

**Kawartha Region Conservation Authority**  
**Financial Statements**  
**For the year ended December 31, 2024**

**Kawartha Region Conservation Authority**  
**Financial Statements**  
**For the year ended December 31, 2024**

	<b>Contents</b>
<b>Management's Responsibility</b>	<b>2</b>
<b>Independent Auditor's Report</b>	<b>3 - 4</b>
<b>Financial Statements</b>	
Statement of Financial Position	<b>5</b>
Statement of Operations and Accumulated Surplus	<b>6</b>
Statement of Change in Net Financial Assets	<b>7</b>
Statement of Cash Flows	<b>8</b>
<b>Notes to the Financial Statements</b>	<b>9 - 21</b>
<b>Schedules</b>	<b>22 - 27</b>

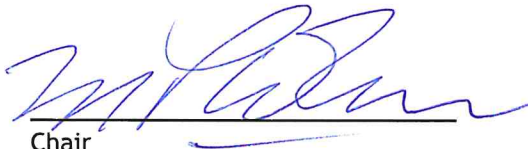
## MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The accompanying financial statements of Kawartha Region Conservation Authority (the "Authority") are the responsibility of the Authority's management and have been prepared in compliance with legislation, and in accordance with generally accepted accounting principles for local governments established by the Public Sector Accounting Board of The Chartered Professional Accountants of Canada. A summary of the significant accounting policies are described in Note 1 to the financial statements. The preparation of financial statements necessarily involves the use of estimates based on management's judgment, particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods.

The Authority's management maintains a system of internal controls designed to provide reasonable assurance that assets are safeguarded, transactions are properly authorized and recorded in compliance with legislative and regulatory requirements, and reliable financial information is available on a timely basis for preparation of the financial statements. These systems are monitored and evaluated by Management.

Members meet with Management and the external auditors to review the financial statements and discuss any significant financial reporting or internal control matters prior to their approval of the financial statements.

The financial statements have been audited by BDO Canada LLP, independent external auditors appointed by the Authority. The accompanying Independent Auditor's Report outlines their responsibilities, the scope of their examination and their opinion on the Authority's financial statements.



Chair  
Pat Warren  
May 22, 2025

Signed by:  
  
FFF74E7EA48142E...

Vice Chair  
Harold Wright  
May 22, 2025



Tel: 705 726 6331  
Fax: 705 722 6588  
www.bdo.ca

BDO Canada LLP  
300 Lakeshore Drive, Suite 300  
Barrie, ON, Canada, L4N 0B4

---

## Independent Auditor's Report

---

### To the Members of Kawartha Region Conservation Authority

#### Opinion

We have audited the financial statements of Kawartha Region Conservation Authority, (the "Authority") which comprise the statement of financial position as at December 31, 2024, and the statements of operations and accumulated surplus, change 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 the Authority as at December 31, 2024, and the results of its operations, changes in net financial assets, and 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 the 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 the 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 the Authority's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Authority or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the 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 the Authorities internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Authorities 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 Authorities 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Authority to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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.

*BDO Canada LLP*

Chartered Professional Accountants, Licensed Public Accountants

Barrie, Ontario  
May 22, 2025

## Kawartha Region Conservation Authority Statement of Financial Position

December 31	2024	2023
<b>Financial assets</b>		
Cash and cash equivalents (Note 3)	\$ 3,343,656	\$ 3,611,626
Accounts receivable (Note 4)	<u>299,430</u>	<u>332,045</u>
	<u>3,643,086</u>	<u>3,943,671</u>
<b>Financial liabilities</b>		
Accounts payable and accrued liabilities	526,760	448,398
Deferred revenue (Note 5)	753,762	1,140,053
Deferred revenue - source water protection (Note 5)	86,096	75,599
Deferred revenue - planning and regulation (Note 5)	541,090	469,980
Deferred capital contributions	<u>47,164</u>	<u>62,412</u>
	<u>1,954,872</u>	<u>2,196,442</u>
<b>Net financial assets</b>	<u>1,688,214</u>	<u>1,747,229</u>
<b>Non-financial assets</b>		
Tangible capital assets (Note 6)	4,053,438	3,722,398
Prepaid expenses	<u>40,516</u>	<u>28,191</u>
	<u>4,093,954</u>	<u>3,750,589</u>
<b>Accumulated surplus (Note 9)</b>	<u>\$ 5,782,168</u>	<u>\$ 5,497,818</u>

### Contingent Liabilities (Note 12)

Approved by Board

 Chair

Signed by:



FFF74E7EA48142E...

Vice Chair

## Kawartha Region Conservation Authority

### Statement of Operations and Accumulated Surplus

For the year ended December 31	Budget 2024 (Note 2)	2024	2023
<b>Revenue</b>			
Municipal levies:			
General operating - Category 1	\$ 1,654,218	\$ 1,654,218	\$ 1,715,325
General operating - Category 3	103,990	45,887	-
Special operating - Category 1	132,660	109,698	67,625
General benefiting - Category 1	15,000	19,361	-
General Benefiting - Category 3	25,000	20,661	33,018
Speical benefiting - Category 2	1,041,875	1,020,942	702,840
	2,972,743	2,870,767	2,518,808
Planning and development services (Schedule A)	609,100	469,376	629,741
Integrated watershed management (Schedule B)	118,650	71,955	104,493
Stewardship and conservation lands (Schedule C)	116,000	381,203	99,912
Corporate services (Schedule D)	75,000	172,894	208,581
Special projects (Schedule E)	343,975	345,958	395,843
Capital contributions	-	53,236	22,953
	4,235,468	4,365,389	3,980,331
<b>Expenses</b>			
Planning and development services (Schedule A)	811,250	786,925	823,293
Integrated watershed management (Schedule B)	518,498	513,521	554,684
Stewardship and conservation lands (Schedule C)	453,492	552,728	512,448
Corporate services (Schedule D)	938,718	765,284	854,822
Special projects (Schedule E)	1,558,510	1,462,581	1,137,312
	4,280,468	4,081,039	3,882,559
<b>Annual surplus (deficit)</b>	(45,000)	284,350	97,772
<b>Accumulated surplus, beginning of year</b>	5,497,818	5,497,818	5,400,046
<b>Accumulated surplus, end of year</b>	\$ 5,452,818	\$ 5,782,168	\$ 5,497,818

The accompanying notes are an integral part of these financial statements

## Kawartha Region Conservation Authority

### Statement of Change in Net Financial Assets

For the year ended December 31	Budget 2024 (Note 2)	2024	2023
Annual surplus (deficit)	\$ (45,000)	\$ 284,350	\$ 97,772
Acquisition of tangible capital assets	-	(430,646)	(143,515)
Amortization of tangible capital assets	-	95,056	78,833
Loss on disposal of tangible capital assets	-	2,089	2,511
	(45,000)	(49,151)	35,601
Change in prepaid expenses	-	(12,325)	8,710
Proceeds on disposal of tangible capital assets	-	2,461	-
	-	(9,864)	8,710
Change in net financial assets	(45,000)	(59,015)	44,311
Net financial assets, beginning of year	1,747,229	1,747,229	1,702,918
Net financial assets, end of year	\$ 1,702,229	\$ 1,688,214	\$ 1,747,229

The accompanying notes are an integral part of these financial statements

## Kawartha Region Conservation Authority

### Statement of Cash Flows

For the year ended December 31	2024	2023
<b>Operating Transactions</b>		
Annual surplus	\$ 284,350	\$ 97,772
Non-cash changes to operations:		
Amortization of tangible capital assets	95,056	78,833
Loss on disposal of tangible capital assets	2,089	2,511
Changes in non-cash operating items:		
Accounts receivable	32,615	(8,707)
Prepaid expenses	(12,325)	8,710
Accounts payable and accrued liabilities	78,362	58,110
Deferred revenue	(386,291)	128,997
Deferred revenue - source water protection	10,497	(30,010)
Deferred revenue - planning and regulation	71,110	15,976
<b>Total Operating Transactions</b>	<b>175,463</b>	<b>352,192</b>
<b>Capital Transactions</b>		
Deferred capital contributions	(15,248)	6,972
Proceeds on disposal of tangible capital assets	2,461	-
Acquisition of tangible capital assets	(430,646)	(143,515)
<b>Total Capital Transactions</b>	<b>(443,433)</b>	<b>(136,543)</b>
<b>Increase (decrease) in Cash and cash equivalents</b>	<b>(267,970)</b>	<b>215,649</b>
<b>Cash and cash equivalents, beginning of year</b>	<b>3,611,626</b>	<b>3,395,977</b>
<b>Cash and cash equivalents, end of year</b>	<b>\$ 3,343,656</b>	<b>\$ 3,611,626</b>
<b>Supplemental cash flow information:</b>		
Cash	\$ 3,288,081	\$ 3,558,407
Money market funds	55,575	53,219

The accompanying notes are an integral part of these financial statements

## Kawartha Region Conservation Authority Notes to the Financial Statements

**December 31, 2024**

---

### **1. Summary of Significant Accounting Policies**

#### **Nature of the Authority**

Kawartha Region Conservation Authority (the "Authority") was established on October 31, 1979, in accordance with Section 3(1) of the Conservation Authorities Act of Ontario. The Authority is classified as a registered charity under the Income Tax Act (Canada) and as such, is not subject to income taxes provided certain disbursement requirements are met. The objective of the Authority, as stated by the Conservation Authorities Act R.S.O. 1990 is "to provide for the organization and delivery of programs and services that further the conservation, restoration, development and management of natural resources in watersheds in Ontario".

#### **Management's Responsibility**

The financial statements of the Authority are the responsibility of management. They have been prepared in accordance with Canadian public sector accounting standards established by the Public Sector Accounting Board ("PSAB") of The Chartered Professional Accountants of Canada.

#### **Basis of Accounting**

Revenue and expenses are reported on the accrual basis of accounting whereby they are reflected in the accounts in the year in which they have been earned and incurred, respectively, whether or not such transactions have been settled by the receipt or payment of money.

Various revenue and expense items flow through the statement of financial activities based on their general nature in relation to operating activities. To the extent that these revenue and expense items relate to specific reserve balances, these items are reflected on Schedule F - Continuity of Reserves.

#### **Cash and Cash Equivalents**

Cash and cash equivalents comprise cash on hand, demand deposits and short-term cashable investments. Short-term investments are highly liquid, subject to insignificant risk of changes in value.



Kawartha Region Conservation Authority  
Notes to the Financial Statements

December 31, 2024

1. Summary of Significant Accounting Policies (continued)

Non-Financial Assets, Tangible Capital Assets

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They have useful lives extending beyond the current year, and are not intended for sale in the ordinary course of operations.

(i) Tangible Capital Assets

Tangible capital assets are recorded at cost, less accumulated amortization. Cost includes all amounts directly attributable to acquisition, construction, development or betterment of the tangible capital asset including transportation costs, installation costs, design and engineering fees, legal fees and site preparation costs. Amortization is recorded on a straight-line basis over the estimated life of the tangible capital asset using the following rates:

Buildings	10 - 40 years
Conservation area improvements	10 - 50 years
Gauge stations and monitoring wells	10 - 50 years
Vehicles	10 years
Furniture and fixtures	7 - 10 years
Equipment	5 - 10 years
Computers and computer software	3 - 10 years

Assets under construction are not amortized until the asset is available for productive use, at which time, they are capitalized.

(ii) Contributed Tangible Capital Assets

Tangible capital assets received as contributions are recorded at the fair value at the date of receipt.

Vacation pay and lieu time liabilities

Vacation credits earned but not taken and lieu time entitlements are accrued as earned. Vacation credits earned do not vest over time.

Reserves

Reserves are established under approval of the Kawartha Region Conservation Authority Board of Directors. The recommendation of reserves and appropriations fall under the authority of the CAO and the Director of Corporate Services. Increases or decreases in these reserves are made by appropriations to or from operations. Any use of funds from a reserve shall be authorized by the Board of Directors as outlined in procedure.

## Kawartha Region Conservation Authority

### Notes to the Financial Statements

December 31, 2024

#### 1. Summary of Significant Accounting Policies (continued)

##### Government transfers

Government transfers and municipal levies 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. Government transfers and municipal levies are recognized as deferred revenue when transfer stipulations give rise to a liability. Government transfers and municipal levies are recognized in the statement of operations as the stipulation liabilities are settled.

##### Restricted Revenue

Contributions, other than government transfers, are deferred when restrictions are placed on their use by the external contributor, and are recognized as revenue when used for the purpose specified. Contributions relating to capital assets are deferred and amortized over the useful life of the related asset.

##### Other Revenue

Revenue from transactions with performance obligations is recognized when (at a point in time) or as (over a period of time) the organization satisfies the performance obligations, which occurs when control of the benefits associated with the promised goods or services has passed to the payor.

Other grants, donations and contributions, investment income and authority-generated revenue including permit fees are recognized when the related services are performed.

##### Pension Plan

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.

##### Use of Estimates

The preparation of the 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 and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. The principal estimates used in the preparation of these financial statements include accounts receivable, estimated provisions for accrued liabilities, the estimated useful lives of tangible capital assets and valuation of tangible capital assets. Actual results could differ from management's best estimates as additional information becomes available in the future.

---

## Kawartha Region Conservation Authority

### Notes to the Financial Statements

**December 31, 2024**

---

#### **1. Summary of Significant Accounting Policies (continued)**

##### **Financial Instruments**

Cash and equity instruments quoted in an active market are measured at fair value. Accounts receivable and accounts payable are measured at cost or amortized cost. The carrying amount of each of these financial instruments is presented on the statement of financial position.

All financial assets are tested annually for impairment. When financial assets are impaired, impairment losses are recorded in the statement of operations.

Transaction costs are added to the carrying value for financial instruments measured using cost or amortized cost. Transaction costs are expensed for financial instruments measured at fair value.

The Authority's financial assets comprise of cash and cash equivalents including investments which are recorded at fair value; and accounts receivable which are recorded at amortized cost. The Authority's financial liabilities comprise of accounts payable and accrued liabilities which are recorded at amortized cost.

##### **Asset Retirement Obligation**

A liability for an asset retirement obligation is recognized when there is a legal obligation to incur retirement costs in relation to a tangible capital asset; the past transaction or event giving rise to the liability has occurred; it is expected that future economic benefits will be given up; and a reasonable estimate of the amount can be made. The liability is recorded at an amount that is the best estimate of the expenditure required to retire a tangible capital asset at the financial statement date. This liability is subsequently reviewed at each financial reporting date and adjusted for the passage of time and for any revisions to the timing, amount required to settle the obligation or the discount rate. Upon the initial measurement of an asset retirement obligation, a corresponding asset retirement cost is added to the carrying value of the related tangible capital asset if it is still in productive use. This cost is amortized over the useful life of the tangible capital asset. If the related tangible capital asset is unrecognized or no longer in productive use, the asset retirement costs are expensed.

---

## Kawartha Region Conservation Authority Notes to the Financial Statements

December 31, 2024

### 2. Budget Figures

The Budget for 2024 was adopted by the Board of Directors on March 28, 2024. The budget was prepared on a cash basis (based on expected cash inflows and outflows), while Canadian public sector accounting standards now require the reporting of actual results on the financial statements to be prepared on a full accrual basis. The budget figures presented in the statements of operations and change in net financial assets represent the 2024 budget adopted by the Board.

	Revenue	Expense	Net
<b>Board approved budget:</b>			
Operating	\$ 4,242,818	\$ 4,287,818	\$ (45,000)
Less: Budgeted internal revenues	-	-	-
Budgeted capital expenses	-	-	-
Budgeted transfer from reserves	7,350	-	-
<b>Adjusted budget per the statement of operations</b>	<b>\$ 4,235,468</b>	<b>\$ 4,287,818</b>	<b>\$ (52,350)</b>

The budgeted numbers are unaudited.

### 3. Cash and Cash Equivalents

Cash equivalents is comprised of funds held in money market funds. Investment in money market funds are recorded at fair value.

As at year end, the Authority held \$55,575 (2023 - \$53,219) in money market funds with a fair value of \$55,575 (2023 - \$53,219).

### 4. Accounts Receivable

	2024	2023
Municipal levies	\$ 48,197	\$ 53,764
Federal and provincial	-	15,731
HST receivable	100,986	70,978
Other	150,247	191,572
	<b>\$ 299,430</b>	<b>\$ 332,045</b>

## Kawartha Region Conservation Authority

### Notes to the Financial Statements

**December 31, 2024**

#### 5. Deferred Revenue and Government Transfers

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

Deferred Revenue	2024	2023
<b>Government Funding - Special Benefiting Projects:</b>		
Durham - Plan Implementation	\$ 112,114	\$ 134,560
Durham - East Cross Forest	164,237	168,185
CKL - Lake Dalrymple	24,904	30,877
CKL - Plan Implementation	307,243	431,543
MOE, Conservation and Parks	-	-
Trent Lakes - Blue Canoe	-	8,521
Trent Lakes - Flood Plain Mapping	-	220,150
<b>Government Funding - Special Joint Benefiting Capital Projects:</b>		
City of Kawartha Lakes and Durham Region	144	64,427
<b>Government Funding - Other Deferred Projects:</b>		
Digitization of Corporate Records	24,509	27,287
Environmental Monitoring Strategy Implementation	4,891	2,132
Levy Stability	7,429	7,428
Category 3 deferred	14,355	-
<b>Other Deferred Projects:</b>		
Grants and Self-Generated	93,936	44,943
	<b>\$ 753,762</b>	<b>\$ 1,140,053</b>

Deferred Revenue - Source Water Protection	2024	2023
Government Funding - Source Water Protection Program	\$ 86,096	\$ 75,599

Deferred Revenue - Planning and Regulation	2024	2023
Section 28 Regulations - Large Scale Fill	\$ 272,275	\$ 274,513
Permit and Subdivision Applications	268,815	195,467
	<b>\$ 541,090</b>	<b>\$ 469,980</b>

These amounts are recognized as revenue as directly related expenses are incurred. Unless otherwise noted, deferred revenue received comes from non-government sources.

**Kawartha Region Conservation Authority**  
Notes to the Financial Statements

December 31, 2024

**6. Tangible Capital Assets**

	2024					
	Land and Land Custodianship	Conservation Area Improvements	Buildings	Vehicles	Machinery and Equipment	Furniture and Fixtures
<b>Cost</b>						
Balance, beginning of year	\$ 2,636,413	\$ 416,431	\$ 1,216,504	\$ 134,249	\$ 418,925	\$ 105,569
Add: Additions during the year	275,997	-	6,065	29,552	119,032	-
Add: Transfers	-	-	-	-	-	-
Less: Disposals during the year	-	-	-	(31,639)	(45,501)	-
Balance, end of year	2,912,410	416,431	1,222,569	132,162	492,456	105,569
<b>Accumulated amortization</b>						
Balance, beginning of year	-	232,565	515,845	110,860	243,473	102,950
Add: Amortization during the year	-	13,645	31,302	8,004	41,491	614
Less: Amortization on disposals	-	-	-	(31,639)	(40,951)	-
Balance, end of year	-	246,210	547,147	87,225	244,013	103,564
<b>Net book value of tangible capital assets</b>	<b>\$ 2,912,410</b>	<b>\$ 170,221</b>	<b>\$ 675,422</b>	<b>\$ 44,937</b>	<b>\$ 248,443</b>	<b>\$ 2,005</b>
						<b>\$ 4,053,438</b>



**Kawartha Region Conservation Authority**  
Notes to the Financial Statements

December 31, 2024

**6. Tangible Capital Assets (continued)**

	2023					
	Land and Land Custodianship	Conservation Area Improvements	Buildings	Vehicles	Machinery and Equipment	Furniture and Fixtures
<b>Cost</b>						<b>Total</b>
Balance, beginning of year	\$ 2,629,799	\$ 428,640	\$ 1,204,955	\$ 180,788	\$ 444,059	\$ 121,068
Add: Additions during the year	6,614	32,699	11,549	-	92,653	-
Less: Disposals during the year	-	(44,908)	-	(46,539)	(117,787)	(15,499)
Balance, end of year	2,636,413	416,431	1,216,504	134,249	418,925	105,569
<b>Accumulated amortization</b>						
Balance, beginning of year	-	267,049	485,196	151,162	328,649	117,026
Add: Amortization during the year	-	10,424	30,649	6,237	30,100	1,423
Less: Amortization on disposals	-	(44,908)	-	(46,539)	(115,276)	(15,499)
Balance, end of year	-	232,565	515,845	110,860	243,473	102,950
<b>Net book value of tangible capital assets</b>	<b>\$ 2,636,413</b>	<b>\$ 183,866</b>	<b>\$ 700,659</b>	<b>\$ 23,389</b>	<b>\$ 175,452</b>	<b>\$ 2,619</b>
						<b>\$ 3,722,398</b>

Tangible capital assets under construction have a value of \$16,742 (2023 - \$47,834) and have not been amortized. Amortization of these assets will commence when the assets are put into service.

## Kawartha Region Conservation Authority Notes to the Financial Statements

**December 31, 2024**

### 6. Tangible Capital Assets (continued)

Included in land and land custodianship is \$25,000 contributed to the acquisition of Dewey's Island. The Authority contributed to the acquisition of Dewey's Island by the Nature Conservancy of Canada in 1993. The Authority felt the acquisition was necessary to ensure the long-term protection of this Class 1 wetland. A custodial agreement was negotiated with The Nature Conservancy of Canada by the Authority. The agreement gives the Authority the management responsibilities for the property, as well as the first option to purchase in the case of any eventual sale by the Nature Conservancy of Canada.

Included in land and land custodianship is \$10,000 contributed to the acquisition of Tuckerman property. The Authority contributed to the acquisition of the Tuckerman property by Ontario Heritage Trust in 2004. The Authority felt the acquisition was necessary to ensure the long-term protection of this Class 1 wetland. A custodial agreement was negotiated with Ontario Heritage Trust and Ducks Unlimited Canada by the Authority. The agreement gives the Authority the management responsibilities for the property, as well as the first option to purchase in the case of any eventual sale by Ontario Heritage Trust.

### 7. Credit Facility

The Authority has a \$350,000 revolving line of credit held with Royal Bank of Canada at prime plus 0% interest. As at December 31, 2024, no amount has been drawn (2023 - \$Nil).

### 8. Related Entity

Kawartha Conservation Foundation is a registered charitable organization whose mission is to support the vision and mandate of Kawartha Conservation, by raising funds and promoting awareness to the community to restore and sustain a healthy environment for future generations.

### 9. Accumulated Surplus

Accumulated surplus consists of the following:

	2024	2023
<b>Surpluses</b>		
Internal 'current' and 'capital' funds	\$ 1,533,161	\$ 1,560,559
Invested in tangible capital assets	4,006,274	3,659,986
Reserves	242,733	277,273
<b>Accumulated surplus</b>	<b>\$ 5,782,168</b>	<b>\$ 5,497,818</b>

## Kawartha Region Conservation Authority

### Notes to the Financial Statements

**December 31, 2024**

#### 10. Expenses by Object

	2024	2023
Administration	\$ -	\$ (6,494)
Amortization	95,056	78,833
Consulting and other professional fees	241,342	233,702
Grants	56,902	54,844
Insurance	61,374	55,530
Interest and bank charges	2,400	4,966
Office	150,972	114,021
Program related	500,071	501,274
Repairs and maintenance	74,579	72,709
Training	24,625	18,249
Utilities and property taxes	41,498	41,236
Vehicle and travel	54,073	43,728
Wages and benefits	2,776,060	2,672,723
	<b>\$ 4,078,952</b>	<b>\$ 3,885,321</b>

#### 11. Pension Plan

The Authority makes contributions to the Ontario Municipal Employees' Retirement System ("OMERS"), which is a multi-employer plan, on behalf of all full-time members of its staff. The plan is a defined benefit plan, which specifies that amount of the retirement benefit to be received by the employees based on the length of service and rates of pay. The Board of Trustees, representing plan members and employers, is responsible for overseeing the management of the pension plan, including the investment of assets and administration of benefits. OMERS provides pension services to more than 500,000 active and retired members and approximately 1,000 employees.

Each year an independent actuary determines the 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, 2024. The results of this valuation disclosed total actuarial liabilities of \$142.5 billion in respect of benefits accrued for service with actuarial assets at that date of \$139.6 billion indicating an actuarial deficit of \$2.9 billion. 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 2024 were \$193,731 (2023 - \$201,544).

#### 12. Contingent Liabilities

The Authority, as is common with all regulatory agencies, may be subject to appeals and lawsuits in regard to decisions rendered. Legal defence costs are accrued when such an action commences but damages and penalties are only accrued when action is considered to be of reasonable merit.

There are no unresolved legal claims outstanding against the Authority as at December 31, 2024.

---

## Kawartha Region Conservation Authority

### Notes to the Financial Statements

**December 31, 2024**

---

#### **13. Financial Instruments Risks**

##### **Credit risk**

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Authority is exposed to credit risk resulting from the possibility that a counterparty to a financial instrument defaults on their financial obligations; if there is a concentration of transactions carried out with the same counterparty; or of financial obligations which have similar economic characteristics such that they could be similarly affected by changes in economic conditions. The Authority's financial instruments that are exposed to concentrations of credit risk relate primarily to its accounts receivable. The majority of the Authority's receivables are from government resources.

There has been no change to this risk from the prior year.

##### **Liquidity risk**

Liquidity risk is the risk that the Authority will encounter difficulty in meeting its obligations associated with financial liabilities. Liquidity risk includes the risk that, as a result of operational liquidity requirements, the Authority will not have sufficient funds to settle a transaction on the due date. The Authority is exposed to this risk mainly in respect of its accounts payable. The Authority mitigates this risk by ensuring that it always has sufficient cash to allow it to meet its liabilities when they become due.

There has been no change to this risk from the prior year.

---

#### **14. Comparative Figures**

Certain comparative figures have been reclassified to conform with current year presentation.

---

---

## Kawartha Region Conservation Authority

### Notes to the Financial Statements

**December 31, 2024**

---

#### **15. Program Information**

Certain allocation methodologies are employed in the preparation of program financial information. Government grants, user charges, transfers from other funds, and other revenue are allocated to the specific program or service they relate to. Expense allocations are both internal and external. Activity based costing is used to allocate internal support costs to departments. These costs include the net expenditures for departments, such as human resources, information systems, finance and others, commonly referred to as overhead. The Authority allocated its activities into four main program areas which are reported in the accompanying supplementary schedules to the financial statements.

##### **Planning and Development Services**

This department is responsible for planning, permitting and enforcement. Planning and Development Services fulfills the delegated responsibility of commenting on behalf of the Province of Ontario on planning matters related to natural hazards, administers Section 28 Regulation of the Conservation Authorities Act, Ontario Regulation 182/06 and ensures compliance of development activities impacting natural regulated features within the watershed.

##### **Integrated Watershed Management**

This department's primary responsibilities include protecting people and property across the watershed from flooding, developing and implementing watershed management plans, monitoring water quality and quantity, conducting research and assessments and supporting our stakeholders and partners by providing environmental spatial information to assist with decision making.

The department works closely with municipalities to provide technical expertise and advice on issues related to climate change, stormwater management, watershed planning and other technical information. The objective of the Integrated Watershed Management department at Kawartha Conservation is to maintain health and sustainability of the region's watersheds for the benefit of both the environment and the community.

##### **Stewardship and Conservation Lands**

Kawartha Conservation owns and manages over 1,300 hectares of Conservation Lands with visitors including the general public, schools, special interest groups, and tourists. This department is responsible for supporting the advancement of the Conservation Lands programs including property maintenance, trail management and development, invasive species control, infrastructure improvements, and contributing to the strategic goals and advancement of the department.

Stewardship initiatives are primarily supported through special projects within the City of Kawartha Lakes and Region of Durham through Special Projects.

---

## Kawartha Region Conservation Authority Notes to the Financial Statements

December 31, 2024

---

### 15. Program Information (continued)

#### Corporate Services

Corporate Services supports each of the departments and the organization as a whole by providing administrative support, coordination, policy development and implementation, program direction and development, strategic and business planning and Board support including agendas and minutes. Corporate Services is responsible for Finance, Human Resources, Health & Safety, Asset Management, Information Technology, Records Management and Corporate Communications.

#### Special Projects

Special benefiting projects are designed to meet the needs or concerns of a specific municipality, and thus directly benefit the individual municipality. The benefiting municipality funds the projects entirely or in apportionment with another benefiting municipality. Special projects include development and implementation of Lake Management Plans, updates to our watershed plans in the Region of Durham, floodplain mapping and tree planting initiatives. General benefiting projects have a watershed wide benefit and the levy is shared by the municipal partners on the same apportionment percentage as the operating levy. General projects include website enhancements and the digitisation of corporate records and implementation of our 10-year Environmental Strategy.

---



**Kawartha Region Conservation Authority**  
**Planning and Development Services**  
**Schedule A**

For the year ended December 31, 2024 with comparative information for 2023

	2024 Budget (Note 2)	2024 Actual	2023 Actual
<b>Revenue:</b>			
Planning and Permitting Fees - Category 1	450,000	371,608	489,389
Large Scale Fill Permits - Category 1	10,000	12,001	12,773
Drinking Water Source Protection - Category 1	64,100	48,385	56,666
MOU, Flood Plain Mapping - Category 2	25,000	3,696	17,510
Municipal Agreement, Risk Management Official - Category 2	60,000	33,686	53,403
<b>Total Program Generated Revenue</b>	<b>609,100</b>	<b>469,376</b>	<b>629,741</b>
Municipal Levy, General Operating - Category 1	202,150	202,150	262,486
<b>Total Revenue</b>	<b>811,250</b>	<b>671,526</b>	<b>892,227</b>
<b>Expenses:</b>			
Planning and Development Services - Category 1	324,650	320,546	608,196
Regulation and Enforcement - Category 1	337,500	382,707	104,024
Drinking Water Protection - Category 1	64,100	44,256	56,666
MOU, Flood Plain Mapping - Category 2	25,000	3,696	1,005
Clean Water Act Enforcement - Category 2	60,000	33,686	53,402
Large Scale Fill - Category 1	-	2,034	-
<b>Total Expenses</b>	<b>811,250</b>	<b>786,925</b>	<b>823,293</b>
<b>Net Surplus (Deficit) for the Year</b>	<b>\$ -</b>	<b>\$ (115,399)</b>	<b>\$ 68,934</b>

# Kawartha Region Conservation Authority

## Integrated Watershed Management

### Schedule B

For the year ended December 31, 2024 with comparative information for 2023

	2024 Budget (Note 2)	2024 Actual	2023 Actual
<b>Revenue:</b>			
Fee for Service	\$ 800	\$ 668	\$ 175
Grants and Donations	5,000	2,725	9,635
Innovation Hub - Category 3	88,250	39,630	57,352
MNR Transfer Payment - Category 1	24,600	24,640	24,640
Education - Category 1	-	4,292	12,691
<b>Total Program Generated Revenue</b>	<b>118,650</b>	<b>71,955</b>	<b>104,493</b>
Municipal Levy - Category 1	360,950	360,950	479,185
Municipal Levy - Category 3	60,240	45,887	-
<b>Total Revenue</b>	<b>539,840</b>	<b>478,792</b>	<b>583,678</b>
<b>Expenses:</b>			
Integrated Watershed Management - Category 1	219,250	77,918	125,866
Flood and Water Level Monitoring - Category 1	86,000	18,859	23,317
Provincial Water Quality & Quality Monitoring - Category 1	51,300	38,816	332,119
Local Environment Monitoring - Category 3	47,740	183,430	-
Innovation Hub - Category 3	66,908	38,947	36,402
Watershed Resource Management Strategy - Category 1	34,500	151,012	36,980
Watershed Resource Management Strategy - Non-Mandatory - Category 3	12,800	4,539	-
<b>Total Expenses</b>	<b>518,498</b>	<b>513,521</b>	<b>554,684</b>
<b>Net Surplus (Deficit) for the Year</b>	<b>\$ 21,342</b>	<b>\$ (34,729)</b>	<b>\$ 28,994</b>

**Kawartha Region Conservation Authority**  
**Stewardship and Conservation Lands**  
**Schedule C**

For the year ended December 31, 2024 with comparative information for 2023

	2024 Budget (Note 2)	2024 Actual	2023 Actual
<b>Revenue:</b>			
Conservation Areas - Category 1	\$ 53,000	\$ 55,947	\$ 63,160
Donations	-	251,552	2,757
Education - Category 3	4,100	7,450	200
Grants	20,000	7,275	23,318
Restoration Management - Category 3	17,400	53,050	10,477
Events - Category 3	21,500	5,929	-
<b>Total Program Generated Revenue</b>	<b>116,000</b>	<b>381,203</b>	<b>99,912</b>
Municipal Levy - Category 1	272,400	272,400	253,849
Municipal Levy - Category 3	43,750	-	-
<b>Total Revenue</b>	<b>432,150</b>	<b>653,603</b>	<b>353,761</b>
<b>Expenses:</b>			
Land Management & Support - Category 1	356,650	419,445	482,706
Education Program - Category 3	3,265	933	12,454
Events - Category 1	79,327	100,623	-
Fleetwood Creek Natural Area - Category 3	8,850	13,616	8,560
Education program - Category 1	-	13,379	-
Habitat Comp. Program - Category 3	5,400	4,732	8,728
<b>Total Expenses</b>	<b>453,492</b>	<b>552,728</b>	<b>512,448</b>
<b>Net Surplus (Deficit) for the Year</b>	<b>\$ (21,342)</b>	<b>\$ 100,875</b>	<b>\$ (158,687)</b>

**Kawartha Region Conservation Authority**  
**Corporate Services**  
**Schedule D**

For the year ended December 31, 2024 with comparative information for 2023

	2024 Budget (Note 2)	2024 Actual	2023 Actual
<b>Revenue:</b>			
Donations	\$ -	\$ 1,786	\$ 2,124
Grants and Other Revenue	-	8,622	32,758
Investment Income	75,000	162,486	173,699
<b>Total Program Generated Revenue</b>	<b>75,000</b>	<b>172,894</b>	<b>208,581</b>
Municipal Levy, General Operating - Category 1	818,718	818,718	673,930
Capital Levy Contribution	-	-	45,875
<b>Total Revenue</b>	<b>893,718</b>	<b>991,612</b>	<b>928,386</b>
<b>Expenses:</b>			
Amortization	70,000	95,056	78,833
Communication	-	57,087	157,529
Corporate Services - Category 1	893,718	594,436	616,265
(Gain)/Loss on Disposal of TCA	-	2,088	(2,763)
Internal Recovery - Vehicle & Equipment Pool	(25,000)	16,617	4,958
<b>Total Expenses</b>	<b>938,718</b>	<b>765,284</b>	<b>854,822</b>
<b>Net Surplus (Deficit) for the Year</b>	<b>\$ (45,000)</b>	<b>\$ 226,328</b>	<b>\$ 73,564</b>

# Kawartha Region Conservation Authority

## Special Projects

### Schedule E

For the year ended December 31, 2024 with comparative information for 2023

	2024 Budget (Note 2)	2024 Actual	2023 Actual
<b>Revenue:</b>			
Municipal Agreements	\$ 56,000	\$ 9,000	\$ 18,000
Grants and Other - Category 2	204,475	220,547	292,425
Product Sales - Category 2	67,500	36,137	31,844
Fee for Service - Category 2	16,000	80,274	35,574
Climate Change Funding - Category 2	-	-	18,000
<b>Total Program Generated Revenue</b>	<b>343,975</b>	<b>345,958</b>	<b>395,843</b>
 Municipal Levy - Category 1, Special Benefiting	 132,660	 109,698	 67,625
Municipal Levy - Category 1, General Benefiting	15,000	19,361	-
Municipal Levy - Category 3, General Benefiting	25,000	20,661	33,018
Municipal Levy - Category 2, Special Benefiting	1,041,875	1,020,942	702,840
<b>Total Revenue</b>	<b>1,558,510</b>	<b>1,516,620</b>	<b>1,199,326</b>
<b>Expenses:</b>			
Region of Durham, Lake Management Implementation Stewardship Category 2	66,350	55,156	49,768
Region of Durham, Lake Management Implementation Science Category 2	124,700	117,401	80,360
Region of Durham, Watershed Planning Category 2	30,500	29,072	28,234
City of Kawartha Lakes, Lake Dalrymple Management Plan Category 2	77,650	68,672	56,612
City of Kawartha Lakes, Lake Management Implementation, Stewardship Category 2	342,200	373,072	295,843
City of Kawartha Lakes, Lake Management Implementation, Science Category 2	275,400	222,148	127,585
City of Kawartha Lakes, Flood Plain Mapping - Category 2	-	-	57,875
Trent Lakes - Flood Plain Mapping - Category 2	114,300	179,287	52,850
Joint Project, Forestry and Tree Planting Stewardship Category 2	235,000	244,448	217,192
Durham -LSEP Category 2	68,600	28,697	51,980
Digitization Project - Category 1	15,000	19,361	11,353
Monitoring Strategy - Category 3	25,000	3,918	10,176
Durham ECF - Category 1	183,810	121,349	97,484
<b>Total Expenses</b>	<b>1,558,510</b>	<b>1,462,581</b>	<b>1,137,312</b>
<b>Net Surplus (Deficit) for the Year</b>	<b>\$ -</b>	<b>\$ 54,039</b>	<b>\$ 62,014</b>

# Kawartha Region Conservation Authority

## Continuity of Reserves

### Schedule F

For the year ended December 31, 2024 with comparative information for 2023

	Balance, December 31, 2023	Appropriation (to) from Operations	Additions	Balance, December 31, 2024
<b>2024</b>				
Unrestricted	\$ 908,439	\$ (27,398)	\$ -	\$ 881,041
Capital Assets Acquisitions	538,765	-	-	538,765
Conservation Initiatives	113,355	-	-	113,355
<b>Internally Restricted</b>				
Durham East Cross Forest Conservation Area	39,600	(28,571)	-	11,029
Windy Ridge Conservation Area	22,038	(3,542)	-	18,496
Ken Reid Conservation Area	89,450	-	-	89,450
Scugog Land Acquisitions	126,185	(2,427)	-	123,758
	1,837,832	(61,938)	-	1,775,894
Capital Reserve	3,659,986	346,288	-	4,006,274
	\$ 5,497,818	\$ 284,350	\$ -	\$ 5,782,168

	Balance, December 31, 2022	Appropriation (to) from Operations	Additions	Balance, December 31, 2023
<b>2023</b>				
Unrestricted	\$ 857,599	\$ 50,840	\$ -	\$ 908,439
Capital Asset Acquisitions	538,765	-	-	538,765
Conservation Initiatives	113,355	-	-	113,355
<b>Internally Restricted</b>				
Durham East Cross Forest Conservation Area	39,600	-	-	39,600
Windy Ridge Conservation Area	22,826	(788)	-	22,038
Ken Reid Conservation Area	89,450	-	-	89,450
Scugog Land Acquisitions	133,664	(7,479)	-	126,185
	1,795,259	42,573	-	1,837,832
Capital Reserve	3,604,787	55,199	-	3,659,986
	\$ 5,400,046	\$ 97,772	\$ -	\$ 5,497,818