



Financial Statements

Niagara Peninsula Conservation Authority

December 31, 2015

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Independent Auditor's Report

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To the Members of
Niagara Peninsula Conservation Authority

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

Management's responsibility for the financial statements

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

Auditor's responsibility

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

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

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

Independent Auditor's Report (continued)

Opinion

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

St. Catharines, Canada
May 18, 2016



Chartered Professional Accountants
Licensed Public Accountants

Niagara Peninsula Conservation Authority

Statement of Financial Position

As at December 31

2015

2014

Financial assets

Cash and cash equivalents	\$ 4,224,450	\$ 4,054,645
Portfolio investments (Note 3)	3,119,300	3,059,016
Accounts receivable		
Government transfers	122,483	37,500
Municipal levies	-	4,289
Niagara Peninsula Conservation Foundation	100,000	1,386
Other	232,302	221,729
	<u>454,785</u>	<u>264,904</u>
	<u>7,798,535</u>	<u>7,378,565</u>

Liabilities

Accounts payable and accrued liabilities	386,335	425,746
Employee future benefits (Note 4)	153,000	122,000
Deferred revenue - Other	720,519	421,005
Deferred revenue -		
Welland River restoration (Ontario Power Generation)	1,906,616	1,939,702
Long-term debt (Note 5)	<u>3,581,840</u>	<u>4,825,443</u>
	<u>6,748,310</u>	<u>7,733,896</u>

Net financial assets (debt)

1,050,225 (355,331)

Non-financial assets

Prepaid expenses	24,000	24,000
Tangible capital assets (Note 6)	<u>18,923,086</u>	<u>17,747,541</u>

Accumulated surplus

\$19,997,311 \$17,416,210

Accumulated surplus consists of the following:

Reserves (Page 6)

Unexpended capital reserves	\$ 4,033,559	\$ 3,836,373
Operating reserves	<u>606,403</u>	<u>641,636</u>
	<u>4,639,962</u>	<u>4,478,009</u>

Reserve fund (Page 6)

Accumulated sick leave (Note 8)	16,103	16,103
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Net assets invested in tangible capital assets (Note 10)

15,341,246 12,922,098
\$19,997,311 \$17,416,210

Approved on behalf of the Authority

 Chair

 Chief Administrative Officer

Niagara Peninsula Conservation Authority

Statement of Operations

Year ended December 31	2015 Budget	2015 Actual	2014 Actual
Revenues			
Government transfers			
Province of Ontario - Ministry of Natural Resources and Forestry	\$ 174,500	\$ 174,496	\$ 174,496
Province of Ontario - Other	345,000	225,418	346,482
Government of Canada	235,000	160,682	199,857
Municipal levies			
General	6,010,610	6,010,610	3,871,353
Special	2,792,333	2,792,333	3,954,257
Authority generated			
User fees, sales and admissions	1,469,000	1,450,140	1,394,341
Niagara Peninsula Conservation Foundation	-	100,000	-
Administration fees	350,000	463,940	375,326
Interest	98,000	88,334	100,423
Land contribution (Note 6)	-	112,500	-
Other	118,100	403,361	543,182
	<u>11,592,543</u>	<u>11,981,814</u>	<u>10,959,717</u>
Expenses			
Corporate services and events (Page 15)	2,950,312	3,087,167	2,928,093
Watershed (Page 18)	3,178,986	3,056,086	3,027,389
Operations (Page 24)	<u>2,514,659</u>	<u>2,617,316</u>	<u>3,068,321</u>
	<u>8,643,957</u>	<u>8,760,569</u>	<u>9,023,803</u>
Annual surplus before amortization	2,948,586	3,221,245	1,935,914
Amortization	<u>640,147</u>	<u>640,147</u>	<u>575,468</u>
Annual surplus	<u>\$ 2,308,439</u>	<u>\$ 2,581,098</u>	<u>\$ 1,360,446</u>
Accumulated surplus			
Beginning of year	17,416,210	17,416,210	16,055,764
Annual surplus	<u>2,308,439</u>	<u>2,581,098</u>	<u>1,360,446</u>
End of year	<u>\$19,724,649</u>	<u>\$19,997,308</u>	<u>\$17,416,210</u>

Niagara Peninsula Conservation Authority

Statement of Changes in Net Financial Assets (Debt)

Year ended December 31	2015 Budget	2015 Actual	2014 Actual
Annual surplus	\$ 2,308,439	\$ 2,581,098	\$ 1,360,446
Changes in non-financial assets			
Acquisition of tangible capital assets	(2,177,477)	(1,815,689)	(1,908,934)
Disposal of tangible capital assets	-	-	107,245
Amortization	<u>640,147</u>	<u>640,147</u>	<u>575,468</u>
	771,109	1,405,556	134,225
Net financial assets (debt)			
Beginning of year	<u>(355,331)</u>	<u>(355,331)</u>	<u>(489,556)</u>
End of year	<u>\$ 415,778</u>	<u>\$ 1,050,225</u>	<u>\$ (355,331)</u>

Niagara Peninsula Conservation Authority

Statement of Continuity of Reserves and Reserve Fund

Year ended December 31	Appropriations			2015
	2014	From Operations	To Operations	
Unexpended capital reserves				
Capital assets				
Vehicle	\$ 210,731	\$ -	\$ -	\$ 210,731
Equipment	79,582	-	20,000	59,582
Computers and office equipment	<u>79,522</u>	<u>-</u>	<u>-</u>	<u>79,522</u>
	<u>369,835</u>	<u>-</u>	<u>20,000</u>	<u>349,835</u>
Conservation area capital reserve				
Regional Municipality of Niagara	708,209	534,191	33,054	1,209,346
City of Hamilton	102,649	34,033	-	136,682
Haldimand County	11,594	-	-	11,594
Niagara levy differential	-	347,000	-	347,000
Land acquisition - Hamilton	700,000	100,000	-	800,000
Land acquisition - Niagara	<u>729,715</u>	<u>500,000</u>	<u>931,541</u>	<u>298,174</u>
	<u>2,252,167</u>	<u>1,515,224</u>	<u>964,595</u>	<u>2,802,796</u>
Water management capital projects				
Welland River restoration - Niagara	242,210	-	-	242,210
Welland River restoration - Hamilton	10,676	-	-	10,676
Water Management	46,167	-	-	46,167
Watershed Studies - Niagara	3,162	-	-	3,162
Watershed Studies - Hamilton	20,260	-	-	20,260
Watershed Studies - Haldimand	22,032	-	-	22,032
Flood protection services	483,978	-	-	483,978
Resource inventory & monitoring	<u>385,886</u>	<u>-</u>	<u>333,443</u>	<u>52,443</u>
	<u>1,214,371</u>	<u>-</u>	<u>333,443</u>	<u>880,928</u>
	<u>\$ 3,836,373</u>	<u>\$ 1,515,224</u>	<u>\$ 1,318,038</u>	<u>\$ 4,033,559</u>
Operating reserves				
Conservation areas				
Regional Municipality of Niagara	\$ 90,274	\$ -	\$ -	\$ 90,274
City of Hamilton	191,372	-	-	191,372
Haldimand County	<u>14,931</u>	<u>-</u>	<u>-</u>	<u>14,931</u>
	<u>296,577</u>	<u>-</u>	<u>-</u>	<u>296,577</u>
Conservation land management				
Tree bylaw	61,765	-	-	61,765
Agreement forest	20,606	-	-	20,606
Regulations and planning services	209,100	15,307	42,760	181,647
General operating contingency	<u>53,588</u>	<u>23,220</u>	<u>31,000</u>	<u>45,808</u>
	<u>345,059</u>	<u>38,527</u>	<u>73,760</u>	<u>309,826</u>
	<u>\$ 641,636</u>	<u>\$ 38,527</u>	<u>\$ 73,760</u>	<u>\$ 606,403</u>
Reserve fund				
Accumulated sick leave	\$ 16,103	\$ -	\$ -	\$ 16,103

Niagara Peninsula Conservation Authority

Statement of Cash Flows

Year ended December 31

2015

2014

Increase (decrease) in cash and cash equivalents

Operating activities

Annual surplus	\$ 2,581,098	\$ 1,360,446
Adjustments for non-cash items		
Amortization of tangible capital assets	640,147	575,468
Contributed tangible capital assets	(112,500)	-
(Gain) loss on disposal of tangible capital assets	(14,095)	88,322
Employee future benefits	31,000	(28,000)
	<u>3,125,650</u>	<u>1,996,236</u>
Changes in non-cash working capital		
Accounts receivable	(189,881)	124,140
Accrued interest on investments	826	(323)
Accounts payable and accrued liabilities	(39,411)	(241,306)
Deferred revenue - Other	299,514	42,372
Deferred revenue - Welland River restoration (Ontario Power Generation)	<u>(33,086)</u>	<u>(136,441)</u>
	<u>3,163,612</u>	<u>1,784,678</u>

Investing activities

Proceeds from sale of investments	3,055,500	3,000,000
Purchases of investments	<u>(3,116,610)</u>	<u>(3,055,500)</u>
	<u>(61,110)</u>	<u>(55,500)</u>

Capital activities

Purchases of tangible capital assets	(1,703,189)	(1,908,934)
Proceeds from disposal of tangible capital assets	14,095	18,924
Payments on long-term debt	<u>(1,243,603)</u>	<u>(1,388,988)</u>
	<u>(2,932,697)</u>	<u>(3,278,998)</u>

Increase (decrease) in cash and cash equivalents

169,805 (1,549,820)

Cash and cash equivalents

Beginning of year	<u>4,054,645</u>	<u>5,604,465</u>
End of year	<u>\$ 4,224,450</u>	<u>\$ 4,054,645</u>

Niagara Peninsula Conservation Authority

Notes to the Financial Statements

December 31, 2015

1. Nature of operations

The Niagara Peninsula Conservation Authority ("the Authority") is established under The Conservation Authorities Act of Ontario to further the conservation, restoration, development and management of natural resources. It is exempt from income taxes under section 149(1)(c) of the Income Tax Act.

2. Significant accounting policies

Management responsibility

The financial statements are the responsibility of and prepared by management in accordance with Canadian public sector accounting standards. The preparation of financial statements necessarily involves the use of estimates based on management's judgement, particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods.

The significant accounting policies used are as follows:

Basis of accounting

Revenues and expenditures are reported on the accrual basis of accounting. The accrual basis of accounting recognizes revenues as they become available and measurable; expenditures are recognized as they are incurred and measurable as a result of receipt of goods or services and the creation of a legal obligation to pay.

Cash and cash equivalents

Cash and temporary investments include cash on hand, balances with banks and guaranteed investment certificates that mature within one year.

Portfolio investments

Portfolio investments are valued at the lower of cost and market value. Interest income is reported as revenue in the period earned.

Deferred revenue

Deferred revenues represent government transfers and user fees which have been collected but for which related expenditures or related services have yet to be performed. These amounts will be recognized as revenues in the year the expenditures are made or services provided.

Tangible capital assets

Tangible capital assets are recorded at cost. Cost includes all directly attributable expenses in the acquisition, construction, development and/or betterment of the asset required to install the asset at the location and in the condition necessary for its intended use. Contributed tangible capital assets are capitalized at their estimated fair value upon acquisition.

Niagara Peninsula Conservation Authority

Notes to the Financial Statements

December 31, 2015

2. Significant accounting policies (continued)

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

Amortization is calculated on a straight-line basis to write-off the net cost of each asset over its estimated useful life for all classes except land. Land is considered to have an infinite life without amortization. Residual values of assets are assumed to be zero with any net gain or loss arising from the disposal of assets recognized in the Statement of Operations as "Other" revenue. Full-year amortization is charged in the year of acquisition and disposal. Assets under construction are not amortized until the asset is available for productive use.

Amortization is based on the following classifications and useful lives:

Land improvements	20 years
Buildings	30 years
Dams	15 to 100 years
Gauge stations	15 to 30 years
Equipment	10 years
Vehicles	5 years
Office equipment	5 years

Vehicles and equipment

The Authority maintains reserves for replacement of vehicles and equipment. Internal charges for the use of the vehicles and equipment are made to the various projects and programs of the Authority. The internal charges are designed to recover the costs of operating equipment including replacement.

Reserves

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

Revenue recognition

a) Government transfers

Government transfers are recognized as revenue 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.

b) Municipal levies

Municipal levies are recognized as revenue in the period in which the levy is issued.

c) Authority generated

User fees, sales and admissions are recognized when the services are performed or goods are delivered and there is reasonable assurance of collection. Other revenues are recorded when they are earned and collection is reasonably assured.

Niagara Peninsula Conservation Authority

Notes to the Financial Statements

December 31, 2015

2. Significant accounting policies (continued)

Use of estimates and measurement uncertainty

The preparation of financial statements in accordance with Canadian public sector accounting standards requires management to make estimates that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from management's best estimates as additional information becomes available in the future. One area in which management makes an estimate is with regards to obligations for employee benefits.

Change in accounting policy

The Authority has implemented PS3260, *Liability for Contaminated Sites*. This requires organizations to record a liability if they have a contaminated site that meets specified criteria. The standard defines contaminations as the introduction into air, soil, water or sediment of a chemical, organic or radioactive or live organism that exceeds a prescribed environmental level. The standard generally applies to sites that are not in productive use. Sites that are in productive use are only considered contaminated if there was an unexpected event that resulted in contamination. This change has been applied retroactively with the restatement of prior periods. The adoption of this standard did not impact the Authority's financial statements as no contaminated sites were found to exist.

3. Portfolio investments

Portfolio investments consist of a bank guaranteed investment certificate bearing interest of 1.5% maturing in December 2016. Interest is receivable on maturity. Carrying value approximates market value.

4. Employee future benefits

The Authority provides extended life, health and dental benefits for early retirees to age 65 which will require funding in future periods. The Authority recognizes these post-retirement costs in the period in which the employees rendered the services. The accrued benefit liability at December 31, 2015 was estimated by management to be \$153,000 (2014 - \$122,000).

Niagara Peninsula Conservation Authority

Notes to the Financial Statements

December 31, 2015

5. Long-term debt

The Authority has assumed responsibility for the payment of principal and interest charges on long-term debt issued by the Region of Niagara. The debt bears interest at 5%. At the end of the year, the outstanding principal amount of this debt is:

	2015	2014
	<u>\$ 3,581,840</u>	<u>\$ 4,825,443</u>

Principal repayments in each of the next five years are due as follows:

2016	\$ 1,138,710
2017	982,670
2018	760,429
2019	483,705
2020	216,326

The Authority paid \$218,891 (2014 - \$258,865) in interest on long-term debt during the year.

6. Tangible capital assets

	Cost Beginning of Year	Additions	Disposals	Cost End of Year	Accumulated Amortization Beginning of Year	Amortization	Disposals	Accumulated Amortization End of Year	Net Book Value 2015
Land	\$7,471,796	\$1,033,069	\$ -	\$8,504,865	\$ -	\$ -	\$ -	\$ -	\$ 8,504,865
Land improvements	4,349,554	118,848	-	4,468,402	2,139,151	178,372	-	2,317,523	2,150,879
Buildings	5,401,414	105,577	-	5,506,991	1,587,602	174,834	-	1,762,436	3,744,555
Dams	4,986,642	-	-	4,986,642	1,476,701	59,085	-	1,535,786	3,450,856
Gauge stations	344,602	33,172	-	377,774	121,400	20,388	3	141,785	235,989
Equipment	997,722	203,094	300	1,200,516	604,512	103,003	300	707,215	493,301
Vehicles	231,176	-	21,000	210,176	177,820	27,529	21,000	184,349	25,827
Office equipment	303,130	254,396	-	557,526	234,448	76,936	-	311,384	246,142
Work-in-progress	3,139	70,672	3,139	70,672	-	-	-	-	70,672
	<u>\$24,089,175</u>	<u>\$1,818,828</u>	<u>\$ 24,439</u>	<u>\$25,883,564</u>	<u>\$6,341,634</u>	<u>\$ 640,147</u>	<u>\$ 21,303</u>	<u>\$6,960,478</u>	<u>\$18,923,086</u>

During the year the Authority received a donation related to a land purchase. The donated value of \$112,500 has been added to the cost of the land and reported in revenue as a land contribution.

	Cost Beginning of Year	Additions	Disposals	Cost End of Year	Accumulated Amortization Beginning of Year	Amortization	Disposals	Accumulated Amortization End of Year	Net Book Value 2014
Land	\$5,881,089	\$1,590,707	\$ -	\$7,471,796	\$ -	\$ -	\$ -	\$ -	\$7,471,796
Land improvements	4,341,645	100,460	92,551	4,349,554	1,973,809	175,029	9,687	2,139,151	2,210,403
Buildings	5,104,384	297,030	-	5,401,414	1,416,287	171,315	-	1,587,602	3,813,812
Dams	4,977,128	9,514	-	4,986,642	1,417,616	59,085	-	1,476,701	3,509,941
Gauge stations	294,931	49,671	-	344,602	103,163	18,237	-	121,400	223,202
Equipment	974,756	67,296	44,330	997,722	538,534	85,927	19,949	604,512	393,210
Vehicles	211,610	19,566	-	231,176	143,275	34,545	-	177,820	53,356
Office equipment	261,898	41,232	-	303,130	203,118	31,330	-	234,448	68,682
Work-in-progress	269,681	3,139	269,681	3,139	-	-	-	-	3,139
	<u>\$22,317,122</u>	<u>\$2,178,615</u>	<u>\$ 406,562</u>	<u>\$24,089,175</u>	<u>\$5,795,802</u>	<u>\$ 575,468</u>	<u>\$ 29,636</u>	<u>\$6,341,634</u>	<u>\$17,747,541</u>

Niagara Peninsula Conservation Authority

Notes to the Financial Statements

December 31, 2015

7. Credit facility

The Authority's credit facility includes an overdraft lending account of \$800,000 bearing interest at prime. No amount was outstanding as at the year end. The facility is secured by a general security agreement.

8. Liability for sick leave benefits

Under the sick leave benefit plan, unused sick leave was accumulated to March 1, 1990 and employees may become entitled to a cash payment at their current rate of pay when they leave the Authority's employment.

The liability for these accumulated days to the extent that they have vested and could be taken in cash by an employee on termination, amounted to \$14,884 (2014 - \$20,459) at the end of the year. A reserve fund of \$16,103 (2014 - \$16,103) has been provided for this past service liability at December 31, 2015.

9. Pension plan

The Authority makes contributions to the Ontario Municipal Employees Retirement System ("OMERS"), which is a multi-employer plan, on behalf of the 58 (2014 - 58) members of its staff. The plan is a defined benefit plan that specifies the amount of the retirement benefit to be received by the employees based on the length of service and rates of pay. Employees and employers contribute jointly to the plan.

Since OMERS is a multi-employer pension plan, the Authority does not recognize any share of the pension plan deficit of \$5.3 billion (2014 - \$5.3 billion) based on the fair market value of the Plan's assets, as this is a joint responsibility of all Ontario municipal entities and their employees. Contributions were made in the 2015 calendar year at rates ranging from 9.0% to 15.8% depending on the member's designated retirement age and level of earnings. Employer contributions for current and past service are included as an expense in the Statement of Operations. Employer contributions to OMERS for 2015 current and past service was \$420,250 (2014 - \$412,501) and were matched by employee contributions in a similar amount.

10. Net assets invested in tangible capital assets

The net assets invested in tangible capital assets is represented by:

	<u>2015</u>	<u>2014</u>
Tangible capital assets net book value	\$18,923,086	\$17,747,541
Less: Past capital levy due to the Region (Note 5)	<u>(3,581,840)</u>	<u>(4,825,443)</u>
	<u>\$15,341,246</u>	<u>\$12,922,098</u>

Niagara Peninsula Conservation Authority

Notes to the Financial Statements

December 31, 2015

11. Economic interest in Niagara Peninsula Conservation Foundation

The Authority has an economic interest in the Niagara Peninsula Conservation Foundation ("Foundation"). The Foundation is incorporated under the laws of Ontario to assist in the cultivation and advancement of conservation by actively seeking support for conservation projects and programs through fund raising efforts and by serving as custodian for the donations and gifts. The Foundation is a charity that is exempt from income tax under the Income Tax Act. The Authority is the main beneficiary of the Foundation's externally restricted and unrestricted funds.

The Foundation follows Canadian accounting standards for non-profit organizations, the financial highlights of the Foundation for the year ending December 31, 2015 are as follows:

Statement of Financial Position

	<u>2015</u>	<u>2014</u>
Assets	<u>\$ 369,514</u>	<u>\$ 249,362</u>
Liabilities	<u>\$ 103,000</u>	<u>\$ 6,061</u>
Net assets		
Endowment fund	77,140	75,861
Externally restricted fund	65,527	65,527
Unrestricted fund	<u>123,847</u>	<u>101,913</u>
	<u>266,514</u>	<u>243,301</u>
	<u>\$ 369,514</u>	<u>\$ 249,362</u>

Statement of Operations

	<u>2015</u>	<u>2014</u>
Revenues	<u>\$ 212,836</u>	<u>\$ 56,165</u>
Expenses	<u>89,623</u>	<u>29,695</u>
Excess of revenues before transfers	<u>123,213</u>	<u>26,470</u>
Transfers to the Authority	<u>100,000</u>	<u>-</u>
Excess of revenues over expenses for the year	<u>\$ 23,213</u>	<u>\$ 26,470</u>

Statement of Cash Flows

	<u>2015</u>	<u>2014</u>
Excess of revenues over expenses for the year	<u>\$ 23,213</u>	<u>\$ 26,470</u>
Changes in non-cash working capital	<u>91,216</u>	<u>(27,994)</u>
Increase (decrease) in cash and equivalents	<u>114,429</u>	<u>(1,524)</u>
Cash and equivalents, beginning of year	<u>246,525</u>	<u>248,049</u>
Cash and equivalents, end of year	<u>\$ 360,954</u>	<u>\$ 246,525</u>

Niagara Peninsula Conservation Authority

Notes to the Financial Statements

December 31, 2015

12. Comparative figures

Certain of the comparative figures have been reclassified to conform with the financial statement presentation adopted for the current year.

13. Budget

The budget adopted by the Authority on February 19, 2015 was not prepared on a basis consistent with that used to report actual results in accordance with Canadian public sector accounting standards. The budget was prepared on a modified accrual basis while Canadian public sector accounting standards require a full accrual basis. As a result, the budget figures presented in the statement of operations and statement of changes in net debt represent the budget adopted by the Authority with the following adjustments:

Budgeted annual surplus	\$	-
Add:		
Acquisition of tangible capital assets		2,177,477
Repayment of long term debt		1,251,109
Less:		
Transfers from reserves		(480,000)
Amortization of tangible capital assets		<u>(640,147)</u>
Budgeted surplus per statement of operations	\$	<u>2,308,439</u>

14. Segmented information

The Authority provides a wide range of services which are categorized by department. Certain departments that have been separately disclosed in the segmented information, along with the services they provide, are as follows:

Corporate services and events

Corporate services is comprised of the administration of the offices. Also included are the annual events managed by the Authority.

Watershed

The watershed department is the umbrella for three divisions dedicated to monitoring, regulating, protecting and improving the health and safety of our watershed.

Operations

The operations department is the umbrella for three divisions dedicated to conservation land management, conservation land programming and development and managing the Authority's vehicles and equipment. Conservation land management is the administration department for the conservation areas. Conservation land programming and development is responsible for maintenance and improvements to the conservation areas. The vehicles and equipment department accounts for the cost of maintaining the vehicles and equipment. The use of the vehicles and equipment are charged to other departments as they are used based on fixed rates.

For each reported segment, revenues and expenses represent both amounts that are directly attributable to the segment and amounts that are allocated on a reasonable basis.

Niagara Peninsula Conservation Authority Corporate Services and Events Schedule of Segment Disclosure

Year ended December 31	2015 Budget	2015 Actual	2014 Actual
Revenues			
Government transfers			
Province of Ontario - Ministry of Natural Resources and Forestry	\$ 70,200	\$ 70,196	\$ -
Municipal levies			
General	2,224,995	2,224,995	2,045,296
Special	1,713,133	1,713,133	70,000
Authority generated			
User fees, sales and admissions	270,000	244,013	215,213
Niagara Peninsula Conservation Foundation	-	100,000	-
Interest	98,000	88,334	100,423
Other	<u>96,500</u>	<u>43,954</u>	<u>91,934</u>
	<u>4,472,828</u>	<u>4,484,625</u>	<u>2,522,866</u>
Expenses			
Corporate services (Page 16)	2,742,212	2,941,214	2,629,466
Corporate events (Page 17)	<u>208,100</u>	<u>145,953</u>	<u>298,627</u>
	<u>2,950,312</u>	<u>3,087,167</u>	<u>2,928,093</u>
Annual surplus (deficit)	1,522,516	1,397,458	(405,227)
<i>Acquisition of tangible capital assets</i>	<i>271,407</i>	<i>298,042</i>	<i>22,938</i>
<i>Principal payments on long-term debt</i>	<u><i>1,251,109</i></u>	<u><i>1,243,603</i></u>	<u><i>-</i></u>
<i>Annual deficit after acquisition of tangible capital assets and principal payments on long-term debt</i>	<i>\$ -</i>	<i>\$ (144,187)</i>	<i>\$ (428,165)</i>

Niagara Peninsula Conservation Authority

Corporate Services

Schedule of Segment Disclosure

Year ended December 31	2015 Budget	2015 Actual	2014 Actual
Revenues			
Government transfers			
Province of Ontario - Ministry of Natural Resources and Forestry	\$ 70,200	\$ 70,196	\$ -
Municipal levies			
General	2,224,995	2,224,995	1,949,903
Special	1,563,133	1,563,133	35,000
Authority generated			
Niagara Peninsula Conservation Foundation	-	100,000	-
Interest	98,000	88,334	100,423
Other	-	32,767	5,635
	<u>3,956,328</u>	<u>4,079,425</u>	<u>2,090,961</u>
Expenses			
Corporate services	277,891	343,697	872,282
Office services	926,167	930,214	487,312
Financial services	249,806	277,339	242,642
Human resources	85,911	78,764	103,004
Information technology/GIS	479,414	516,757	413,363
Corporate communications	399,772	453,160	510,863
CAO & board expenses	323,251	341,283	-
	<u>2,742,212</u>	<u>2,941,214</u>	<u>2,629,466</u>
Annual surplus (deficit)	1,214,116	1,138,211	(538,505)
<i>Acquisition of tangible capital assets</i>	<i>262,407</i>	<i>254,396</i>	<i>15,528</i>
<i>Principal payments on long-term debt</i>	<i>1,251,109</i>	<i>1,243,603</i>	<i>-</i>
<i>Annual deficit after acquisition of tangible capital assets and principal payments on long-term debt</i>	<i>\$ (299,400)</i>	<i>\$ (359,788)</i>	<i>\$ (554,033)</i>

Niagara Peninsula Conservation Authority

Corporate Events

Schedule of Segment Disclosure

Year ended December 31	2015 Budget	2015 Actual	2014 Actual
Revenues			
Municipal levies			
General	\$ -	\$ -	\$ 95,393
Special	150,000	150,000	35,000
Authority generated			
User fees, sales and admissions	270,000	244,013	215,213
Other	<u>96,500</u>	<u>11,187</u>	<u>86,299</u>
	<u>516,500</u>	<u>405,200</u>	<u>431,905</u>
Expenses			
Ball's Falls Christmas program	6,600	7,002	960
Envirothon	5,500	6,450	-
Binbrook ice fishing	6,500	910	-
Niagara Children's Water festival	81,000	25,744	181,822
Thanksgiving festival	<u>108,500</u>	<u>105,847</u>	<u>115,845</u>
	<u>208,100</u>	<u>145,953</u>	<u>298,627</u>
Annual surplus	308,400	259,247	133,278
<i>Acquisition of tangible capital assets</i>	<u>9,000</u>	<u>43,646</u>	<u>7,410</u>
<i>Annual surplus after acquisition of tangible capital assets</i>	<u>\$ 299,400</u>	<u>\$ 215,601</u>	<u>\$ 125,868</u>

Niagara Peninsula Conservation Authority

Watershed

Schedule of Segment Disclosure

Year ended December 31	2015 Budget	2015 Actual	2014 Actual
Revenues			
Government transfers			
Province of Ontario - Ministry of Natural Resources and Forestry	\$ 104,300	\$ 104,300	\$ 174,496
Province of Ontario - Other	345,000	225,418	346,482
Government of Canada	235,000	158,034	196,952
Municipal levies			
General	1,346,456	1,346,456	1,374,895
Special	479,200	479,200	550,938
Authority generated			
Administration fees	350,000	463,940	375,326
Other	-	163,556	303,445
	<u>2,859,956</u>	<u>2,940,904</u>	<u>3,322,534</u>
Expenses			
Watershed management	357,223	333,443	-
Plan review and regulations (Page 19)	1,136,242	1,011,445	891,241
Watershed projects (Page 20)	1,685,521	1,711,198	2,136,148
	<u>3,178,986</u>	<u>3,056,086</u>	<u>3,027,389</u>
Annual (deficit) surplus	(319,030)	(115,182)	295,145
<i>Acquisition of tangible capital assets</i>	<u>80,970</u>	<u>33,172</u>	<u>59,185</u>
<i>Annual (deficit) surplus after acquisition of tangible capital assets</i>	<u>\$ (400,000)</u>	<u>\$ (148,354)</u>	<u>\$ 235,960</u>

Niagara Peninsula Conservation Authority

Plan Review and Regulations

Schedule of Segment Disclosure

Year ended December 31	2015 Budget	2015 Actual	2014 Actual
Revenues			
Government transfers			
Province of Ontario - Ministry of Natural Resources and Forestry	\$ 28,100	\$ 28,100	\$ 58,800
Municipal levies			
General	465,000	465,000	492,371
Special	309,500	309,500	184,436
Authority generated			
Administration fees	350,000	463,940	223,746
Other	-	27	7,500
	<u>1,152,600</u>	<u>1,266,567</u>	<u>966,853</u>
Expenses			
Municipal plan input and review	205,895	160,565	426,130
Development plan input and review	336,403	335,513	284,442
Construction permit review and compliance	196,312	174,027	-
Forest by law	102,335	101,328	180,669
Watershed biology	295,297	240,012	-
	<u>1,136,242</u>	<u>1,011,445</u>	<u>891,241</u>
Annual surplus	16,358	255,122	75,612
<i>Acquisition of tangible capital assets</i>	<u>1,200</u>	<u>-</u>	<u>-</u>
<i>Annual surplus after acquisition of tangible capital assets</i>	<u>\$ 15,158</u>	<u>\$ 255,122</u>	<u>\$ 75,612</u>

Niagara Peninsula Conservation Authority
Watershed Projects
Schedule of Segment Disclosure

Year ended December 31	2015 Budget	2015 Actual	2014 Actual
Revenues			
Government transfers			
Province of Ontario - Ministry of Natural Resources and Forestry	\$ 76,200	\$ 76,200	\$ 115,696
Province of Ontario - Other	345,000	225,418	346,482
Government of Canada	235,000	158,034	196,952
Municipal levies			
General	871,456	871,456	882,524
Special	169,700	169,700	366,502
Authority generated			
Administration fees	-	-	151,580
Other	-	163,529	295,945
	<u>1,697,356</u>	<u>1,664,337</u>	<u>2,355,681</u>
Expenses			
Restoration and remedial action plan (Page 21)	878,145	900,935	892,805
Source water protection, engineering and water quality (Page 22)	589,298	520,212	836,380
Flood protection, control structures and special projects (Page 23)	218,078	290,051	406,963
	<u>1,685,521</u>	<u>1,711,198</u>	<u>2,136,148</u>
Annual (deficit) surplus	11,835	(46,861)	219,533
<i>Acquisition of tangible capital assets</i>	<u>69,770</u>	<u>33,172</u>	<u>59,185</u>
<i>Annual (deficit) surplus after acquisition of tangible capital assets</i>	<u>\$ (57,935)</u>	<u>\$ (80,033)</u>	<u>\$ 160,348</u>

Niagara Peninsula Conservation Authority Restoration and Remedial Action Plan Schedule of Segment Disclosure

Year ended December 31	2015 Budget	2015 Actual	2014 Actual
Revenues			
Government transfers			
Province of Ontario - Other	\$ 95,000	\$ 59,205	\$ 62,695
Government of Canada	235,000	158,034	196,952
Municipal levies			
General	271,456	271,456	104,382
Special	150,000	150,000	338,637
Authority generated			
Other	-	100,144	221,305
	<u>751,456</u>	<u>738,839</u>	<u>923,971</u>
Expenses			
12 Mile Creek restoration	51,000	49,679	140,132
20 Mile Creek restoration	51,500	49,825	85,590
Lake Erie Northshore restoration	31,000	19,228	-
Niagara-on-the-Lake creeks restoration	51,000	50,991	94,291
Welland River restoration	113,500	130,064	214,572
General restoration	408,331	480,321	254,867
Niagara River remedial action plan co-ordination	171,814	120,827	103,353
	<u>878,145</u>	<u>900,935</u>	<u>892,805</u>
Annual (deficit) surplus	(126,689)	(162,096)	31,166
<i>Acquisition of tangible capital assets</i>	<u>-</u>	<u>-</u>	<u>16,402</u>
<i>Annual (deficit) surplus after acquisition of tangible capital assets</i>	<u>\$ (126,689)</u>	<u>\$ (162,096)</u>	<u>\$ 14,764</u>

Niagara Peninsula Conservation Authority **Source Water Protection, Engineering and Water Quality** **Schedule of Segment Disclosure**

Year ended December 31	2015 Budget	2015 Actual	2014 Actual
Revenues			
Government transfers			
Province of Ontario - Other	\$ 250,000	\$ 163,669	\$ 246,990
Municipal levies			
General	375,000	375,000	464,538
Special	-	-	25,000
Authority generated			
Administration fees	-	-	151,580
Other	-	11,839	20,522
	<u>625,000</u>	<u>550,508</u>	<u>908,630</u>
Expenses			
Source water protection	198,456	161,667	246,990
Water resources engineering	126,896	105,555	293,036
Water quality monitoring program	251,446	241,795	271,488
Well decommissioning program	12,500	10,595	18,862
Other monitoring programs	-	600	6,004
	<u>589,298</u>	<u>520,212</u>	<u>836,380</u>
Annual surplus	35,702	30,296	72,250
<i>Acquisition of tangible capital assets</i>	<u>3,200</u>	-	-
<i>Annual surplus after acquisition of tangible capital assets</i>	<u>\$ 32,502</u>	<u>\$ 30,296</u>	<u>\$ 72,250</u>

Niagara Peninsula Conservation Authority Flood Protection, Control Structures and Special Projects Schedule of Segment Disclosure

Year ended December 31	2015 Budget	2015 Actual	2014 Actual
Revenues			
Government transfers			
Province of Ontario - Ministry of Natural Resources and Forestry	\$ 76,200	\$ 76,200	\$ 115,696
Province of Ontario - Other	-	2,544	36,797
Municipal levies			
General	225,000	225,000	313,604
Special	19,700	19,700	2,865
Authority generated			
Other	-	51,546	54,118
	<u>320,900</u>	<u>374,990</u>	<u>523,080</u>
Expenses			
Flood forecasting and warning	121,978	122,785	190,013
Flood control structures	-	44,293	122,701
Watershed floodplain mapping update	-	-	78,067
Special projects	<u>96,100</u>	<u>122,973</u>	<u>16,182</u>
	<u>218,078</u>	<u>290,051</u>	<u>406,963</u>
Annual surplus	102,822	84,939	116,117
<i>Acquisition of tangible capital assets</i>	<u>66,570</u>	<u>33,172</u>	<u>42,783</u>
<i>Annual surplus after acquisition of tangible capital assets</i>	<u>\$ 36,252</u>	<u>\$ 51,767</u>	<u>\$ 73,334</u>

Niagara Peninsula Conservation Authority

Operations

Schedule of Segment Disclosure

Year ended December 31	2015 Budget	2015 Actual	2014 Actual
Revenues			
Government transfers			
Government of Canada	\$ -	\$ 2,648	\$ 2,905
Municipal levies			
General	2,439,159	2,439,159	451,162
Special	600,000	600,000	3,333,319
Authority generated			
User fees, sales and admissions	1,199,000	1,206,127	1,179,128
Land contribution (Note 6)	-	112,500	-
Other	21,600	195,851	147,803
	<u>4,259,759</u>	<u>4,556,285</u>	<u>5,114,317</u>
Expenses			
Land management (Page 25)	638,997	709,447	639,911
Land programming and development (Page 26)	1,785,462	1,826,604	2,380,938
Vehicles and equipment (Page 29)	90,200	81,265	47,472
	<u>2,514,659</u>	<u>2,617,316</u>	<u>3,068,321</u>
Annual surplus	1,745,100	1,938,969	2,045,996
<i>Acquisition of tangible capital assets</i>	<i>1,825,100</i>	<i>1,484,475</i>	<i>1,826,811</i>
<i>Principal payments on long-term debt</i>	<i>-</i>	<i>-</i>	<i>1,388,988</i>
<i>Annual surplus (deficit) after acquisition of tangible capital assets and principal payments on long-term debt</i>	<i>\$ (80,000)</i>	<i>\$ 454,494</i>	<i>\$ (1,169,803)</i>

Niagara Peninsula Conservation Authority **Conservation Land Management** **Schedule of Segment Disclosure**

Year ended December 31	2015 Budget	2015 Actual	2014 Actual
Revenues			
Municipal levies			
General	\$ 638,997	\$ 638,997	\$ 349,722
Special	-	-	1,563,133
Authority generated			
User fees, sales and admissions	-	9,210	9,651
Other	-	20,983	23,011
	<u>638,997</u>	<u>669,190</u>	<u>1,945,517</u>
Expenses			
Management	<u>638,997</u>	<u>709,447</u>	<u>639,911</u>
Annual (deficit) surplus	-	(40,257)	1,305,606
<i>Principal payments on long-term debt</i>	-	-	<u>1,388,988</u>
<i>Annual deficit after acquisition of tangible capital assets and principal payments on long-term debt</i>	\$ -	\$ (40,257)	\$ (83,382)

Niagara Peninsula Conservation Authority Conservation Land Programming and Development Schedule of Segment Disclosure

Year ended December 31	2015 Budget	2015 Actual	2014 Actual
Revenues			
Government transfers			
Government of Canada	\$ -	\$ 2,648	\$ 2,905
Municipal levies			
General	1,667,562	1,667,562	-
Special	600,000	600,000	1,770,186
Authority generated			
User fees, sales and admissions	1,199,000	1,196,917	1,169,477
Land contribution (Note 6)	-	112,500	-
Other	12,000	148,869	129,575
	<u>3,478,562</u>	<u>3,728,496</u>	<u>3,072,143</u>
Expenses			
Programming (Page 27)	1,785,462	1,754,659	2,154,377
Development (Page 28)	-	71,945	226,561
	<u>1,785,462</u>	<u>1,826,604</u>	<u>2,380,938</u>
Annual surplus	1,693,100	1,901,892	691,205
<i>Acquisition of tangible capital assets</i>	<u>1,693,100</u>	<u>1,457,288</u>	<u>1,761,235</u>
<i>Annual surplus (deficit) after acquisition of tangible capital assets</i>	\$ -	\$ 444,604	\$ (1,070,030)

Niagara Peninsula Conservation Authority **Conservation Land Programming** **Schedule of Expenses**

Year ended December 31	2015 Budget	2015 Actual	2014 Actual
Conservation Land Programming			
Ball's Falls	\$ 462,666	\$ 464,288	\$ 604,045
Binbrook	315,618	294,770	343,527
Chippawa Creek	315,688	300,938	380,862
Long Beach	<u>315,893</u>	<u>346,570</u>	<u>363,432</u>
	1,409,865	1,406,566	1,691,866
Central workshop maintained areas	<u>375,597</u>	<u>348,093</u>	<u>462,511</u>
Expenses for the year	1,785,462	1,754,659	2,154,377
<i>Acquisition of tangible capital assets</i>	<u>-</u>	<u>-</u>	<u>4,910</u>
<i>Expenses for the year</i>	<u>\$ 1,785,462</u>	<u>\$ 1,754,659</u>	<u>\$ 2,159,287</u>

Niagara Peninsula Conservation Authority Conservation Land Development Schedule of Expenses

Year ended December 31	2015 Budget	2015 Actual	2014 Actual
Conservation Land Development			
Ball's Falls Heritage	\$ -	\$ 7,955	\$ 20,119
Binbrook	-	1,473	37,066
Chippawa Creek	-	21,631	-
Long Beach	-	3,625	1,705
	-	34,684	58,890
 Central workshop maintained areas			
Land acquisition	-	10,971	584
Ecological projects	-	13,893	-
Gainsborough	-	12,397	8,740
St. John's	-	-	1,064
St. John's Centre	-	-	157,283
	-	37,261	167,671
Expenses for the year	-	71,945	226,561
<i>Acquisition of tangible capital assets</i>	<u>1,693,100</u>	<u>1,457,288</u>	<u>1,756,325</u>
<i>Expenses for the year</i>	<u>\$ 1,693,100</u>	<u>\$ 1,529,233</u>	<u>\$ 1,982,886</u>

Niagara Peninsula Conservation Authority **Vehicles and Equipment** **Schedule of Segment Disclosure**

Year ended December 31	2015 Budget	2015 Actual	2014 Actual
Revenues			
Municipal levies			
General	\$ 132,600	\$ 132,600	\$ 101,440
Authority generated			
Other	<u>9,600</u>	<u>25,999</u>	<u>(4,783)</u>
	<u>142,200</u>	<u>158,599</u>	<u>96,657</u>
Expenses			
Operations			
Fuel	38,000	23,764	43,628
Maintenance and repairs	48,200	53,779	37,118
Supplies and small tools	4,000	2,629	2,258
Insurance	<u>-</u>	<u>1,093</u>	<u>6,102</u>
	90,200	81,265	89,106
Allocations to departments based on usage	<u>-</u>	<u>-</u>	<u>(41,634)</u>
	<u>90,200</u>	<u>81,265</u>	<u>47,472</u>
Annual surplus	52,000	77,334	49,185
<i>Acquisition of tangible capital assets</i>	<u>132,000</u>	<u>27,187</u>	<u>65,576</u>
<i>Annual surplus (deficit) after acquisition of tangible capital assets</i>	\$ <u>(80,000)</u>	\$ <u>50,147</u>	\$ <u>(16,391)</u>

Niagara Peninsula Conservation Authority

Schedule of Segment Disclosure by Object

Year ended December 31

	Corporate Services	Watershed	Operations	2015 Total
Revenues				
MNRF transfers	\$ 70,196	\$ 104,300	\$ -	\$ 174,496
Other transfers	-	383,452	2,648	386,100
Municipal levies	3,938,128	1,825,656	3,039,159	8,802,943
User fees, sales and admissions	244,013	-	1,206,127	1,450,140
NPCF	100,000	-	-	100,000
Administration fees	-	463,940	-	463,940
Interest	88,334	-	-	88,334
Land contribution	-	-	112,500	112,500
Other	43,954	163,556	195,851	403,361
	<u>\$ 4,484,625</u>	<u>\$ 2,940,904</u>	<u>\$ 4,556,285</u>	<u>\$ 11,981,814</u>
Expenses				
Salaries and benefits	\$ 1,497,345	\$ 2,262,222	\$ 2,001,014	\$ 5,760,581
Materials and supplies	934,114	347,370	541,070	1,822,554
Contracted services	203,638	446,015	75,232	724,885
Rent and financial expenses	233,179	479	-	233,658
Debt service	218,891	-	-	218,891
Intersegment transfers	-	-	-	-
	<u>3,087,167</u>	<u>3,056,086</u>	<u>2,617,316</u>	<u>8,760,569</u>
Annual surplus	<u>\$ 1,397,458</u>	<u>\$ (115,182)</u>	<u>\$ 1,938,969</u>	<u>\$ 3,221,245</u>

	Corporate Services	Watershed	Operations	2014 Total
Revenues				
MNRF transfers	\$ -	\$ 174,496	\$ -	\$ 174,496
Other transfers	-	543,434	2,905	546,339
Municipal levies	2,115,296	1,925,833	3,784,481	7,825,610
User fees, sales and admissions	215,213	-	1,179,128	1,394,341
NPCF	-	-	-	-
Administration fees	-	375,326	-	375,326
Interest	100,423	-	-	100,423
Land contribution	-	-	-	-
Other	91,934	303,445	147,803	543,182
	<u>\$ 2,522,866</u>	<u>\$ 3,322,534</u>	<u>\$ 5,114,317</u>	<u>\$ 10,959,717</u>
Expenses				
Salaries and benefits	\$ 1,534,812	\$ 2,216,346	\$ 1,884,308	\$ 5,635,466
Materials and supplies	1,011,243	637,206	879,526	2,527,975
Contracted services	198,106	167,682	18,982	384,770
Rent and financial expenses	183,932	6,155	26,820	216,907
Debt service	-	-	258,685	258,685
Intersegment transfers	-	-	-	-
	<u>2,928,093</u>	<u>3,027,389</u>	<u>3,068,321</u>	<u>9,023,803</u>
Annual surplus	<u>\$ (405,227)</u>	<u>\$ 295,145</u>	<u>\$ 2,045,996</u>	<u>\$ 1,935,914</u>