

Hamilton Region Conservation Authority

Financial Statements

December 31, 2013

Contents

	<u>Page</u>
Independent auditor's report	1-2
Statement of Financial Position	3
Statement of Operations	4
Statement of Cash Flows	5
Statement of Changes in Net Financial Assets	6
Schedules of Business Unit Activity	
Corporate Support	7
Watershed Planning and Engineering Operations	8
Land Management Operations	9
Schedule of Tangible Capital Assets	10
Notes to the Financial Statements	11-17

Independent auditor's report

To the Members of
Hamilton Region Conservation Authority

We have audited the accompanying financial statements of Hamilton Region Conservation Authority, which comprise the statement of financial position as at December 31, 2013, and the statement of operations, statement of changes in net financial assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's responsibility for the financial statements

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

Auditor's responsibility

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

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



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

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Hamilton Region Conservation Authority as at December 31, 2013, and the results of its operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Burlington, Canada
May 1, 2014

Grant Thornton LLP
Chartered Accountants
Licensed Public Accountants

Hamilton Region Conservation Authority Statement of Financial Position

December 31

2013

2012

Financial assets

Cash and cash equivalents	\$ 6,227,727	\$ 6,378,720
Accounts receivable	628,955	504,834
Due from Confederation Park	143,059	-
Due from Hamilton Conservation Foundation	233,324	-
Total financial assets	<u>\$ 7,233,065</u>	<u>\$ 6,883,554</u>

Liabilities

Accounts payable and accrued liabilities	\$ 1,276,842	\$ 1,250,478
Due to Confederation Park	-	146,383
Due to Westfield Heritage Village	628,464	733,303
Due to Hamilton Conservation Foundation	-	16,574
Employee future benefit costs (Note 5)	389,103	423,142
Deferred revenues (Note 7)	403,930	577,843
Long-term debt (Note 8)	1,878,518	2,148,769
Total liabilities	<u>\$ 4,576,857</u>	<u>\$ 5,296,492</u>

Net financial assets \$ 2,656,209 \$ 1,587,062

Non-financial assets

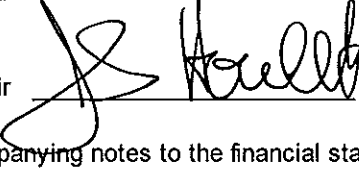
Inventory	82,983	81,377
Prepaid expenses	174,567	218,797
Tangible capital assets	33,426,113	32,040,447
Total non-financial assets	<u>\$ 33,683,663</u>	<u>\$ 32,340,621</u>

Accumulated surplus (Note 9) \$ 36,339,871 \$ 33,927,683

Contingent liabilities, contractual obligations and commitments (Notes 12 and 13)

Subsequent events (Note 15)

On behalf of the Authority

 Chair  Vice Chair

See accompanying notes to the financial statements

Hamilton Region Conservation Authority

Statement of Operations

Year Ended December 31	2013	2013	2012
	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
Revenues			
Ministry of Natural Resources Grants	\$ 160,900	\$ 174,327	\$ 578,312
Federal Grants	61,200	267,452	76,882
Other Provincial Grants	87,322	113,508	126,130
Municipal Contributions	5,003,070	5,362,077	4,947,953
Municipal Contribution - Special Levy	-	41,808	615,677
User Fees	3,641,270	3,476,469	3,355,644
Donations in kind (Note 10)	-	101,551	13,058
Donation, Hamilton Conservation Foundation	177,080	704,093	796,780
Management Fees	498,914	484,771	496,325
Other Authority Generated	2,378,949	2,847,704	2,285,435
	<u>12,008,705</u>	<u>13,573,760</u>	<u>13,292,196</u>
Expenditures (Note 11)			
Corporate Support	3,819,927	3,486,157	3,584,344
Watershed Planning and Engineering	2,906,425	2,286,805	3,317,679
Land Management	4,032,240	4,356,691	4,314,705
	<u>10,758,592</u>	<u>10,129,653</u>	<u>11,216,728</u>
Amortization	900,000	875,494	860,776
Loss on disposal of capital assets, net	-	156,424	-
	<u>11,658,592</u>	<u>11,161,571</u>	<u>12,077,504</u>
Annual surplus	<u>\$ 350,113</u>	<u>\$ 2,412,189</u>	<u>\$ 1,214,692</u>
Accumulated surplus, beginning of year	33,927,683	33,927,683	32,712,991
Accumulated surplus, end of year	<u>\$ 34,277,795</u>	<u>\$ 36,339,871</u>	<u>\$ 33,927,683</u>

See accompanying notes to the financial statements

Hamilton Region Conservation Authority

Statement of Cash Flows

December 31	2013	2012
Increase/decrease in cash and cash equivalents		
Cash Flow from operating transactions		
Annual surplus	\$ 2,412,189	\$ 1,214,692
Non-cash changes to operations		
Amortization	875,494	860,776
Loss on sale of tangible capital assets	156,424	-
(Increase) decrease in accounts receivable	(124,121)	15,467
(Increase) decrease in inventory	(1,606)	6,245
Decrease in prepaid expenses	44,230	486
Decrease in employee future benefit costs	(34,039)	(7,351)
Increase (decrease) in accounts payable and accrued liabilities	26,364	(520,903)
(Decrease) increase in Due from Hamilton Cons. Foundation	(249,898)	52,239
Decrease in Due from Confederation Park	(289,442)	(96,281)
(Decrease) increase in Due to Westfield Heritage Village	(104,839)	9,195
Decrease in deferred revenues	(173,913)	(864,475)
	<u>2,536,843</u>	<u>670,090</u>
Financing Activities		
Repayment of long term debt	<u>(270,251)</u>	<u>(260,359)</u>
	<u>(270,251)</u>	<u>(260,359)</u>
Capital		
Proceeds on disposal of tangible capital assets	23,831	-
Purchase of tangible capital assets	<u>(2,441,416)</u>	<u>(972,192)</u>
	<u>(2,417,585)</u>	<u>(972,192)</u>
Net decrease in cash and cash equivalents	(150,993)	(562,461)
Cash and cash equivalents		
Beginning of year	<u>6,378,720</u>	<u>6,941,181</u>
End of year	<u>\$ 6,227,727</u>	<u>\$ 6,378,720</u>

See accompanying notes to the financial statements

Hamilton Region Conservation Authority **Statement of Changes in Net Financial Assets**

December 31	2013	2013	2012
	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
Annual surplus	\$ 350,113	\$ 2,412,189	\$ 1,214,692
Acquisition of tangible capital assets	(1,201,250)	(2,441,417)	(972,192)
Loss on sale of tangible capital assets	-	156,424	-
Net proceeds on disposal of tangible capital assets	-	23,831	-
Amortization	900,000	875,494	860,776
Change in inventory of supplies	-	(1,606)	6,245
Change in prepaids	-	44,230	486
	<u>(301,250)</u>	<u>(1,343,044)</u>	<u>(104,685)</u>
Change in net financial assets	48,863	1,069,145	1,110,007
Net financial assets, beginning of year	<u>1,587,063</u>	<u>1,587,063</u>	<u>477,056</u>
Net financial assets, end of year	<u>\$ 1,635,925</u>	<u>\$ 2,656,208</u>	<u>\$ 1,587,063</u>

See accompanying notes to the financial statements

Hamilton Region Conservation Authority

Schedule of Corporate Support

Year Ended December 31	2013	2013	2012
	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
Revenues			
Ministry of Natural Resources Grants	\$ 24,900	\$ 24,900	\$ 24,900
Municipal Contributions	2,409,180	2,819,620	2,523,965
User Fees	65,500	66,188	48,174
Donations in Kind	-	100,189	70
Donation, Hamilton Conservation Foundation	95,080	299,620	112,103
Management Fees	498,914	484,771	496,325
Other Authority Generated	581,490	907,295	529,841
	<u>3,675,064</u>	<u>4,702,583</u>	<u>3,735,378</u>
Expenditures			
General	276,035	217,770	194,571
Wages and Benefits	1,073,050	978,309	940,095
Member and Staff Expenses	31,600	24,237	24,985
Equipment Purchase and Rentals	74,750	63,621	54,837
Materials and Supplies	34,350	24,079	24,062
Administration Office Maintenance and Utilities	184,600	227,589	201,366
Business Plan Expense	33,600	43,357	31,621
Community Relations	171,000	209,166	198,194
Conservation Foundation Expenses	215,092	209,310	226,683
Conservation Education Program	173,050	183,525	188,031
Central Workshop	756,500	597,078	783,912
Equipment Pool Maintenance	486,300	477,390	544,999
Vehicles and Equipment	250,000	175,202	109,884
Interest	60,000	55,524	61,104
	<u>3,819,927</u>	<u>3,486,157</u>	<u>3,584,344</u>
Amortization	200,000	201,247	178,634
Gain on disposal of tangible capital assets	-	(346)	-
	<u>4,019,927</u>	<u>3,687,058</u>	<u>3,762,978</u>
Net surplus (deficit) for the year	<u>\$ (344,863)</u>	<u>\$ 1,015,525</u>	<u>\$ (27,600)</u>

See accompanying notes to the financial statements.

Hamilton Region Conservation Authority

Schedule of Watershed Planning and Engineering Operations

Year Ended December 31	2013	2013	2012
	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
Revenues			
Ministry of Natural Resources Grants	\$ 136,000	\$ 149,427	\$ 553,411
Provincial Grants	87,322	113,508	126,130
Federal Grants	61,200	48,562	76,882
Municipal Contributions	1,333,100	1,341,615	1,182,148
Municipal Contribution - Special Levy	-	41,808	615,677
Donation, Hamilton Conservation Foundation	43,000	75,800	112,130
Other Authority Generated	918,229	931,286	746,359
	<u>2,578,851</u>	<u>2,702,006</u>	<u>3,412,737</u>
Expenditures			
Operating	184,900	120,115	140,048
Wages and Benefits	939,500	938,409	864,524
Conservation Services	522,984	416,990	398,479
Flood Forecasting	192,500	197,491	196,747
Flood Control Structures	400,300	189,908	1,258,162
Watershed Planning	666,241	423,892	459,719
	<u>2,906,425</u>	<u>2,286,805</u>	<u>3,317,679</u>
Net surplus for the year	<u>\$ (327,574)</u>	<u>\$ 415,201</u>	<u>\$ 95,058</u>

See accompanying notes to the financial statements.

Hamilton Region Conservation Authority

Schedule of Land Management Operations

Year Ended December 31	2013	2013	2012
	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
Revenues			
Municipal Contributions	\$1,260,790	\$1,200,842	\$1,241,840
Federal Grants	-	218,890	-
User Fees	3,575,770	3,410,281	3,307,470
Donations in Kind	-	1,362	12,988
Donation, Hamilton Conservation Foundation	39,000	328,673	572,547
Other Authority Generated	879,230	1,009,123	1,009,235
	<u>5,754,790</u>	<u>6,169,171</u>	<u>6,144,080</u>
Expenditures			
Valens Conservation Area	644,500	716,753	678,289
Christie Conservation Area	828,450	926,402	929,168
Dundas Valley Conservation Area	471,550	654,327	533,840
Fifty Point Conservation Area	1,349,112	1,400,344	1,417,613
Hamilton Mountain Conservation Area	108,874	131,633	133,814
Sundry Conservation Areas	308,614	282,515	322,758
Marketing & general promotion	249,000	187,972	218,021
Historic sites	54,140	39,078	58,662
Interest	18,000	17,667	22,540
	<u>4,032,240</u>	<u>4,356,691</u>	<u>4,314,705</u>
Amortization	700,000	674,247	682,142
Loss on disposal of tangible capital assets	-	156,770	-
	<u>4,732,240</u>	<u>5,187,708</u>	<u>4,996,847</u>
Net surplus for the year	<u>\$ 1,022,550</u>	<u>\$ 981,463</u>	<u>\$ 1,147,233</u>

See accompanying notes to the financial statements.

Hamilton Region Conservation Authority Schedule of Tangible Capital Assets

Cost	Land	Land Improvements	Infrastructure	Building & Building Improvements	Machinery & Equipment	Vehicles	Work In Progress (WIP)	Dec. 31 2013	Dec. 31 2012
Beginning of year	\$ 19,810,004	\$ 3,066,932	\$ 16,316,881	\$ 5,871,366	\$ 243,991	\$ 2,699,486	\$ 529,485	\$ 48,538,145	\$ 47,624,588
Additions	221,750	82,191	318,712	188,370	188,335	95,107	1,346,950	2,441,416	972,192
Disposals	-	-	-	(233,347)	-	(310,974)	-	(544,321)	-
Retirements*	-	-	-	-	(34,566)	-	-	(34,566)	(58,635)
Transfer from WIP	706,958	-	-	98,198	-	-	(805,156)	-	-
End of year	20,738,712	3,149,123	16,635,593	5,924,587	397,760	2,483,620	1,071,279	50,400,674	48,538,145
Accumulated Amortization									
Beginning of year	-	1,786,060	9,504,121	3,149,706	114,436	1,943,375	-	16,497,698	15,695,557
Annual amortization	-	115,314	435,882	133,875	41,056	149,367	-	875,494	860,776
Disposals	-	-	-	(76,577)	-	(287,488)	-	(364,065)	-
Retirements*	-	-	-	-	(34,566)	-	-	(34,566)	(58,635)
End of year	-	1,901,374	9,940,003	3,207,004	120,926	1,805,254	-	16,974,561	16,497,698
Net book value	\$ 20,738,712	\$ 1,247,749	\$ 6,695,590	\$ 2,717,582	\$ 276,834	\$ 678,366	\$ 1,071,279	\$ 33,426,113	\$ 32,040,447

*Retirements - Computer hardware and software, once fully amortized, are removed from both assets and accumulated amortization

Hamilton Region Conservation Authority

Notes to the Financial Statements

December 31, 2013

1. Nature of operations

The Hamilton Region Conservation Authority (the Authority) was established in 1966 under the Conservation Authorities Act of Ontario to manage a designated watershed of approximately 185 square miles. The Authority is financed from municipal contributions, government grants, donations and user fees.

2. Summary of significant accounting policies

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

Basis of accounting

These statements reflect the incorporation of the full accrual basis of accounting and the reporting of the change in net financial assets and accumulated surplus.

Revenues and expenditures

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

Donations

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

Cash and cash equivalents

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

Pension plans

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

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

Hamilton Region Conservation Authority

Notes to the Financial Statements

December 31, 2013

2. Summary of significant accounting policies – continued

Tangible capital assets

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

Service life of tangible capital assets is estimated as follows:

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

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

Government transfers

Government transfers are recognized in the financial statements as revenues in the period in which the events giving rise to the transfer occur, providing the transfers are authorized, any eligibility criteria have been met and reasonable estimates of the amounts can be made.

Inventory

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

Use of estimates

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

Comparative figures

Certain comparative figures of the preceding year have been modified to conform to the classification presentations adopted in the current year. There was no change to accumulated surplus as at December 31, 2012 nor to annual surplus for the year ended December 31, 2012.

Hamilton Region Conservation Authority

Notes to the Financial Statements

December 31, 2013

3. Confederation Park and Westfield Heritage Village

These statements do not include the operating revenues and expenditures relating to Confederation Park and Westfield Heritage Village which are separate and distinct entities owned by the City of Hamilton and managed by the Authority at the request of the municipality.

Under the terms of separate management agreements, the Hamilton Region Conservation Authority has exclusive authority to manage Confederation Park and Westfield Heritage Village for the City of Hamilton. In payment for the management function, the Authority receives a management fee of 15% of operating expenditures. This management fee accrues to the Authority for its own purposes.

All existing real and personal Confederation Park property as at January 1, 1980, all subsequently acquired properties, and any surpluses generated during a fiscal year will remain the exclusive property of the City of Hamilton. Similarly, all existing real and personal Westfield Heritage Village property as at July 1, 1988, and all subsequently acquired properties, and any surpluses generated during the fiscal year will remain the exclusive property of the City of Hamilton.

The most recent management agreement for Confederation Park was executed effective May 1, 2012 while the Westfield Heritage Village agreement expired on November 30, 2000. By mutual agreement, Westfield operations have continued under the same terms as in the expired agreement on a month to month basis.

4. Related party transactions

	<u>2013</u>	<u>2012</u>
Municipal funding from the City of Hamilton and Township of Puslinch	\$ 5,003,310	\$ 4,971,682
Municipal funding recognized as revenue in the current year	5,403,885	5,563,630
Receivable from the City of Hamilton	181,938	105,865
Funding from the Hamilton Conservation Foundation	704,093	796,780
Management fees from Confederation Park and Westfield Heritage Village	484,771	496,325
Municipal taxes paid to the City of Hamilton and Township of Puslinch	(130,896)	(117,685)

Hamilton Region Conservation Authority

Notes to the Financial Statements

December 31, 2013

5. Employee future benefit costs

	2013	2012
Accumulated Sick Leave Liability	\$ 191,937	\$ 206,098
Supplemental early retirement package	111,112	120,382
Post-retirement benefits	86,054	96,662
	<u>\$ 389,103</u>	<u>\$ 423,142</u>

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

The Authority committed in October 2002 to pay a former general manager a supplemental early retirement package. At the end of the current year, the cost of an annuity to satisfy this obligation would be \$111,112 (2012 - \$120,382) based on competitive quotes received from several insurance companies.

The Authority is committed to provide full health, life and vision coverage for all employees who have retired prior to the age of 65 for the period until they reach 65 years of age. A liability has been set up based on the current benefit rates for those retirees eligible for this coverage. The estimated value of these benefits in the current year is \$86,054 (2012 - \$96,662).

6. Defined contribution pension plan

Employer contributions to the Authority's defined contribution pension plan for the year was \$274,285 (2012 - \$262,093). The Plan is designed whereby employee contributions, ranging from 2% to 6% of gross salary, are matched by the employer.

7. Deferred revenues

	2013	2012
Revenue received but not earned at year-end is as follows:		
Other projects/user fees/deposits	<u>\$ 403,930</u>	<u>\$ 577,843</u>

Hamilton Region Conservation Authority

Notes to the Financial Statements

December 31, 2013

8. Long Term Debt

	<u>2013</u>	<u>2012</u>
City of Hamilton 5% loan - Marina wall reconstruction \$118,520 payable annually, matures April 2016	\$ 322,757	\$ 420,264
City of Hamilton 0% loan - Veldhuis property reclamation \$44,000 payable annually, matures March 2020	308,000	352,000
City of Hamilton 4.25% loan - Wind-up DB pension plan \$187,245 payable annually, matures June, 2021	<u>1,247,761</u>	<u>1,376,505</u>
	<u>\$ 1,878,518</u>	<u>\$ 2,148,769</u>
Principal repayments in future years are due as follows:		
2014	280,597	
2015	291,421	
2016	302,740	
2017	196,065	
2018 and thereafter	<u>807,695</u>	
	<u>\$ 1,878,518</u>	

Interest on long term debt of \$73,191 (2012 - \$83,644) was paid during the year.

The Authority has a demand loan available in the amount of \$500,000 at 3.0% of which \$ nil was borrowed as at December 31, 2013.

9. Accumulated surplus

	<u>2013</u>	<u>2012</u>
Reserve Funds		
Acquisitions of provincially significant lands or eligible water related projects	\$ 493,874	\$ 413,425
Future projects	4,260,497	3,662,887
Tangible Capital Assets	33,426,113	32,040,447
Unfunded long term debt	(1,878,518)	(2,148,769)
Operating surplus (deficit)	<u>37,905</u>	<u>(40,307)</u>
Accumulated surplus	<u>\$ 36,339,871</u>	<u>\$ 33,927,683</u>

Hamilton Region Conservation Authority

Notes to the Financial Statements

December 31, 2013

10. Donations in kind

During the year, in addition to cash donations, the Authority was the beneficiary through donations in kind of land and other tangible capital assets with a total appraised value of \$101,551 (2012 - \$ 13,058).

11. Expenditures by object

	2013	2012
Salaries, wages & employee benefits	\$ 6,700,346	\$ 6,616,993
Contracts/consulting	1,091,345	1,960,241
Materials, goods, supplies and utilities	2,264,771	2,555,850
Interest on long term debt	73,191	83,644
	<u>\$ 10,129,653</u>	<u>\$ 11,216,728</u>

12. Contingent liabilities

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

13. Contractual obligations and commitments

As at December 31, 2013, the Authority is committed to \$79,138 (2012 - \$95,769) with respect to ongoing contracts for equipment in the following years:

2014	\$ 20,456
2015	20,456
2016	14,356
2017	12,751
2018 and beyond	<u>11,119</u>
	<u>\$ 79,138</u>

Hamilton Region Conservation Authority

Notes to the Financial Statements

December 31, 2013

14. Budget figures

The budgeted figures are presented for comparison purposes and were adopted by the Authority on January 24th, 2013. The adopted budget conforms with the Canadian Public Sector Accounting Standards except for the effect of the acquisition and amortization of tangible capital assets and principle repayment on debt. A reconciliation of the adopted and reported budgets is as presented below.

Adopted budget:

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

Amortization of tangible capital assets	(900,000)
Acquisition of tangible capital assets	1,201,250
Expensing of watershed studies	(222,500)
Repayment on loan principal	<u>271,363</u>

Restated budgeted surplus	<u>\$ 350,113</u>
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15. Subsequent events

On March 26th, 2014 a motion was brought to Hamilton City Council and passed directing City staff to put in place all documents deemed necessary to execute the transfer/sale of Westfield Heritage Village to the Hamilton Conservation Authority as described in the Conservation Authority's Board of Directors' resolution of October 3rd, 2013. This acquisition is predicated on the continuance of the municipal levy support with inflationary increases consistent with the balance of the Authority's levy.

