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Date: Tuesday, April 2<sup>nd</sup>, 2019

To: Stephanie Paparella, Legislative Coordinator, City of Hamilton

From: Sonja Radoja, Manager Corporate Services

Cc: Joe Farwell, CAO  
Karen Armstrong, Deputy CAO/Secretary Treasurer  
Helen Jowett, GRCA Chair  
Marcus Adili, GRCA Board Member (Hamilton representative)

Report: **Grand River Conservation Authority (GRCA) Reserve Details**

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**Summary:**

The audited financial statements as at December 31<sup>st</sup>, 2018 provide information regarding GRCA reserves on the balance sheet and under note disclosure (note 9) a listing of reserves by category is provided. See attached for the relevant sections of the GRCA 2018 Audited Financial Statements.

The total GRCA reserves as at December 31, 2018 is \$23,677,015

**Report:**

The GRCA reserves are categorized as operating, capital or motor pool reserves and have the following balances as at December 31, 2018:

Operating	\$ 6,817,580
Capital	\$15,010,386
Motor Pool	<u>\$ 1,849,049</u>
Total	<u>\$23,677,015</u>

Within each category there are specific purposes outlined for the reserves, as listed in note 9 of the audited financial statements. Also approximately \$6.9M of the total \$23.7M reserves is governed by external parties that have an interest in the reserve. The land sale proceeds reserve and gauge reserve (\$6,656,343) has a provincial interest and their use is governed by provincial regulations. The nature centre reserves (\$259,904) have various school board interests and these reserves are designated for capital maintenance related to the nature centres.

Sincerely,

A handwritten signature in black ink, appearing to read "Sonja Radoja".

Sonja Radoja  
Manager Corporate Services

**GRAND RIVER CONSERVATION AUTHORITY**

**AUDITED FINANCIAL STATEMENTS**

**DECEMBER 31, 2018**

## STATEMENT 1

## GRAND RIVER CONSERVATION AUTHORITY

(Established by the Conservation Authorities Act)

## Statement of Financial Position

As at December 31, 2018

(with comparative figures for 2017)

	<u>2018</u>	<u>2017</u>
<b>Financial Assets</b>		
Cash	\$ 2,343,757	\$ 2,848,480
Investments (Note 2)	27,517,997	25,793,092
Accounts Receivable - Government Grants	1,224,415	616,183
Accounts Receivable - Municipal Levies and Other	183,293	90,797
Other Receivables	1,073,807	841,335
	<u>32,343,269</u>	<u>30,189,887</u>
<b>Financial Liabilities</b>		
Accounts Payable and Accrued Liabilities (Note 5)	3,622,171	3,074,669
Deferred Revenue (Note 3)	4,522,832	4,010,667
Deposits	291,477	269,129
	<u>8,436,480</u>	<u>7,354,465</u>
<b>Net Financial Assets</b>	<u>23,906,789</u>	<u>22,835,422</u>
<b>Non-Financial Assets</b>		
Tangible Capital Assets (Note 4)	88,748,529	89,358,860
Prepaid Expenses and Inventory	239,921	274,121
	<u>88,988,450</u>	<u>89,632,981</u>
<b><u>ACCUMULATED SURPLUS</u></b>	<u>\$ 112,895,239</u>	<u>\$ 112,468,403</u>

**ACCUMULATED SURPLUS COMPRISED OF**

Accumulated Surplus - Reserves - Operating (Note 9)	\$ 6,817,580	\$ 6,353,936
Accumulated Surplus - Reserves - Capital (Note 9)	15,010,386	14,361,616
Accumulated Surplus - Reserves - Motor Pool (Note 9)	1,849,049	1,981,677
Accumulated Surplus - Other	469,695	412,314
Accumulated Surplus - Tangible Capital Assets	88,748,529	89,358,860
<b><u>ACCUMULATED SURPLUS</u></b>	<u>\$ 112,895,239</u>	<u>\$ 112,468,403</u>

Commitments and Contingencies (Notes 7 and 8)

(see accompanying notes to the financial statements)

**(9) Accumulated Surplus**

Accumulated surplus consists of tangible capital asset and other surplus and reserve funds. Details of the reserve funds are as follows:

	2018	2017
<b>Operating</b>		
Property and Liability Insurance	\$ 270,383	\$ 270,383
Building and Mechanical Equipment	1,706,833	1,496,833
Small Office Equipment	7,397	7,257
Personnel	1,037,112	1,037,112
Apps' Mill Nature Centre	23,849	23,398
Laurel Creek Nature Centre	67,338	66,065
Guelph Lake Nature Centre	137,227	104,633
Shade's Mills Nature Centre	27,854	27,327
Taquanyah Nature Centre	3,636	3,567
Computer Replacement	1,200,862	1,197,993
Forestry Management	703,737	648,359
Cottage Operations	519,114	509,301
Property Rental	469,333	337,824
Planning Enforcement	425,180	417,142
Grand River Management Plan	105,178	103,190
Watershed Restoration	112,547	103,552
<b>Total Operating Reserves</b>	<b>\$ 6,817,580</b>	<b>\$ 6,353,936</b>
<b>Capital</b>		
Completion of Capital Projects	147,000	147,000
Cambridge Desiltation Pond	7,616	8,022
Gravel	239,749	235,217
General Capital	562,741	552,103
Major Dam Maintenance	2,981,946	2,812,749
Gauges	642,300	541,859
Conservation Area	4,012,440	4,274,499
Land Reserves	6,416,594	5,790,167
<b>Total Capital Reserves</b>	<b>\$15,010,386</b>	<b>\$14,361,616</b>
<b>Motor Pool</b>		
Motor Pool Equipment Replacement	1,764,064	1,900,423
Vehicle Insurance	84,985	81,254
<b>Total Motor Pool Reserves</b>	<b>\$ 1,849,049</b>	<b>\$ 1,981,677</b>
<b>Total Reserves</b>	<b>\$23,677,015</b>	<b>\$22,697,229</b>

Land reserves represent the net proceeds of land sales and are available for approved projects including purchases of conservation lands within the Watershed in accordance with Authority policies and Provincial Regulations.