A Healthy Watershed for Everyone
 838 Mineral Springs Rd.
 Ancaster, ON L9G 4X1
 Tel: 905.525.2181
 Web: www.conservationhamilton.ca

FRONT ENTRY ROAD REBUILD - SITE ACCESS PLAN

CHRISTIE LAKE C.A.	
project number	2-0606-22-02
scale	1:2500
date	2021/11/22
drawn	K.REID
checked	M.ALMAASHOUR/M.HALL
approved	M.HALL
drawing number	C01

FOR TENDER
 date: 2022/03/22

Report

TO: Board of Directors

FROM: Lisa Burnside, Chief Administrative Officer (CAO)

**PREPARED &
RECOMMENDED BY:** Matt Hall, C.E.T.; Director, Capital Projects & Strategic Services

DATE: May 5, 2022

RE: Tar & Chip Road Resurfacing Project – Tender Results

STAFF RECOMMENDATION

THAT the construction tender for the 2022 Tar & Chip Road Resurfacing project, be awarded to Cornell Construction Ltd. for a total cost of \$216,734.00 which includes a contingency sum and HST.

BACKGROUND

This project covers Tar & Chip Road Surface Treatment for various Conservation Area roads and parking lots that totals approximately 13,900 m², to help maintain and enhance our parks. Previous Tar & Chip treatment was most recently completed in 2016. The planned areas that will be improved this year include locations within: Valens Lake C.A., Spencer Gorge C.A., and Confederation Beach Park. The priority areas selected were based upon annual road inspections conducted over 2021 and 2022.

In March 2022, HCA CaPSS staff developed and issued tender contract and specification documents for firms to consider. This Public Tender was issued on March 29, 2022 through the HCA's Bidding Tender website and issued directly to firms that have previously conducted this work for the HCA.

Tenders closed on April 21, 2022 at 1:00 p.m. A summary of bid results received is as follows:

Company Name	Necessary Bonding	Total Price (including tax and contingency)	Notes
Cornell Construction Limited	yes	\$216,734.00	Low bid meeting tender spec
Walker Construction Limited	yes	\$293,969.50	

STAFF COMMENT

This project is part of the HCA's standard maintenance program for Conservation Area road upkeep.

The anticipated schedule for this project is as follows:

April 21, 2022 - 1:00pm	Public Tenders closed
May 5, 2022	Recommendation Report to HCA Board of Directors
May 6, 2022	Contract awarded
May 9, 2022	Contract work period commencement
June 30, 2022	Project Substantial Completion Date

It is anticipated that the scope of work will be substantially completed on or before June 30, 2022. HCA CaPSS staff will be actively involved in site review as the project progresses.

STRATEGIC PLAN LINKAGE

The initiative refers directly to the HCA Strategic Plan 2019 – 2023:

- **Strategic Priority Areas – Organizational Excellence**
 - Initiatives – support the capital development and major maintenance program to enhance our facilities and ensure they are safe, functional and current

AGENCY COMMENTS

N/A

LEGAL/FINANCIAL IMPLICATIONS

Sufficient funding for this work has been allocated within the HCA Capital and Major Maintenance Budget. Costs associated with Confederation Beach Park will be funded through the HCA's capital budget allowance from the City of Hamilton for this property.

A contingency sum of \$25,000 for unforeseen issues during construction works has also been allocated for this project. This has been included in the prices listed above.

CONCLUSIONS

It is recommended that this contract be awarded to Cornell Construction Ltd. located in Brantford, Ont. They are a fully qualified and bonded, contracting firm that specializes in tar & chip and road maintenance projects. Recent, similar completed projects of theirs include tar & chip surface treatment projects with the Grand River Conservation Authority, the City of Hamilton, as well as numerous contracts previously with the HCA.



Memorandum

TO: Board of Directors

FROM: Lisa Burnside, Chief Administrative Officer (CAO)

RECOMMENDED BY: T. Scott Peck, MCIP, RPP, Deputy Chief Administrative Officer / Director, Watershed Planning & Engineering

PREPARED BY: Jonathan Bastien, Water Resources Engineer

DATE: May 5, 2022

RE: Watershed Conditions Report

SYNOPSIS

During the period of March 30th, 2022 to April 26th, 2022, there were no observations, reports, or expectations of significant watercourse flooding events, public safety issues, or Lake Ontario shoreline flooding events.

Currently there are no significant watercourse flooding, public safety concerns, or Lake Ontario shoreline flooding. Current flows are slightly to moderately elevated above baseflows at the five available streamflow gauges. However, current flows are 20 to 60 % below the long-term average monthly flows for April.

In general, the average monthly flows in April were 40 to 50 % below the long-term average monthly flows at the available streamflow gauges.

The Lake Ontario mean daily water level is about 23 cm above average for this time of year.

Christie Lake levels are just above typical winter levels, with significant flood storage available (the reservoir is at 20 percent of preferred maximum storage capacity). Spring raising of reservoir levels is planned to commence shortly.

Valens Lake levels are just below typical summer levels, due to planned spring raising of reservoir levels. The reservoir is at 82 percent of its preferred maximum storage capacity.

In the next 2 weeks, no significant watercourse flooding is expected. In the next 9 days, no significant Lake Ontario shoreline flooding is expected

The latest drought assessment indicated normal watershed conditions. For the beginning of May, drought conditions are not anticipated within the watershed.

CURRENT WATERSHED CONDITIONS – April 26th, 2022

Current Flows in Major Area Watercourses

There are no observations, reports, or expectations that significant watercourse flooding or significant public safety concerns are occurring at this time. Current flows are slightly to moderately elevated above baseflows at the five available streamflow gauges (Upper Spencer Creek at Safari Road, Middle Spencer Creek at Highway 5, Lower Spencer Creek at Market Street, Ancaster Creek at Wilson Street, and Red Hill Creek at Barton Street).

However, current flows are 50 to 60 % below the long-term average monthly flows for April at the three Spencer Creek gauges, 30% below the long-term average monthly flow for April at the Red Hill Creek at Barton Street gauge, and 20% below the long-term average monthly flow for April at the Ancaster Creek at Wilson Street gauge.

In general, the average monthly flows in April were 40 to 50 % below the long-term average monthly flows at the available streamflow gauges.

The average monthly flows in March 2022 were near to well above the long-term average March flows. The average monthly flows in February were well above the long-term average February flows. The average monthly flows in January were well below the long-term average January flows. The average monthly flows in September to December 2021 were predominantly well above the long-term average monthly flows. The average monthly flows in August 2021 were near to slightly below the long-term average August flows. The average monthly flows in July 2021 were generally significantly above the long-term average July flows. For January to June 2021, in general the average monthly flows were significantly below the long-term average monthly flows.

Current Lake Ontario Water Levels

At this time, there are no observations, reports or expectations of significant Lake Ontario shoreline flooding. The Lake Ontario mean daily water level in the Hamilton area was 75.21 m IGLD85 as of yesterday. The Lake Ontario mean daily water level averaged across the entire lake is about 23 cm above average for this time of year.

Current Storages in HCA Reservoirs

The current reservoir level at Christie Lake dam (about 765.85 ft) is just above typical winter levels (765.30 – 765.80 ft). The reservoir is at 20 percent of its preferred maximum storage capacity (corresponding to a water level of 773.0 ft). Spring raising of reservoir levels is planned to commence shortly.

The current reservoir level at Valens Lake dam (about 275.11 m) is just below typical summer levels (275.25 - 275.45 m), due to planned spring raising of reservoir levels. The reservoir is at 82 percent of its preferred maximum storage capacity (corresponding to a water level of 275.5 m).

Current Soil Conditions

The surface and root-zone soils are currently moist, and fully thawed.

RECENT STORM EVENTS

During the period of March 30th, 2022 to April 26th, 2022, there were no observations, reports, or expectations of significant watercourse flooding events, public safety issues, or Lake Ontario shoreline flooding events.

RECENT WATERSHED LOW WATER CONDITIONS

For the latest drought assessment (which includes data up to the end of March), the 3-month and 18-month precipitation totals indicated normal conditions within the watershed, based on data at 1 and 8 available stations respectively. 30-day average streamflows also indicated normal conditions within the watershed, based on data at 5 available stations.

FORECASTED WATERSHED CONDITIONS

Watercourse Flooding

There are currently no significant rainfall events (+20 mm in a day) forecasted for the watershed over the next 2 weeks. HCA staff continue to monitor conditions and forecasts routinely. Resultant water levels and flows from currently anticipated rain are not expected to result in significant watercourse flooding.

Lake Ontario Shoreline Flooding

In the next 9 days, no significant Lake Ontario shoreline flooding is expected. According to International Lake Ontario – St. Lawrence River Board information, it is likely that the water level of Lake Ontario will continue a seasonal rise over the next couple of weeks. The rate and magnitude of water level changes will depend largely on received precipitation amounts and temperatures.

Watershed Low Water Conditions

For the beginning of May, drought conditions are not anticipated within the watershed.