

Financial Statements of

**NIAGARA PENINSULA  
CONSERVATION AUTHORITY**

And Independent Auditors' Report thereon

Year ended December 31, 2024



**KPMG LLP**

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## **INDEPENDENT AUDITOR'S REPORT**

To the Board of Directors of Niagara Peninsula Conservation Authority

### ***Opinion***

We have audited the financial statements of Niagara Peninsula Conservation Authority (the Entity), which comprise:

- the statement of financial position as at December 31, 2024
- the statement of operations and accumulated surplus for the year then ended
- the statement of changes in net financial assets for the year then ended
- the statements of cash flows for the years then ended
- and notes to the financial statements, including a summary of significant material policy information

(Hereinafter referred to as the “financial statements”).

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Entity as at December 31, 2024, and its results of operations, its changes in net financial assets and its 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 auditor’s report.

We are independent of the Entity 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.



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### ***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 , 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 Entity'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 Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity'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 the 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 Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.



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- 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 Entity's 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 Entity 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.
- 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.

A handwritten signature in black ink that reads 'KPMG LLP' with a horizontal line underneath.

Chartered Professional Accountants, Licensed Public Accountants

Hamilton, Canada

April 25, 2025



Statement of Financial Position

As at December 31, 2024, with comparative information for 2023

	2024	2023
<b>Financial assets</b>		
Cash and cash equivalents	\$ 1,403,597	\$ 3,348,225
Investments	3,642,384	4,636,276
Accounts receivable	1,000,653	744,574
	<u>6,046,634</u>	<u>8,729,075</u>
<b>Liabilities</b>		
Accounts payable and accrued liabilities	981,251	936,062
Employee future benefits (note 2)	159,800	186,300
Deferred revenue (note 3)	1,209,351	2,423,667
Long-term financing (note 4)	767,709	-
	<u>3,118,111</u>	<u>3,546,029</u>
Net financial assets	2,928,523	5,183,046
<b>Non-financial assets</b>		
Prepaid expenses	258,167	210,152
Tangible capital assets (note 5)	33,473,993	27,941,777
	<u>33,732,160</u>	<u>28,151,929</u>
Accumulated surplus (note 6)	<u>\$ 36,660,683</u>	<u>\$ 33,334,975</u>

See accompanying notes to financial statements

John Metcalfe, Chair

Leilani Lee-Yates, CAO/Secretary -Treasurer



Statement of Operations and Accumulated Surplus

Year ended December 31, 2024, with comparative information for 2023

	Budget (note 9)	2024 Actual	2023 Actual
Revenues:			
Government transfers			
Province of Ontario	540,660	688,861	623,554
Government of Canada	212,323	598,599	942,096
Municipal levies:			
General	7,040,886	7,040,886	6,947,104
Special	2,305,211	2,290,550	2,087,776
Authority generated:			
User fees, sales and admissions	3,322,447	3,394,767	3,046,338
Administration fees	754,800	886,992	785,211
Interest	82,000	248,743	219,922
Other	1,350,053	3,974,929	1,297,545
OPG - Welland river watershed	—	178,399	72,357
	15,608,380	19,302,726	16,021,903
Expenses:			
CAO and Administration	1,508,054	1,453,255	1,206,266
Watershed	5,259,895	5,384,717	4,374,494
Corporate Services	3,473,153	4,193,220	3,210,335
Conservation Areas	4,690,548	4,945,826	4,430,000
	14,931,650	15,977,018	13,221,095
Annual surplus	676,730	3,325,708	2,800,808
Accumulated surplus, beginning of year	33,334,975	33,334,975	30,534,167
Accumulated surplus, end of year	\$34,011,705	\$36,660,683	\$33,334,975

See accompanying notes to financial statements



Statement of Change in Net Financial Assets

Year ended December 31, 2024, with comparative information for 2023

	2024	2023
Annual surplus	\$ 3,325,708	\$ 2,800,808
Acquisition of tangible capital assets	(7,218,423)	(2,419,674)
Amortization of tangible capital assets	1,628,481	1,336,281
Proceeds on disposal of tangible capital assets	84,346	85,693
Gain on disposal of tangible capital assets	(26,620)	(26,379)
Increase in prepaid expenses	(48,015)	(10,662)
	(2,254,523)	1,766,067
Net financial assets, beginning of year	5,183,046	3,416,979
Net financial assets, end of year	\$ 2,928,523	\$ 5,183,046

See accompanying notes to financial statements



Statement of Changes in Cash Flows

Year ended December 31, 2024, with comparative information for 2023

	2024	2023
Cash provided by (used in):		
Operations:		
Annual surplus	\$ 3,325,708	\$ 2,800,808
Item not involving cash:		
Amortization of tangible capital assets	1,628,481	1,336,281
Gain on disposal of tangible capital assets, net	(26,620)	(26,379)
Employee future benefits	(26,500)	83,000
Accrued interest on investments	(151)	8,216
Change in non-cash operating working capital:		
Accounts receivable	(256,079)	(137,829)
Prepaid expenses	(48,015)	(10,662)
Accounts payable and accrued liabilities	45,189	110,664
Deferred revenue	(1,214,316)	73,425
	3,427,697	4,237,524
Capital activities:		
Purchases of tangible capital assets	(7,218,423)	(2,419,674)
Proceeds from disposal of tangible capital assets	84,346	85,693
	(7,134,077)	(2,333,981)
Investing activities:		
Proceeds from sale of investments	4,636,427	4,544,293
Purchases of investments	(3,642,384)	(4,636,276)
	994,043	(91,983)
Financing activities:		
Proceeds from long-term financing	829,131	-
Repayment of long-term financing	(61,422)	-
	767,709	-
Net change in cash and cash equivalents	(1,944,628)	1,811,560
Cash and cash equivalents, beginning of year	3,348,225	1,536,665
Cash and cash equivalents, end of year	\$ 1,403,597	\$ 3,348,225

See accompanying notes to financial statements





## Notes to Financial Statements

Year ended December 31, 2024

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The Niagara Peninsula Conservation Authority ("the Authority") is established under The Conservation Authorities Act of Ontario to further the conservation, restoration, development and management of natural resources within the watershed boundary established for the Authority.

### 1. Significant accounting policies:

The financial statements of Niagara Peninsula Conservation Authority (the "Authority") are prepared by management in accordance with Public Sector Accounting Standards ("PSAS"). Significant accounting policies adopted by the Authority are as follows:

(a) Basis of accounting:

Revenues and expenses are reported on the accrual basis of accounting. Revenues are recognized in the year in which they are earned and measurable. Expenses are recognized as they are incurred and measurable as a result of receipt of goods or services and the creation of a legal obligation to pay.

(b) Cash and cash equivalents:

Cash and cash equivalents include cash on hand, balances with banks and guaranteed investment certificates that mature within three months.

(c) Investments:

Investments consist of term deposits and are recorded at amortized cost. Investments held by the Authority have a market value that approximates cost given their fixed interest rate nature and maturity date within one year. When there has been a loss in value that is other than a temporary decline in value, the respective investment is written down to recognize the loss. Investment income earned on investments are reported as revenue in the period earned.

(d) Deferred revenue:

Deferred revenues represent government transfers and user fees which have been collected but for which performance obligations have not been met. These amounts will be recognized as revenues in the fiscal year the services are performed.

(e) Non-financial assets:

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

**1. Significant accounting policies (continued):**

(f) Non-financial assets (continued):

i) Tangible capital assets:

Tangible capital assets are recorded at cost. Cost includes all directly attributable expenses in the acquisition, construction, development and/or betterment of the asset. The Authority does not capitalize interest costs associated with the acquisition or construction of tangible capital assets.

Cost, less residual value of tangible capital assets are amortized on a straight-line basis over their estimated useful life. Land is considered to have an infinite life without amortization. Full year amortization is charged in the year of acquisition. Work-in-progress assets are not amortized until the asset is available for productive use.

Amortization is based on the following classifications and useful lives:

<b>Asset</b>	<b>Useful Life - Years</b>
Land Improvements	20 years
Buildings	30 years
Dams	15 to 100 years
Gauge stations	15 to 30 years
Leasehold Improvements	10 years
Equipment	10 years
Vehicles	5 years
Office equipment	5 years

Contributed tangible capital assets are capitalized at their estimated fair value upon acquisition and recognized as revenue in the year of contribution.

(g) Revenue recognition:

i) Government transfers

Government transfers are recognized as revenue in the financial statements when the transfer is authorized, any eligibility criteria are met and a reasonable estimate of the amount can be made except when, and to the extent that, stipulations by the transferor give rise to an obligation that meet the definition of a liability. Government transfers that meet the definition of a liability are recognized as revenue as the liability is extinguished.

ii) Municipal levies

Municipal levies are recognized as revenue in the year in which they meet the definition of an asset, the levy is authorized, and the levy event has occurred.

**1. Significant accounting policies (continued):**

(g) Revenue recognition (continued):

iii) Authority generated

User fees, sales and admissions and other income are reported as revenue in the period earned.

(h) Employee future benefits:

The Authority provides certain employee benefits which will require funding in future periods. These benefits include extended health and dental benefits for early retirees to age 65. The employee future benefits represent management's best estimates of the cost of premiums on benefits up to the date of retirement.

(i) Asset retirement obligation:

A liability is recognized where there is a legal obligation to incur costs associated with the retirement of a tangible capital asset. Such costs increase the carrying amount of the related tangible capital asset and are expensed in a rational and systematic manner, while asset retirement costs associated with an asset no longer in productive use are expensed. A liability for an asset retirement obligation is recognized when all the following criteria are met:

- there is a legal obligation to incur retirement costs;
- a transaction or event gives rise to a liability has occurred;
- it is expected that future economic benefits will be given up; and
- a reasonable estimate of the amount can be made.

Initial measurement of the liability is based on management's best estimate of the amount required to retire a tangible capital asset as at the date of the Statement of Financial Position. Changes in the subsequent measurement of the liability are recorded as a change in the carrying amount of the related tangible capital asset, or an expense, depending on the nature of the remeasurement or whether the asset remains in productive use.

(j) Use of estimates:

The preparation of 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 at the date of the financial statements, and the reported amounts of revenues and expenses during the period. Actual results could differ from management's best estimates as additional information becomes available in future. Significant estimates include assumptions used in the estimation of employee future benefits.

(k) Adoption of new accounting standards:

On January 1, 2024, the Authority adopted Public Accounting Standard PS 3400 – Revenue. This standard was adopted prospectively from the date of adoption. This new standard provides requirements for the recognition, measurement, presentation, and disclosure of revenue transactions.

The implementation of this standard did not require the Authority to reflect any adjustments in the financial statements.

**2. Employee future benefits:**

The Authority provides extended life, health, and dental benefits to a closed group of early retirees to age 65 which will require funding in future periods. The Authority recognizes these retirement benefit costs in the period in which the service is rendered. The accrued benefit liability at December 31, 2024 was estimated by management to be \$159,800 (2023 - \$186,300). Information about the Authority's benefit plan is as follows:

	2024	2023
Accrued benefit obligation:		
Balance, beginning of year	\$186,300	\$ 103,300
Current benefit (recovery) cost	(15,236)	89,700
Benefits paid	(11,264)	(6,700)
Accrued benefit obligation, end of year	\$159,800	\$ 186,300

**3. Deferred revenue:**

Deferred revenues consist of the following:

	Balance at December 31, 2023	Externally restricted inflows	Revenue earned	Balance at December 31, 2024
User fees	\$ 372,986	\$215,940	\$ (308,595)	\$280,331
District School Board of Niagara	1,000,000	–	(910,501)	89,499
Government grants	346,603	120,469	(153,230)	313,842
Welland river watershed- Ontario Power Generation ("OPG")	704,078	–	(178,399)	525,679
Total	\$ 2,423,667	\$336,409	\$ (1,550,725)	\$ 1,209,351

#### 4. Long-term financing:

Unsecured variable rate term loan requiring monthly principal payments of \$10,237 plus interest. The principal payments of the long-term financing obligation due in the next 5 years are as follows: 2025 - \$122,844; 2026 - \$122,844; 2027 - \$122,844; 2028 - \$122,844; 2029 - \$122,844, \$153,489 thereafter.

#### 5. Tangible capital assets:

Cost	Balance at December 31, 2023	Additions	Transfers/ Disposals	Balance at December 31, 2024
Land	\$10,831,810	\$3,452,572	\$ —	\$14,284,382
Land improvements	8,075,810	2,054,439	—	10,130,249
Buildings	7,106,443	211,254	—	7,317,697
Dams	5,273,518	—	—	5,273,518
Gauge stations	403,351	65,831	—	469,182
Leasehold Improvements	—	836,891	—	836,891
Equipment	4,944,431	896,017	(153,938)	5,686,510
Vehicles	48,757	—	—	48,757
Office equipment	1,221,836	215,576	—	1,437,412
Work-in-progress	1,710,751	7,218,423	(7,732,580)	1,196,594
<b>Total</b>	<b>\$39,616,707</b>	<b>\$14,951,003</b>	<b>\$ (7,886,518)</b>	<b>\$46,681,192</b>

Accumulated Amortization	Balance at December 31, 2023	Additions	Transfers/ Disposals	Balance at December 31, 2024
Land	\$ —	\$ —	\$ —	\$ —
Land improvements	3,390,274	498,601	—	3,888,875
Buildings	3,077,610	239,116	—	3,316,726
Dams	2,067,690	69,223	—	2,136,913
Gauge stations	302,199	25,074	—	327,273
Leasehold Improvements	—	83,689	—	83,689
Equipment	1,889,440	540,054	(96,212)	2,333,282
Vehicles	48,757	—	—	48,757
Office equipment	898,960	172,724	—	1,071,684
<b>Total</b>	<b>\$11,674,930</b>	<b>\$1,628,481</b>	<b>\$ (96,212)</b>	<b>\$13,207,199</b>

**5. Tangible capital assets (continued):**

	Net Book Value December 31, 2023	Net Book Value December 31, 2024
Land	\$10,831,810	\$ 14,284,382
Land improvements	4,685,536	6,241,374
Buildings	4,028,833	4,000,971
Dams	3,205,828	3,136,605
Gauge stations	101,152	141,909
Leasehold Improvements	—	753,202
Equipment	3,054,991	3,353,228
Vehicles	—	—
Office equipment	322,876	365,728
Work-in-progress	1,710,751	1,196,594
<b>Total</b>	<b>\$27,941,777</b>	<b>\$33,473,993</b>

Work-in-process, having a value of \$1,196,594 (2023 - \$1,710,751) has not been amortized. Amortization of these assets will commence when the asset is brought into service.

Contributed tangible capital assets have been recognized at fair value at the date of contribution. The fair value of contributed assets received during the year is \$nil (2023 - \$nil). Tangible capital assets recognized at nominal value include land used in the operations and conservation management. There were no amounts recognized at nominal value during the year, or 2023.

During the year, the Authority disposed of assets in the normal course of operations, recognizing a gain on disposal of \$26,620 (2023 - \$26,379).

**6. Accumulated surplus:**

Accumulated surplus consists of the following:

	2024	2023
Invested in tangible capital assets	\$ 33,473,993	\$ 27,941,777
Reserves set aside by the Board of the Authority for specific purpose	3,346,490	5,579,498
Unfunded employee future benefits liability	(159,800)	(186,300)
	<b>\$ 36,660,683</b>	<b>\$ 33,334,975</b>

**6. Accumulated surplus (continued):**

Reserves set aside by the Board of the Authority for specific purpose consists of the following:

	2024	2023
General capital	\$ 708,890	\$ 1,257,909
Operating reserve	528,273	1,552,830
Flood protection	270,380	261,141
Levy differential	–	33,367
Land acquisitions	1,514,402	2,159,360
Restoration	324,545	314,891
	<b>\$3,346,490</b>	<b>\$ 5,579,498</b>

**7. Credit facility:**

The Authority's credit facility includes an overdraft lending account of \$765,000 bearing interest at prime less 2%. As at December 31, 2024, \$nil (2023 - \$nil) was drawn on this facility. As at December 31, 2024, \$11,667 (2023 - \$11,667) was issued by way of a letter of credit to a municipality for which the Authority receives levies in exchange for construction work on-going within the municipal boundaries.

**8. Pension plan:**

The Authority makes contributions to the Ontario Municipal Employees Retirement System ("OMERS"), which is a multi-employer plan, on behalf of the 87 (2023 – 83) members of its staff. The plan is a defined benefit plan that specifies the amount of retirement benefit to be received by the employees based on the length of service and rates of pay. Employees and employers contribute jointly to the plan.

Since OMERS is a multi-employer pension plan, the Authority does not recognize any share of the pension plan deficit of \$2.9 billion (2023 - \$4.2 billion) based on the fair market value of the Plan's assets, as this is a joint responsibility of all Ontario municipal entities and their employees. Contributions were made in the 2024 calendar year at rates ranging from 9.0% to 14.6% depending on the member's designated retirement age and level of earnings. Employer contributions for current and past service are included as an expense in the Statement of Operations. Employer contributions to OMERS for 2024 current and past service was \$706,869 (2023 - \$554,138) and were matched by employee contributions.

## 9. Budget data:

The budget data presented in these financial statements is based upon the 2024 operating budget approved by the Board of the Authority on October 20, 2023, and capital budget approved October 20, 2023. Amortization was not incorporated in the development of the budget and, as such, was not provided on the statement of changes in net financial assets. The chart below reconciles the approved budget to the budget figures reported in these financial statements:

	Budget Amount
Revenues	
Operating	
Approved budget	\$ 13,303,169
Capital	
Approved budget	2,305,211
Total revenues	\$ 15,608,380
Expenses:	
Operating	
Approved budget	\$ 13,303,169
Capital	
Approved budget	2,305,211
Add:	
Amortization	1,628,481
Less:	
Tangible capital assets included in operating expense	(2,305,211)
Total expenses	14,931,650
Annual surplus	\$ 676,730

## 10. Asset retirement obligation

Throughout the year the Authority reviews all assets recorded on the tangible capital asset listing to determine if there are any legal obligations to incur costs in the future associated with the retirement of an asset. Examples of such costs are the remediation of asbestos, lead and mold, the closure of dams or monitoring wells. Currently, there are no known assets that fall within the scope of this obligation, and as a result, no liability has been recognized.

The Authority's ongoing efforts to assess asset retirement obligations may result in future liabilities, any changes will be accrued in the year in which they are assessed as likely and reasonably estimable.



**11. Contingencies:**

The Authority is involved from time to time in litigation, which arises in the normal course of business. The exact outcome of these actions is not determinable as at the date of reporting. In respect of certain 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.

**12. Related party transactions:**

During the year, the Authority incurred \$26,406 (2023 - \$20,255) in expenditures for per diems, honorariums, and mileage which was paid to and on behalf of members of the Board of Directors for the Authority.

**13. Contractual rights:**

The Authority has contractual rights under contract with various Ministry agencies to receive funds in exchange for services to be provided under those contracts. The Authority is expecting up to \$355,125 in future revenues based on anticipated services to be performed.

**14. Contractual obligations and commitments:**

- i) The Authority has entered into a contract for provision of reservation and park system services until December 2025, with an annual financial requirement of \$30,000. This will be financed by the Authority's operating budget.
- ii) The Authority has entered into a long-term lease for office space, which expires February 28<sup>th</sup>, 2031, with a three-year option to renew. The total lease commitment is \$2,169,146, annual minimum lease payments are as follows: 2025 - \$226,740; 2026 - \$226,740; 2027 - \$233,038; 2028 - \$234,298; 2029 - \$234,298, \$1,014,032 thereafter.

**15. Segmented information:**

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

**Corporate Administration**

Corporate administration services are comprised of the administration services of the Authority.

**Watershed**

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

**Corporate Services**

The corporate services department covers costs to manage the authority and support staff. The main activities include finance and accounting, information management, fleet, facilities and asset management.

**Conservation Areas**

The conservation areas department is the umbrella for two divisions dedicated to conservation land management and conservation land programming. Conservation land management is the administration department for the conservation areas. Conservation land programming and development is responsible for maintenance and improvements to the conservation areas.

For each reported segment, revenues and expenses represent both amounts that are directly attributable to the segment and amounts that are allocated on a reasonable basis. Municipal levies have been allocated to the segments based upon budgeted levies for the segment. Interest earned from investments has been allocated among the various segments.



## Notes to Financial Statements (continued)

Year ended December 31, 2024

**15. Segmented information (continued):**

2024					
	Corporate Administration	Watershed	Corporate Services	Conservation Areas	2024 Total
<b>Revenues:</b>					
Government transfers	15,200	966,646	285,614	20,000	1,287,460
Municipal levies	1,374,804	3,756,624	2,984,421	1,215,587	9,331,436
User fees, sales and administration	-	-	1,480	3,393,287	3,394,767
Administration fees	-	886,992	-	-	886,992
Interest	-	-	248,743	-	248,743
Other	43	897,795	2,094,671	955,800	3,948,309
Gain on disposal	-	-	26,620	-	26,620
OPG-Welland River Watershed	-	178,399	-	-	178,399
<b>Total revenues</b>	<b>1,390,047</b>	<b>6,686,456</b>	<b>5,641,549</b>	<b>5,584,674</b>	<b>19,302,726</b>
<b>Expenses:</b>					
Salaries and benefits	1,209,162	4,190,209	1,583,459	2,820,074	9,802,904
Materials and supplies	49,881	348,716	542,848	1,062,017	2,003,462
Contracted services	-	154,167	37,324	-	191,491
Professional fees	41,078	629,321	69,233	-	739,632
Rent and financial expenses	-	-	923,514	-	923,514
Debt service	-	-	40,010	-	40,010
Marketing and promotion	77,260	8,963	561,301	-	647,524
Amortization	75,874	53,341	435,531	1,063,735	1,628,481
<b>Total expenses</b>	<b>1,453,255</b>	<b>5,384,717</b>	<b>4,193,220</b>	<b>4,945,826</b>	<b>15,977,018</b>
<b>Annual surplus</b>	<b>\$ (63,208)</b>	<b>\$ 1,301,739</b>	<b>\$ 1,448,329</b>	<b>\$638,848</b>	<b>\$ 3,325,708</b>

2023					
	Corporate Administration	Watershed	Corporate Services	Conservation Areas	2023 Total
<b>Revenues:</b>					
Government transfers	29,489	574,808	203,226	758,127	1,565,650
Municipal levies	1,361,703	3,091,833	3,030,187	1,551,157	9,034,880
User fees, sales and administration	-	-	-	3,046,338	3,046,338
Administration fees	-	785,211	-	-	785,211
Interest	-	-	219,922	-	219,922
Other	10,755	599,019	544,744	77,110	1,231,628
Gain on disposal	-	-	26,379	-	26,379
Gain on insurance proceeds	-	-	39,538	-	39,538
OPG-Welland River Watershed	-	72,357	-	-	72,357
<b>Total revenues</b>	<b>\$1,401,947</b>	<b>\$5,123,228</b>	<b>\$4,063,996</b>	<b>\$5,432,732</b>	<b>\$16,021,903</b>
<b>Expenses:</b>					
Salaries and benefits	919,908	3,472,935	1,156,562	2,551,420	8,100,825
Materials and supplies	42,121	326,773	480,698	960,925	1,810,517
Contracted services	-	245,553	27,620	-	273,173
Professional fees	87,088	270,275	90,107	-	447,470
Rent and financial expenses	-	-	616,398	-	616,398
Marketing and promotion	56,565	14,747	565,119	-	636,431
Amortization	100,584	44,211	273,831	917,655	1,336,281
<b>Total expenses</b>	<b>1,206,266</b>	<b>4,374,494</b>	<b>3,210,335</b>	<b>4,430,000</b>	<b>13,221,095</b>
<b>Annual surplus</b>	<b>\$ 195,681</b>	<b>\$ 748,734</b>	<b>\$ 853,661</b>	<b>\$1,002,732</b>	<b>\$ 2,800,808</b>



Notes to Financial Statements (continued)

Year ended December 31, 2024

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**16. Comparative Figures:**

Certain comparative figures included in these financial statements have been reclassified to conform with the presentation adopted for the current year.