

**Central Lake Ontario  
Conservation Authority  
Non-Consolidated Financial Statements  
For the year ended December 31, 2017**

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## Independent Auditor's Report

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### To the Members of Central Lake Ontario Conservation Authority

We have audited the accompanying non-consolidated financial statements of Central Lake Ontario Conservation Authority, which comprise the non-consolidated statement of financial position as at December 31, 2017, and the non-consolidated statements of operations, changes in net financial assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these non-consolidated 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 non-consolidated 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 non-consolidated 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 non-consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the non-consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the non-consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the non-consolidated 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 entity'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 non-consolidated financial statements.

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



### Basis for Qualified Opinion

As explained in Note 7 to the non-consolidated financial statements, the Authority exercises control over Central Lake Ontario Conservation Fund. These financial statements have been prepared on a non-consolidated basis, which constitutes a departure from Canadian public sector accounting standards. This is a result of a decision taken by management in a prior year. If these financial statements had been prepared on a consolidated basis, cash would have been increased by \$18,271 (2016 - \$32,679), temporary investments would have been increased by \$2,178,216 (2016 - \$1,934,532), accounts receivable - other would have been increased by \$40 (2016 - \$21), accounts payable would have increased by \$2,950 (2016 - \$3,000), deferred revenue would have been increased by \$23,007 (2016 - \$23,007), deferred contributions would have increased by \$669,470 (2016 - \$438,862) and accumulated surplus would have been increased by \$1,501,100 (2016 - \$1,502,363). Our opinion on the non-consolidated financial statements for the year ended December 31, 2016 was modified accordingly because of the effects of this departure from Canadian public sector accounting standards.

### Qualified Opinion

In our opinion, except for the effects of the matters described in the Basis for Qualified Opinion paragraph, the non-consolidated financial statements present fairly, in all material respects, the financial position of Central Lake Ontario Conservation Authority as at December 31, 2017 and the results of its operations, changes in net assets and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

*BDO Canada LLP*

Chartered Professional Accountants, Licensed Public Accountants

Oshawa, Ontario  
April 17, 2018

**Central Lake Ontario Conservation Authority**  
**(Established under the Conservation Authorities Act of Ontario)**  
**Non-Consolidated Statement of Financial Position**

**December 31** **2017** **2016**

**Financial assets**

Cash	\$ 243,894	\$ 152,887
Temporary investments (Note 1)	3,925,876	3,636,247
Accounts receivable		
Government grants and projects	479,757	344,877
Other	313,668	156,905
	<b>4,963,195</b>	<b>4,290,916</b>

**Liabilities**

Accounts payable and accrued liabilities	375,752	322,631
Vehicle loan	43,147	-
Deferred revenue (Note 2)	956,560	879,401
Employee future benefits payable (Note 3)	693,852	627,175
Vacation pay liability	75,156	70,539
Sick leave entitlements (Note 4)	381,943	346,006
	<b>2,526,410</b>	<b>2,245,752</b>

**Net Financial Assets**

**2,436,785** **2,045,164**

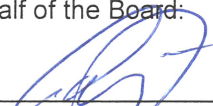
**Non-financial assets**

Prepaid expenses	61,647	46,144
Tangible capital assets (Note 9)	30,382,277	30,082,712
Construction in progress	11,031	-
	<b>30,454,955</b>	<b>30,128,856</b>

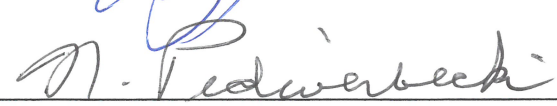
**Accumulated surplus (Note 5)**

**\$ 32,891,740** **\$ 32,174,020**

On behalf of the Board:

  
 \_\_\_\_\_

Director

  
 \_\_\_\_\_

Director

**Central Lake Ontario Conservation Authority**  
**(Established under the Conservation Authorities Act of Ontario)**  
**Non-Consolidated Statement of Operations**

<b>For the year ended December 31</b>	2017 Budget (Note 6)	2017 Actual	2016 Actual
<b>Revenue</b>			
Government grants			
Transfer payments	\$ 125,000	\$ 124,833	\$ 124,833
Provincial other	6,200	6,196	11,953
Federal	336,560	228,201	152,343
Municipal levy	3,728,932	3,728,933	3,637,985
Special regional levy	50,000	50,000	52,340
Other grants	14,875	-	22,270
Authority generated	2,807,038	3,297,866	3,071,714
Gain on disposition of tangible capital assets	-	1,272	1,875
	<u>7,068,605</u>	<u>7,437,301</u>	<u>7,075,313</u>
<b>Expenses (Note 10)</b>			
Corporate services	1,400,880	1,484,701	1,480,207
Watershed management and monitoring	1,068,455	1,115,821	1,042,859
Environmental plan review and regulations	1,378,035	1,400,666	1,107,912
Community engagement	726,995	760,608	773,321
C.A. land management	1,150,605	1,101,149	1,154,864
Oak Ridges Moraine Groundwater Program	836,100	856,636	850,926
	<u>6,561,070</u>	<u>6,719,581</u>	<u>6,410,089</u>
<b>Annual surplus</b>	<u>\$ 507,535</u>	<u>\$ 717,720</u>	<u>\$ 665,224</u>
<b>Accumulated surplus, beginning of year</b>		<b>\$ 32,174,020</b>	<b>\$ 31,508,796</b>
<b>Annual surplus</b>		<u>717,720</u>	<u>665,224</u>
<b>Accumulated surplus, end of year</b>		<u><b>\$ 32,891,740</b></u>	<u><b>\$ 32,174,020</b></u>

The accompanying summary of significant accounting policies and notes are an integral part of these non-consolidated financial statements.

**Central Lake Ontario Conservation Authority**  
**(Established under the Conservation Authorities Act of Ontario)**  
**Non-Consolidated Statement of Changes in Net Financial Assets**

<b>For the year ended December 31</b>	2017 Budget (Note 6)	2017 Actual	2016 Actual
<b>Annual Surplus</b>	\$ 507,535	\$ 717,720	\$ 665,224
Acquisition of tangible capital assets	(507,535)	(631,225)	(335,675)
Amortization	-	315,805	291,325
Gain on disposition of tangible capital assets	-	(1,272)	(1,875)
Proceeds on disposal of tangible capital assets	-	17,127	16,629
Construction in progress	-	(11,031)	-
	(507,535)	(310,596)	(29,596)
Change in prepaid expenses	-	(15,503)	4,912
<b>Change in net financial assets</b>	-	391,621	640,540
<b>Net financial assets</b> , beginning of year	2,045,164	2,045,164	1,404,624
<b>Net financial assets</b> , end of year	\$ 2,045,164	\$ 2,436,785	\$ 2,045,164

**Central Lake Ontario Conservation Authority**  
**(Established under the Conservation Authorities Act of Ontario)**  
**Non-Consolidated Statement of Cash Flows**

<b>For the year ended December 31</b>	<b>2017</b>	<b>2016</b>
<b>Cash provided by (used in)</b>		
<b>Cash flows from operating activities</b>		
Annual surplus	\$ 717,720	\$ 665,224
Items not involving cash		
Amortization	315,805	291,325
Gain on disposition of tangible capital assets	(1,272)	(1,875)
Changes in non-cash operating balances		
Accounts receivable		
Government grants and projects	(134,880)	125,501
Other	(156,763)	5,648
Prepaid expenses	(15,503)	4,912
Accounts payable and accrued liabilities	53,121	2,773
Deferred revenue	77,159	220,932
Employee future benefits payable	66,677	59,965
Vacation pay liability	4,617	(2,660)
Sick leave entitlements	35,937	25,760
	<u>962,618</u>	<u>1,397,505</u>
<b>Capital transactions</b>		
Acquisition of tangible capital assets	(631,225)	(335,675)
Proceeds on disposition of tangible capital assets	17,127	16,629
Construction in progress	(11,031)	-
	<u>(625,129)</u>	<u>(319,046)</u>
<b>Cash flows from financing activity</b>		
Proceeds from vehicle loan	44,167	-
Repayment of vehicle loan	(1,020)	-
	<u>43,147</u>	<u>-</u>
<b>Net change in cash and cash equivalents</b>	<b>380,636</b>	<b>1,078,459</b>
<b>Cash and cash equivalents, beginning of year</b>	<b>3,789,134</b>	<b>2,710,675</b>
<b>Cash and cash equivalents, end of year</b>	<b>\$ 4,169,770</b>	<b>\$ 3,789,134</b>
<b>Represented by:</b>		
Cash	\$ 243,894	\$ 152,887
Short-term deposits with maturities of three months or less (Note 1)	3,925,876	3,636,247
	<u>\$ 4,169,770</u>	<u>\$ 3,789,134</u>

The accompanying summary of significant accounting policies and notes are an integral part of these non-consolidated financial statements.

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**Central Lake Ontario Conservation Authority**  
**(Established under the Conservation Authorities Act of Ontario)**  
**Summary of Significant Accounting Policies**

**December 31, 2017**

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**Management Responsibility  
and Basis of Presentation**

The non-consolidated financial statements of the entity are the responsibility of management. They have been prepared in accordance with Canadian public sector accounting standards established by the Public Sector Accounting Board.

**Nature of Business**

The Central Lake Ontario Conservation Authority was established on July 17, 1958 by Order-in-Council No. 2389/58 in accordance with the Conservation Authorities Act of Ontario. The objects of the Authority as stated by the Conservation Authorities Act R.S.O. 1990 are "to establish and undertake, in the area over which it has jurisdiction, a program designed to further the conservation, restoration, development and management of natural resources other than gas, oil, coal and minerals".

**Cash and Cash Equivalents**

Cash and cash equivalents consist of cash on hand, bank balances and investments in commercial paper from chartered banks with maturities of three months or less.

**Tangible Capital Assets**

Tangible capital assets are recorded at cost less accumulated amortization. Cost includes all costs directly attributable to acquisition or construction of tangible capital assets. Contributed tangible capital assets are recorded at fair value at the time of the donation, with a corresponding amount recorded as revenue. Amortization is recorded on a straight-line basis over the estimated life of the tangible capital asset as follows:

Land improvements	5 - 50 years
Building and building improvements	5 - 50 years
Infrastructure	8 - 50 years
Machinery and equipment	3 - 25 years
Computer hardware and software	3 - 10 years
Vehicles	5 - 15 years
Furniture and fixtures	10 years



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**Central Lake Ontario Conservation Authority**  
**(Established under the Conservation Authorities Act of Ontario)**  
**Summary of Significant Accounting Policies**

**December 31, 2017**

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<b>Reserves</b>	Certain amounts, as approved by the Board of Directors, are set aside in reserves for future operating and capital purposes. Transfers to and/or from reserves are an adjustment to the respective reserve when approved.
<b>Revenue Recognition</b>	Municipal revenues are recognized in the year they are levied to member municipalities. Other revenues are recognized when they are invoiced and collection is reasonably assured.
<b>Government Transfers</b>	Government transfers are recognized as revenue in the financial statements when the transfer is authorized and any eligibility criteria are met, except to the extent that transfer stipulations give rise to an obligation that meets the definition of a liability. Transfers are recognized as deferred revenue when transfer stipulations give rise to a liability. Transfer revenue is recognized in the statement of operations as the stipulation liabilities are settled.
<b>Use of Estimates</b>	The preparation of non-consolidated financial statements in accordance with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosures of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenditures during the year. The principal estimates and judgments used in the preparation of these non-consolidated financial statements are the estimated useful life of tangible capital assets, impairment of tangible capital assets and the estimates involved in employee future benefits and sick leave entitlements. Actual results could differ from management's best estimates as additional information becomes available in the future.

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**Central Lake Ontario Conservation Authority**  
**(Established under the Conservation Authorities Act of Ontario)**  
**Summary of Significant Accounting Policies**

**December 31, 2017**

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**Employee Future Benefits**

The Authority provides defined retirement and other future benefits to specified employee groups. These benefits include pension, life insurance and health care benefits for retirees. The Authority has adopted the following policies with respect to accounting for these employee benefits:

(i) The costs of employee future benefit plans are actuarially determined using their professional estimate of salary escalation, insurance and health care cost trends, long-term inflation rates and discount rates.

For employee future benefits that vest or accumulate over the periods of service provided by employees, such as life insurance and health benefits for retirees, the cost is actuarially determined using the projected benefit method prorated on service. Under this method, the benefit costs are recognized over the expected average service life of the employee group.

(ii) The Authority is an employer member of the Ontario Municipal Employees Retirement System (OMERS), which is a multi-employer, defined benefit pension plan. The Board of Trustees, representing plan members and employers, is responsible for overseeing the management of the pension plan, including investment of the assets and administration of the benefits. The Authority has adopted defined contribution plan accounting principles for this Plan because insufficient information is available to apply defined benefit plan accounting principles. The Authority records as pension expense the current service cost, amortization of past service costs and interest costs related to the future employer contributions to the Plan for past employee service.

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**Central Lake Ontario Conservation Authority**  
**(Established under the Conservation Authorities Act of Ontario)**  
**Notes to Non-Consolidated Financial Statements**

**December 31, 2017**

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**1. Temporary Investments**

Temporary investments are comprised of Guaranteed Investment Certificates from chartered banks with effective interest rates ranging from 0.95% to 1.2% and which mature between January 2018 and April 2018.

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**2. Deferred Revenue**

Effective for 2014 onwards, all grants previously deferred, which do not have an explicit stipulation, have been recognized as revenue. At the year end, the Authority had received but not earned revenue in the amount of \$956,560.

	2017	2016
Facility fees and deposits	\$ 3,780	\$ 2,625
Fill Sites	167,790	171,700
YPDT - CTC	101,431	125,132
Plan review fees	649,133	545,518
Other	34,426	34,426
	\$ 956,560	\$ 879,401

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**3. Employee Future Benefits Payable**

At December 31, 2017, the Authority's accrued benefit liability relating to post retirement benefit plans is as follows:

	2017	2016
<b>Accrued benefit liability</b> , beginning of year	\$ 627,175	\$ 567,210
Current service costs	49,810	48,010
Interest cost on obligation	22,681	20,208
Employer contribution	(2,118)	(4,235)
Amortized gains and losses	(3,696)	(4,018)
	\$ 693,852	\$ 627,175

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**Central Lake Ontario Conservation Authority**  
**(Established under the Conservation Authorities Act of Ontario)**  
**Notes to Non-Consolidated Financial Statements**

**December 31, 2017**

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**3. Employee Future Benefits Payable (continued)**

(i) Ontario Municipal Employees Retirement System (OMERS)

OMERS provides pension services to more than 482,000 active and retired members and approximately 1,000 employers. Each year an independent actuary determines the funding status of OMERS Primary Pension Plan (the "Plan") by comparing the actuarial value of invested assets to the estimated present value of all pension benefits that members have earned to date. The most recent actuarial valuation of the Plan was conducted at December 31, 2017. The results of the valuation disclosed total actuarial liabilities of \$94,431 million in respect of benefits accrued for service with actuarial assets at that date of \$89,028 million indicating an actuarial deficit of \$5,403 million. Because OMERS is a multi-employer plan, any pension plan surpluses or deficits are a joint responsibility of Ontario municipal organizations and their employees. As a result, the Authority does not recognize any share of the OMERS pension surplus or deficit. Contributions made by the Authority to OMERS for 2017 were \$399,959 (2016 - \$381,294).

(ii) Retirement Life Insurance and Health Care Benefits

The Authority continues to provide life insurance (reduced by 50% for early retirees), dental and health care benefits to certain employee groups after retirement for 5 years or age 65, whichever comes first. The Authority provides these benefits through an unfunded defined benefit plan. The benefit costs and liabilities related to this plan are based on an actuarial valuation prepared by an independent firm. The date of the last actuarial valuation was as at December 31, 2015.

The accrued benefit obligations for employee future benefit plans as at December 31, 2017 are based on an extrapolated actuarial valuation for accounting purposes as at December 31, 2017. These actuarial valuations were based on assumptions about future events. The economic assumptions used in these valuations are the Authority's best estimates of expected rates of:

	2017	2016
Salary escalation (*)	3.50%	3.50%
Insurance and health care costs escalation	4.0-8.5%	4.0-8.5%
Discount on accrued benefit obligations	3.25-3.75%	3.75%

(\*) Salary escalation is based on long-term projections for inflation, real wages and increases for merit. Actual salaries are paid according to a payroll grid. The overall grid rates increased by 1.50% (2016 - 1.25%) over the prior year.

**Central Lake Ontario Conservation Authority**  
**(Established under the Conservation Authorities Act of Ontario)**  
**Notes to Non-Consolidated Financial Statements**

**December 31, 2017**

**4. Sick Leave Entitlements**

The Authority provides permanent employees with sick leave credits of 1.5 days per month of service, which accumulates if unused and is available for use in the event that the employee becomes ill. No benefits are payable on retirement or termination of employment. The sick leave entitlement estimates the use of accumulated sick leave prior to retirement.

At December 31, 2017, the Authority's accrued sick leave entitlement is as follows:

	<u>2017</u>	<u>2016</u>
<b>Sick leave entitlements</b> , beginning of year	\$ 346,006	\$ 320,246
Current service costs	31,085	30,034
Interest cost on obligation	11,229	10,055
Benefits paid during the year	(3,248)	(10,928)
Amortized gains and losses	(3,129)	(3,401)
<b>Sick leave entitlements</b> , end of year	<u>\$ 381,943</u>	<u>\$ 346,006</u>

**5. Accumulated Surplus**

The Authority segregates its accumulated surplus in the following categories:

	<u>2017</u>	<u>2016</u>
Surplus - investment in tangible capital assets (a)	\$ 30,382,277	\$ 30,082,712
Surplus - investment in asset under construction	11,031	-
	<u>30,393,308</u>	<u>30,082,712</u>
Reserve funds:		
Working capital (b)	1,979,181	1,646,361
Vehicles and equipment (c)	133,108	96,959
Land operations (d)	120,000	94,500
Land acquisition (e)	4,070	4,070
Forest management (f)	124,497	124,497
Rogers capital project (g)	123,812	111,311
Schillings land acquisition (h)	13,764	13,610
Total reserves	<u>2,498,432</u>	<u>2,091,308</u>
Accumulated surplus	<u>\$ 32,891,740</u>	<u>\$ 32,174,020</u>

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**Central Lake Ontario Conservation Authority**  
**(Established under the Conservation Authorities Act of Ontario)**  
**Notes to Non-Consolidated Financial Statements**

**December 31, 2017**

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**5. Accumulated Surplus (continued)**

**a) Investment in Tangible Capital Assets**

The investment in tangible capital assets represents amounts already spent and invested in infrastructure and other non-financial assets.

**b) Reserve for Working Capital**

This reserve was established to provide operating funds. No provincial funds are included in this reserve.

**c) Reserve for Replacement of Vehicles and Equipment**

This reserve was established for the purchase and replacement of vehicles and equipment. No provincial funds are included in this reserve.

**d) Reserve for Land Operations**

This reserve was established from the surplus from construction contracts. The funds will be used towards future land operations. There are no provincial funds included in this reserve.

**e) Reserve for Land Acquisition**

This reserve was established from the sale of properties in the Municipality of Clarington. No provincial funds are included in this reserve.

**f) Forest Management Reserve**

The reserve was established from the net revenue from timber sales on Authority properties for future management costs relating to Authority forest properties.

**g) Reserve for Rogers Capital Project**

The reserve was established from the surplus from the Rogers project. The funds will be used towards future capital improvements to the Rogers project.

**h) Reserve for Schillings Land Acquisition**

A condition of the Nature Conservancy of Canada/OQO funding agreement requires CLOCA to establish an endowment fund for the property equivalent to 15% of the land value (\$13,500). The endowment fund is to be invested in such a way as to produce an investment return in the capital which will be used for stewardship of the land.

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**Central Lake Ontario Conservation Authority**  
**(Established under the Conservation Authorities Act of Ontario)**  
**Notes to Non-Consolidated Financial Statements**

**December 31, 2017**

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**6. Budget Figures (Unaudited)**

The 2017 budget amounts approved by the Board of Directors on May 16, 2017 were not prepared on a basis consistent with that used to report actual results under Public Sector Accounting Standards. The budget was prepared on a modified accrual basis while Public Sector Accounting Standards now require full accrual basis. The budget figures anticipated use of surpluses accumulated in previous years to reduce current year expenditures in excess of current revenues to \$Nil. In addition, the budget expensed all tangible capital expenditures rather than including amortization expense. As a result, the budget figures presented in the statement of operations and changes in net financial assets represent the budget adopted by the Authority on May 16, 2017 adjusted for the acquisition of tangible capital assets of \$507,535.

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**7. Reporting Entity**

The Authority exercises control over the Central Lake Ontario Conservation Fund (the "Fund") by virtue of its common board members. The Fund was established to raise funds and obtain resources for the exclusive use of the Authority. The Fund is incorporated without share capital and is a registered charity under the Income Tax Act. Included in accounts receivable at December 31, 2017 is \$1,476 (2016 - \$1,526) owing from the Fund.

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**8. Segmented Reporting**

The Public Sector Accounting Handbook Section PS 2700, Segment Disclosures, establishes standards on defining and disclosing segments in a government's financial statements. Government organizations that apply these standards are encouraged to provide the disclosures established by this section when their operations are diverse enough to warrant such disclosures. The Authority's operations are not diverse enough to warrant these disclosures.

**Central Lake Ontario Conservation Authority**  
**(Established under the Conservation Authorities Act of Ontario)**  
**Notes to Non-Consolidated Financial Statements**

December 31, 2017

**9. Tangible Capital Assets**

	2017								
	Land	Building & Building Improvements	Infrastructure	Machinery & Equipment	Computer Hardware & Software	Vehicles	Furniture & Fixtures	Total	
Cost, beginning of year	\$24,214,006	\$ 1,371,075	\$ 5,651,911	\$ 995,244	\$ 714,008	\$ 385,294	\$ 436,187	\$ 113,601	\$ 33,881,326
Additions	156,186	100,294	104,008	70,566	33,811	157,660	8,700		631,225
Disposals	-	-	(13,080)	(20,213)	-	(85,355)	-		(118,648)
Cost, end of year	24,214,006	1,527,261	5,752,205	1,086,172	764,361	419,105	508,492	122,301	34,393,903
Accumulated amortization, beginning of year	-	758,068	1,276,747	593,238	489,744	320,685	250,844	109,288	3,798,614
Amortization Disposals	-	49,376	125,044	36,253	38,796	23,614	39,170	3,552	315,805
Accumulated amortization, end of year	-	-	-	(12,305)	(19,211)	-	(71,277)	-	(102,793)
Net carrying amount, end of year	-	807,444	1,401,791	617,186	509,329	344,299	218,737	112,840	4,011,626
	\$24,214,006	\$ 719,817	\$ 4,350,414	\$ 468,986	\$ 255,032	\$ 74,806	\$ 289,755	\$ 9,461	\$ 30,382,277



**Central Lake Ontario Conservation Authority**  
**(Established under the Conservation Authorities Act of Ontario)**  
**Notes to Non-Consolidated Financial Statements**

December 31, 2017

9. Tangible Capital Assets (continued)

								2016	
	Land	Land Improvements	Building & Building Improvements	Infrastructure	Machinery & Equipment	Computer Hardware & Software	Vehicles	Furniture & Fixtures	Total
Cost, beginning of year	\$24,116,761	\$ 1,371,075	\$ 5,601,455	\$ 961,227	\$ 707,567	\$ 350,355	\$ 428,702	\$ 113,601	\$33,650,743
Additions	111,985	-	50,456	34,017	38,970	44,890	55,357	-	335,675
Disposals	(14,740)	-	-	-	(32,529)	(9,951)	(47,872)	-	(105,092)
Cost, end of year	24,214,006	1,371,075	5,651,911	995,244	714,008	385,294	436,187	113,601	33,881,326
Accumulated amortization, beginning of year	-	709,213	1,154,683	560,099	488,195	312,592	266,716	106,129	3,597,627
Amortization Disposals	-	48,855	122,064	33,139	34,064	18,044	32,000	3,159	291,325
Accumulated amortization, end of year	-	-	-	-	(32,515)	(9,951)	(47,872)	-	(90,338)
Net carrying amount, end of year	-	758,068	1,276,747	593,238	489,744	320,685	250,844	109,288	3,798,614
Net carrying amount, end of year	\$24,214,006	\$ 613,007	\$ 4,375,164	\$ 402,006	\$ 224,264	\$ 64,609	\$ 185,343	\$ 4,313	\$30,082,712

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**Central Lake Ontario Conservation Authority**  
**(Established under the Conservation Authorities Act of Ontario)**  
**Notes to Non-Consolidated Financial Statements**

**December 31, 2017**

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**10. Expenses by Object**

	<u>2017</u>	<u>2016</u>
Wages and benefits	\$ 5,072,410	\$ 4,814,961
Members' expense	10,090	8,892
Professional fees and insurance	142,425	125,655
Corporate communications	7,888	6,359
Office equipment and supplies	66,103	64,519
Conservation area maintenance and planning	193,989	118,995
Head office utilities and office maintenance	122,661	123,268
Computer and geomatics	55,918	55,228
Amortization	315,805	291,325
Program related expenses	520,003	552,195
Vehicle and equipment	56,243	66,162
Property management	156,046	182,530
	<u>\$ 6,719,581</u>	<u>\$ 6,410,089</u>

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**11. Comparative Figures**

Certain comparative figures have been reclassified to conform to the current year's presentation. Annual surplus of the previous year is not affected by any reclassification.