



Financial Statements

Toronto and Region Conservation Authority

December 31, 2011

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Independent Auditor's Report

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To the Members of the
Toronto and Region Conservation Authority

We have audited the accompanying financial statements of **Toronto and Region Conservation Authority** ("TRCA"), which comprise the statement of financial position as at December 31, 2011, and the statements of operations, changes in net debt, 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 TRCA as at December 31, 2011, and the results of its operations, changes in net debt, and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Other matter

Without modifying our report we draw attention to the budget figures which are provided for comparative purposes only. They have not been subject to audit procedures. Accordingly, we do not express an opinion on the budget figures.

Markham, Canada
June 22, 2012



Chartered Accountants
Licensed Public Accountants

Toronto and Region Conservation Authority

Statement of Financial Position

December 31

2011

2010

Financial Assets

Cash and cash equivalents (Note 3)	\$ 10,423,135	\$ 9,680,564
Marketable securities (Note 2)	17,632,428	13,809,132
Receivables (Note 4)	<u>11,577,508</u>	<u>12,440,449</u>
	<u>39,633,071</u>	<u>35,930,145</u>

Liabilities

Payables and accruals	13,050,420	11,880,535
Deferred revenue		
Municipal levies	12,795,130	9,483,983
Capital, special projects and other	13,444,953	14,533,481
Vacation pay and sick leave entitlements	<u>1,681,680</u>	<u>1,880,611</u>
	<u>40,972,183</u>	<u>37,778,610</u>

Net Debt

(1,339,112) (1,848,465)

Non-Financial Assets


Inventory	420,206	488,353
Prepays	221,951	245,711
Tangible capital assets (Page 24)	<u>420,577,021</u>	<u>402,233,964</u>
	<u>421,219,178</u>	<u>402,968,028</u>


Accumulated surplus (Page 23)

\$ 419,880,066 \$ 401,119,563

Contingent liabilities and commitments (Note 7)

On behalf of TRCA


Chair


Secretary-Treasurer

Toronto and Region Conservation Authority

Statement of Operations

Year Ended December 31	2011	2011	2010
	Budget (unaudited)	Actual	Actual
Revenue			
Municipal			
Levies - Operating	\$ 11,724,000	\$ 11,723,828	\$ 11,532,985
- Capital	35,017,260	23,753,058	19,023,309
Other	5,878,000	2,817,980	9,512,054
Government grants			
MNR transfer payments	846,000	845,753	845,753
Provincial - other	7,071,400	4,842,853	6,102,964
Federal	2,888,600	1,824,839	2,533,796
User fees, sales and admissions	15,390,000	14,687,384	13,834,661
Investment income	340,000	511,853	321,342
Proceeds from sale of properties	699,000	379,243	3,806,025
The Living City Foundation	1,205,000	1,583,368	1,233,689
Donations and fundraising	1,049,000	2,413,827	478,058
Facility and property rentals	2,414,000	2,510,032	2,787,019
Canada Post Corporation agreement	665,000	11,964	8,868
Waterfront Toronto	10,381,000	6,571,012	6,796,768
Corporate and Community Groups	2,144,000	1,099,996	1,145,918
Contract services	7,873,000	8,669,380	9,134,950
Sales and property tax refunds	135,000	265,916	289,272
Compensation agreements	734,000	284,928	674,440
Sundry	1,300	49,502	16,779
	<u>106,455,560</u>	<u>84,846,716</u>	<u>90,078,650</u>
Less: cost of sales of tangible capital assets included above	-	(247,289)	(363,653)
	<u>106,455,560</u>	<u>84,599,427</u>	<u>89,714,997</u>
Expenditures			
Watershed management and health monitoring	14,281,000	11,380,293	12,273,577
Environmental advisory services	5,144,000	4,970,606	4,525,335
Watershed stewardship	28,577,260	21,053,568	18,902,434
Conservation land management, development and acquisition	32,784,000	22,761,160	28,141,902
Conservation and education programming	19,164,300	17,461,480	17,745,867
Corporate services	7,759,000	6,879,516	6,428,272
Vehicle and equipment, net of usage charged	-	(77,353)	145,580
	<u>107,709,560</u>	<u>84,429,270</u>	<u>88,162,967</u>
Less the following included in expenditures:			
Tangible capital asset expenditures	-	(15,896,287)	(20,817,231)
Contributed tangible capital assets	-	(8,697,966)	(1,123,586)
Expenditures before amortization	107,709,560	59,835,017	66,222,150
Amortization	-	6,003,907	5,902,164
	<u>107,709,560</u>	<u>65,838,924</u>	<u>72,124,314</u>
Surplus for the year (Page 23)	\$ <u>(1,254,000)</u>	\$ <u>18,760,503</u>	\$ <u>17,590,683</u>

See accompanying notes to the financial statements.

Toronto and Region Conservation Authority Statement of Changes in Net Debt

Year Ended December 31	2011	2010
Annual surplus for the year	\$ 18,760,503	\$ 17,590,683
Acquisition of tangible capital assets	(15,896,287)	(20,817,231)
Contributed tangible capital assets	(8,697,966)	(1,123,586)
Cost of sales of tangible capital assets	247,289	363,653
Amortization	6,003,907	5,902,164
Change in inventory	68,147	(8,704)
Change in prepaids	<u>23,760</u>	<u>(35,997)</u>
Decrease in net debt in the year	509,353	1,870,982
Net debt, beginning of year	<u>(1,848,465)</u>	<u>(3,719,447)</u>
Net debt, end of year	\$ <u>(1,339,112)</u>	\$ <u>(1,848,465)</u>

See accompanying notes to the financial statements.

Toronto and Region Conservation Authority

Statement of Cash Flows

Year Ended December 31

2011

2010

Increase (decrease) in cash and cash equivalents

Operating

Surplus for the year	\$ 18,760,503	\$ 17,590,683
Non-cash charge to operations		
Amortization	6,003,907	5,902,164
Gain on disposal of tangible capital assets	(403,120)	(71,664)
Contributed tangible capital assets	(8,697,966)	(1,123,586)
Write off of tangible capital assets	61,072	48,017
Decrease in receivables	862,941	10,435
Increase in interest receivable	(154,200)	(50,598)
Decrease (increase) in inventory	68,147	(8,704)
Decrease (increase) in prepaids	23,760	(35,997)
Increase in payables and accruals	1,169,885	1,998,822
Increase in deferred revenue	2,222,619	1,246,029
Decrease in vacation pay and sick leave entitlements	(198,931)	(55,125)
	<u>19,718,617</u>	<u>25,450,476</u>

Investing

Proceeds on maturities of marketable securities	8,249,957	12,500,000
Purchase of marketable securities	(11,919,053)	(12,059,045)
	<u>(3,669,096)</u>	<u>440,955</u>

Capital

Proceeds on disposal of tangible capital assets	589,337	387,300
Purchase of tangible capital assets	(15,896,287)	(20,817,231)
	<u>(15,306,950)</u>	<u>(20,429,931)</u>

Net increase in cash and cash equivalents	742,571	5,461,500
Cash and cash equivalents, beginning of year	<u>9,680,564</u>	<u>4,219,064</u>
Cash and cash equivalents, end of year	<u>\$ 10,423,135</u>	<u>\$ 9,680,564</u>

See accompanying notes to the financial statements.

Toronto and Region Conservation Authority

Notes to the Financial Statements

December 31, 2011

1. Nature of operations

Toronto and Region Conservation Authority ("TRCA") is established under the Conservation Authorities Act of Ontario to further the conservation, restoration, development and management of natural resources, other than gas, oil, coal and minerals for the nine watersheds within its area of jurisdiction. TRCA's area of jurisdiction includes areas in the City of Toronto, the Regions of Durham, Peel and York, and the Township of Adjala-Tosorontio and Town of Mono.

2. Summary of significant accounting policies

The financial statements of TRCA are prepared by management in accordance with Canadian generally accepted accounting principles for organizations operating in the local government sector as recommended by the Public Sector Accounting Board of The Canadian Institute of Chartered Accountants. Significant aspects of the accounting policies adopted by TRCA are as follows:

Accrual Accounting

Revenue and expenditures are recorded on the accrual basis, 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.

Tangible capital assets

Tangible capital assets are recorded at cost which includes all amounts directly attributable to acquisition, construction development or betterment of the asset. Contributed tangible capital assets are recorded at fair market value at the date of contribution. Amortization is provided on a straight-line basis 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 put into service.

One-half of the annual amortization is charged in the year of acquisition and in the year of disposal. Assets under construction are not amortized until the asset is available for productive use.

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

TRCA has a collection of art and historical buildings not included as a part of the tangible capital asset balance.

Service life of tangible capital assets is as follows:

Land improvements	20-40 years
Buildings and building Improvements	10-55 years
Machinery and equipment	5-12 years
Vehicles	6-25 years
Infrastructure	10-50 years

Toronto and Region Conservation Authority

Notes to the Financial Statements

December 31, 2011

2. Summary of significant accounting policies (continued)

Cash and cash equivalents

TRCA considers deposits in banks, certificates of deposit and short term investments with original maturities of 90 days or less as cash and cash equivalents.

Marketable Securities

Marketable securities consist of Guaranteed Investment Certificates and bonds. These investments are carried at cost. Investment income is recognized when earned. The fair market value of the marketable securities at December 31, 2011 is \$17,915,571 (2010 - \$13,834,848).

Reserves

Reserves for future expenditures and contingencies are established as required at the discretion of the members of the Authority. Increases or decreases in these reserves are made by appropriations to or from operations.

Revenue recognition

Government transfers are recognized in the financial statements as revenue in the period in which 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.

User charges and fees are recognized as revenue in the period in which the related services are performed.

Deferred revenue

TRCA receives certain amounts principally from other public sector bodies, the proceeds of which may only be used in the conduct of certain programs or completion of specific work. Further, certain user charges and fees are collected but for which the related services have yet to be performed. These amounts are recognized as revenue when the related expenditures are incurred or services performed.

Inventory

Inventories of goods for resale are valued at the lower of cost and net realizable value. Nursery inventory is valued at the lower of cost and replacement value. Cost is determined on a first-in, first out basis.

Toronto and Region Conservation Authority

Notes to the Financial Statements

December 31, 2011

2. Summary of significant accounting policies (continued)

Use of estimates

The preparation of financial statements 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 revenue and expenditures during the year. Actual results could differ from those estimates.

Vacation pay and sick leave entitlements

Vacation credits earned but not taken and sick leave entitlements are accrued as earned.

Donated capital assets, materials and services

Donated capital assets are recorded at fair value when fair value can be reasonably estimated. Donated materials and services are not recorded.

Contributed services

Volunteers contribute significant time to the governance and delivery of Toronto and Region Conservation Authority programs. Due to the difficulty in determining the fair value of these contributions, contributed services are not recognized in the financial statements.

3. Cash and cash equivalents

Cash and cash equivalents comprise of the following:

	<u>2011</u>	<u>2010</u>
Cash	\$ 8,719,402	\$ 7,467,651
Restricted Cash – Source Water Protection	<u>1,978,842</u>	<u>2,733,744</u>
	10,698,244	10,201,395
Trust funds:		
Rouge Park Alliance	(261,651)	(332,112)
Greater Toronto Area Agricultural Action Committee	<u>(13,458)</u>	<u>(188,719)</u>
	\$ 10,423,135	\$ 9,680,564

The trust funds are funds administered by TRCA on behalf of the organizations above. These funds are held in trust by TRCA for the benefit of others and therefore are not presented as part of TRCA's financial position or financial activities.

The restricted cash is related to the funds set aside to fund a specific program.

Toronto and Region Conservation Authority

Notes to the Financial Statements

December 31, 2011

4. Receivables	<u>2011</u>	<u>2010</u>
Waterfront Toronto	\$ 2,486,025	\$ 1,538,059
City of Toronto	2,094,592	3,712,245
Regional Municipality of York	885,087	739,436
Regional Municipality of Peel	190,790	92,708
The Living City Foundation	1,044,552	383,995
Government of Canada	681,615	1,210,555
Province of Ontario	1,086,514	1,531,281
Interest receivable	8,469	6,360
Municipal levies	60,528	239,640
Trade and other	<u>3,039,336</u>	<u>2,986,170</u>
	\$ 11,577,508	\$ 12,440,449

5. Reserve funds held under provincial revenue-sharing policy

Revenue generated from the sale of properties may be held in a reserve created under the Ministry of Natural Resources' policy for the disposition of TRCA-owned properties. The Ministry reserves the right to direct the purpose to which the provincial share of funds may be applied or to request a refund. The proceeds on the sale of properties are attributed to the province and the member municipalities on the basis of their original contribution when the properties were acquired. The reserve balance must always be maintained in proportion to the original contribution by the province and TRCA, represented by the member municipalities. TRCA is permitted to withdraw the municipal share of the reserve provided that the corresponding provincial share is either matched by other sources of funding or returned to the province. Interest at prevailing market rates must be imputed on the unspent balance (if any) of the reserve.

The changes of the reserve in 2011 and 2010 are based upon the following transactions recorded in operations:

	<u>2011</u>	<u>2010</u>
Reserve balance, beginning of year	\$ 1,089,618	\$ 21,173
Net proceeds from sale of properties	379,243	3,806,025
Interest	12,644	5,914
Applications:		
Greenspace acquisition project	(716,878)	(781,005)
Revised Project for the Etobicoke Motel Strip	<u>(19,003)</u>	<u>(1,962,489)</u>
Reserve balance, end of year	\$ 745,624	\$ 1,089,618

Toronto and Region Conservation Authority

Notes to the Financial Statements

December 31, 2011

6. Pension agreements

TRCA makes contributions to the Ontario Municipal Employees Retirement System ("OMERS"), which is a multi-employer plan, on behalf of full-time members of staff and eligible part-time staff. The plan is a defined benefit pension plan, which specifies the amount of the retirement benefit to be received by the employees based on the length of service and rates of pay.

Contributions made by TRCA to OMERS for 2011 were \$2,277,047 (2010 - \$1,916,166).

7. Contingent liabilities and commitments

(a) Legal actions and claims:

TRCA has received statements of claim as defendant under various legal actions resulting from its involvement in land purchases, fatalities, personal injuries and flooding on or adjacent to its properties. TRCA maintains insurance coverage against such risks and has notified its insurers of the legal actions and claims. It is not possible at this time to determine the outcome of these claims and, therefore, no provision has been made in these financial statements.

(b) As part of some agreements entered into by TRCA, sites purchased are required to be remediated. Any unpaid costs associated with these activities have not been reflected in these financial statements as any costs would be reimbursed through contributions as required under the agreements.

(c) The TRCA has completed the acquisition of lands required to undertake various projects. There are 3 recent projects where TRCA has acquired lands under the Expropriations Act. The first project is the Revised Project for the Etobicoke Motel Strip. Properties required for this project were obtained through expropriation from five owners. Funding was obtained from the City of Etobicoke and the Municipality of Metropolitan Toronto (now collectively known as the City of Toronto) and the Province of Ontario. To date four of the expropriations have been settled.

The second project is the Port Union Improvement Project. This project is funded by the Toronto Waterfront Revitalization Corporation. One property was expropriated for this project and one property was acquired under Section 30 of the Expropriations Act which allows the owner to consent to the acquisition but still arbitrate the compensation. The expropriation has been settled. The compensation for the property acquired under Section 30 is still outstanding.

The third project is the Mimico Waterfront Linear Park Project. This project is funded by the Toronto Waterfront Revitalization Corporation. One property was expropriated for this project and one property was acquired under Section 30 of the Expropriations Act. Both the expropriation and compensation for the property acquired under Section 30 are still outstanding.

Toronto and Region Conservation Authority

Notes to the Financial Statements

December 31, 2011

7. Contingent liabilities and commitments (continued)

(d) Lease commitments

TRCA has entered into agreements to lease premises and equipment for various periods until 2015. Minimum lease payments in aggregate for each of the next four years are as follows:

2012	\$ 361,259
2013	\$ 333,747
2014	\$ 201,803
2015	\$ 6,160

(e) Loan guarantee

TRCA and City of Toronto have jointly and severally provided a loan guarantee in the amount of \$7.5 million to the Evergreen Foundation for the Don Valley Brick Works restoration project. The lease agreement for the Brick Works was signed in January, 2008. In December 2008, TRCA Executive Committee recommended to the Authority that TRCA approve a lease amending agreement with Evergreen and the City of Toronto that provided for extensions to some dates for completion of conditions under the lease, granted subsurface rights to Evergreen, reduce the maximum price of construction contracts and authorized TRCA staff to negotiate or settle terms of financing arrangements, including the requirement for a \$500,000 deposit to be held by the City of Toronto, on behalf of the City and TRCA. This resolution was approved by the Authority on January 9, 2009. As of December 31, 2011, Evergreen had received advances in the amount of \$8.8 million (\$8.7 million as of Dec. 31, 2010) from its financing institutional lender.

8. Related party transactions and balances

TRCA is related to The Living City Foundation ("LCF"), a public foundation that raises funds to support projects of TRCA. TRCA does not exercise control or significant influence over the LCF; consequently, the financial statements do not include the assets, liabilities and activities of the LCF.

In addition, staff of the LCF are employees of TRCA. Payroll costs for these employees in the amount of \$298,218 (2010 - \$303,226) are fully recovered from LCF.

The financial statements include LCF grants in support of projects in the amount of \$1,583,368 (2010 -\$1,233,689.) At the end of the year, the LCF was indebted to TRCA in the amount of \$1,044,552 (2010 - \$383,995.).

Toronto and Region Conservation Authority

Notes to the Financial Statements

December 31, 2011

9. Segmented information

Certain allocation methodologies are employed in the preparation of segmented financial information. Government grants, user charges, transfers from other funds, and other revenues 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.

TRCA segments its activities into six main program areas which are reported in the accompanying supplementary schedules to the financial statements.

Watershed management and health monitoring program

Watershed management and health monitoring program costs and revenues are those required to develop the framework and management strategy to provide a rational approach to natural systems protection, restoration and use. The main activities included in this segment are watershed and sub watershed plans, resource inventory and environmental monitoring, flood protection services and source water protection.

Environmental advisory services

Environmental advisory services includes costs and revenues associated with the approval of development applications or rendering of opinions on the impact of development applications on natural hazards, natural heritage resources and water resources as provided under provincial legislation which includes the Planning Act, Conservation Authorities Act and the Environmental Assessment Act.

Watershed stewardship program

The watershed stewardship program costs and revenues are those associated with providing service and assistance to private and public landowners on sound environmental practices that will enhance, restore or protect lands and natural features. This category includes activities such as fisheries rehabilitation, tree planting and reforestation, wildlife habitat improvements, management plans, agricultural best practices and erosion control services.

Conservation land management

The conservation land management schedule includes all expenses and revenues associated with lands, improvements, buildings and structures owned or by TRCA. It does not include active programming on Authority lands.

Conservation and education program

The conservation and education program area includes costs and revenues associated with the delivery of recreational and educational programming.

Toronto and Region Conservation Authority

Notes to the Financial Statements

December 31, 2011

9. Segmented information (continued)

Corporate services

Corporate services includes management and non-program specific costs and revenues. These include internal support service costs such as senior management costs, board costs, office services, financial services, human resources, information technology and corporate communications.

10. Budget figures

The 2011 budget figures included in these financial statements are those adopted by TRCA on April 29, 2011.

11. Comparative figures

Certain comparative figures have been reclassified to conform with the financial statement presentation adopted in the year.

Toronto and Region Conservation Authority

Schedule of Operations – Watershed Management and Health Monitoring

Year Ended December 31	2011	2011	2010
	Budget (unaudited)	Actual	Actual
Revenue			
Municipal			
Levies - Operating	\$ 2,012,000	\$ 2,000,000	\$ 2,198,000
- Capital	5,828,000	3,992,816	4,290,367
Other	97,000	33,649	15,297
Government grants			
MNR transfer payments	634,000	634,000	634,000
Provincial – other	3,056,900	2,539,657	2,761,889
Federal	303,100	415,656	105,743
User fees, sales and admissions	53,000	118,350	71,526
Contract services	334,000	401,070	582,704
Interest	-	25,054	20,696
The Living City Foundation	174,000	245,207	92,285
Waterfront Toronto	622,000	321,312	1,199,037
Compensation agreements	33,000	9,758	19,896
Donations and fundraising	425,000	528,257	425,000
Corporate and community groups	689,000	155,312	50,239
Sundry	-	-	10,670
	<u>14,261,000</u>	<u>11,420,098</u>	<u>12,477,349</u>
Expenditures			
Watershed strategies	1,580,000	1,634,443	1,510,666
Resource inventory and environmental monitoring	1,186,000	1,112,844	1,225,248
Flood forecasting and warning	346,000	305,681	311,001
Flood control structures, operations and maintenance	313,000	321,666	279,769
	<u>3,425,000</u>	<u>3,374,634</u>	<u>3,326,684</u>
Capital and other projects and studies			
Source Water Protection	2,403,000	1,991,132	2,424,462
Regional monitoring study and other monitoring projects	1,612,000	1,369,356	1,262,207
Water management projects	2,925,000	2,159,297	1,424,300
Lower Don flood control	622,000	321,312	1,284,447
Terrestrial Natural Heritage study	663,000	651,879	476,327
Floodplain mapping	326,000	321,600	300,098
Groundwater strategies	604,000	543,940	607,150
Other flood control projects	1,701,000	674,337	1,175,687
Decrease in vacation pay and sick leave entitlements	-	(27,194)	(7,785)
	<u>14,281,000</u>	<u>11,380,293</u>	<u>12,273,577</u>
Less: expenditures on tangible capital assets included above	-	(115,621)	(232,747)
Expenditures before amortization	14,281,000	11,264,672	12,040,830
Amortization	-	422,188	420,764
	<u>-</u>	<u>11,686,860</u>	<u>12,461,594</u>
(Deficit) surplus for the year	\$ (20,000)	\$ (266,762)	\$ 15,755

Toronto and Region Conservation Authority

Schedule of Operations – Environmental Advisory Services

Year Ended December 31	2011	2011	2010
	<u>Budget</u> (unaudited)	<u>Actual</u>	<u>Actual</u>
Revenue			
Municipal			
Levies - Operating	\$ 313,500	\$ 325,747	\$ 314,247
- Capital	290,000	290,000	280,000
Other	896,000	934,128	835,381
Government grants			
MNR transfer payments	105,500	105,253	104,753
Development services fees	3,539,000	3,393,664	3,342,146
Sundry	-	-	6,850
	<u>5,144,000</u>	<u>5,048,792</u>	<u>4,883,377</u>
Expenditures			
Municipal/public plan input and review	2,358,000	2,202,893	2,004,775
Development plan input and review	2,786,000	2,779,590	2,523,430
Decrease in vacation pay and sick leave entitlements	-	<u>(11,877)</u>	<u>(2,870)</u>
	5,144,000	4,970,606	4,525,335
Less: expenditures on tangible capital assets included above	-	<u>(15,103)</u>	<u>(4,995)</u>
Expenditures before amortization	5,144,000	4,955,503	4,520,340
Amortization	-	<u>6,162</u>	<u>6,385</u>
	<u>5,144,000</u>	<u>4,961,665</u>	<u>4,526,725</u>
Surplus for the year	\$ -	\$ 87,127	\$ 356,652

Toronto and Region Conservation Authority

Schedule of Operations – Watershed Stewardship

Year Ended December 31	2011	2011	2010
	Budget (unaudited)	Actual	Actual
Revenue			
Municipal			
Levies	\$ 234,000	\$ 234,000	289,000
- Capital	17,544,260	11,399,761	8,221,658
Other	432,000	430,519	953,061
Government grants			
Provincial – other	716,500	609,159	706,872
Federal	820,500	716,335	846,076
Contract services	7,487,000	7,037,341	8,318,362
User fees, sales and admissions	95,000	145,852	138,339
Compensation Agreements	591,000	197,847	10,833
Interest	-	135	216
The Living City Foundation	200,000	333,937	130,121
Corporate and community groups	457,000	505,216	197,200
	<u>28,577,260</u>	<u>21,610,102</u>	<u>19,811,738</u>
Less: cost of sales of tangible capital assets included above	-	(4,372)	(144)
	<u>28,577,260</u>	<u>21,605,730</u>	<u>19,811,882</u>
Expenditures			
Watershed stewardship	1,145,000	868,040	1,251,090
Capital and other projects and studies			
Erosion control and slope stabilization projects in Toronto	8,250,000	6,922,220	4,847,113
Erosion control – Peel and York Regions	503,000	460,707	304,715
Regeneration Projects	9,171,000	6,572,351	7,012,893
Sustainable technology evaluation	1,294,000	1,045,045	836,686
Pan- Am Games Equestrian Facility	330,260	91,528	28,582
Nursery workshop & office	-	-	29,177
Peel climate change mitigation	7,884,000	5,143,985	4,604,167
Decrease in vacation pay and sick leave entitlements	-	(50,308)	(11,989)
	<u>28,577,260</u>	<u>21,053,568</u>	<u>18,902,434</u>
Less: expenditures on tangible capital assets included above	-	(4,097,786)	(1,094,989)
Expenditure before amortization	28,577,260	16,955,782	17,807,445
Amortization	-	682,423	630,525
	<u>28,577,260</u>	<u>17,638,205</u>	<u>18,437,970</u>
Surplus for the year	\$ -	\$ 3,967,525	\$ 1,373,624

Toronto and Region Conservation Authority
Schedule of Operations – Conservation Land Management,
Development and Acquisition

Year Ended December 31	2011	2011	2010
	Budget (unaudited)	Actual	Actual
Revenue			
Municipal			
Levies - Operating	\$ 1,088,000	\$ 1,088,000	\$ 1,096,000
- Capital	7,946,000	5,763,269	4,336,902
Other	4,133,000	1,338,829	7,523,074
Government grants			
Provincial – other	1,798,000	453,019	968,657
Federal	1,716,000	625,753	1,313,494
Contracted services	50,000	1,108,112	223,667
Rental properties	2,414,000	2,458,724	2,735,339
Interest	-	14,061	7,229
User fees, sales and admissions	-	47,886	21,525
Proceeds from sale of properties	699,000	379,243	3,806,025
The Living City Foundation	223,000	182,417	221,018
Waterfront Toronto	9,759,000	6,249,700	5,597,731
Donations and fundraising	520,000	1,840,425	21,625
Canada Post Corporation agreement	665,000	11,964	8,868
Compensation agreements	110,000	77,323	643,711
Sales and property tax refunds	20,000	17,867	38,672
Corporate and community groups	80,000	27,350	549,876
Sundry	-	1,280	-
	<u>31,221,000</u>	<u>21,685,222</u>	<u>29,113,413</u>
Less: cost of sales of tangible capital assets included above	-	(234,241)	(61,143)
	<u>31,221,000</u>	<u>21,450,981</u>	<u>29,052,270</u>
Expenditures			
Conservation land management			
Property services	1,754,000	1,776,034	1,738,273
CA land management	329,000	252,009	124,799
Rental properties	1,888,000	2,011,627	2,082,809
	<u>3,971,000</u>	<u>4,039,670</u>	<u>3,945,881</u>
Capital and other projects and studies			
Greenspace acquisition	4,500,000	3,584,755	9,983,720
Waterfront development	3,655,000	3,085,153	1,807,548
Waterfront – Land portion	500,000	150,046	63,266
Waterfront Toronto	9,677,000	6,178,173	5,495,453
Etobicoke Motel Strip waterfront project	100,000	19,003	738,956
Conservation area development	334,000	302,835	316,583
Living City Centre at Kortright – infrastructure	1,217,000	1,238,297	274,423
Peel campground improvements	808,000	471,481	410,296
Petticoat Creek and Heart Lake CA pools	4,600,000	1,465,251	2,438,468
Black Creek Pioneer Village retrofit / attractions project	671,000	279,218	499,566
Land Care Projects	2,472,000	1,790,303	2,060,380
ORC housing stock repairs	-	-	24,297
ORM Corridor Park development	279,000	208,363	100,215
Decrease in vacation pay and sick leave entitlements	-	(51,388)	(17,150)
	<u>32,784,000</u>	<u>22,761,160</u>	<u>28,141,902</u>
Less the following included in expenditures:			
Tangible capital asset expenditures	-	(10,521,214)	(18,214,728)
Contributed tangible capital assets	-	(8,697,966)	(1,123,586)
Expenditures before amortization	32,784,000	3,541,980	8,803,588
Amortization	-	3,512,407	3,488,870
	<u>32,784,000</u>	<u>7,054,387</u>	<u>12,292,458</u>
Surplus (deficit) for the year	\$ <u>(1,563,000)</u>	\$ <u>14,396,594</u>	\$ <u>16,759,812</u>

Toronto and Region Conservation Authority

Schedule of Operations – Conservation and Education Programming

Year Ended December 31	2011	2011	2010
	Budget (unaudited)	Actual	Actual
Revenue			
Municipal			
Levies - Operating	\$ 3,229,000	\$ 3,228,581	\$ 3,046,738
- Capital	1,848,000	1,501,522	1,236,515
Other	320,000	80,855	185,241
Government grants			
Provincial – other	785,000	554,546	1,084,818
Federal	37,000	53,345	242,623
Contracted services	2,000	122,857	3,367
Conservation areas	3,540,800	3,185,254	2,934,872
Black Creek Pioneer Village	3,036,700	3,254,403	2,825,525
Kortright Centre	1,070,800	1,059,811	1,039,974
Living City Centre Programs	678,000	571,563	717,019
ORM Park Operation	1,267,000	1,091,639	1,129,308
Conservation Field Centres	1,798,700	1,488,979	1,368,275
Community Transformation Partnerships	245,000	252,087	193,646
Corporate Education Outreach	4,000	17,749	6,088
Rentals	-	21,433	22,246
The Living City Foundation	608,000	820,807	787,265
Donations and fundraising	104,000	45,145	31,433
Sundry	1,300	1,507	4,940
Corporate and community groups	918,000	412,118	348,603
	<u>19,493,300</u>	<u>17,764,201</u>	<u>17,208,496</u>
Less: cost of sales of tangible capital assets included above	-	(5,415)	(1,921)
	<u>19,493,300</u>	<u>17,758,786</u>	<u>17,206,575</u>
Expenditures			
Conservation land programming			
Conservation areas	3,174,800	3,013,026	2,927,411
ORM Park Operation	1,371,000	1,220,332	1,331,081
Conservation/Heritage education			
Black Creek Pioneer Village	5,039,000	5,076,077	5,153,169
Kortright Centre for Conservation	1,220,800	1,201,580	1,399,741
Living City Centre Programs	691,000	709,956	607,333
Community Transformation Partnership	1,831,000	927,394	950,617
Conservation Field Centres	2,517,600	2,364,548	2,271,853
Education Outreach	2,167,000	1,783,868	1,903,136
Conservation Education Management	396,100	399,559	367,714
Program support and marketing	756,000	806,865	845,066
Decrease in vacation pay and sick leave entitlements	-	(41,725)	(11,254)
	<u>19,164,300</u>	<u>17,461,480</u>	<u>17,745,867</u>
Less: expenditures on tangible capital assets included above	-	(267,368)	(220,164)
Expenditures before amortization	19,164,300	17,194,112	17,525,703
Amortization	-	683,820	644,127
	<u>19,164,300</u>	<u>17,877,932</u>	<u>18,169,830</u>
Surplus (deficit) for the year	\$ 329,000	\$ (119,146)	\$ (963,255)

Toronto and Region Conservation Authority Schedule of Operations – Corporate Services

Year Ended December 31	2011	2011	2010
	Budget (unaudited)	Actual	Actual
Revenue			
Municipal:			
Levies - Operating	\$ 4,847,500	\$ 4,847,500	\$ 4,589,000
- Capital	1,561,000	805,690	657,867
Government grants			
MNR transfer payments	106,500	106,500	107,000
Provincial – other	715,000	686,472	580,728
Federal	12,000	13,750	25,860
Interest	340,000	472,603	293,201
Retail Sales	62,000	60,147	46,418
Rentals	-	29,875	29,434
The Living City Foundation	-	1,000	3,000
Sales and property tax rebate	115,000	248,049	250,600
Sundry	-	46,715	1,169
	<u>7,759,000</u>	<u>7,318,301</u>	<u>6,584,277</u>
Less: cost of sales of tangible capital assets included above	-	-	(296,942)
	<u>7,759,000</u>	<u>7,318,301</u>	<u>6,287,335</u>
Expenditures			
Corporate management	1,516,000	1,488,638	1,342,683
Office services	1,460,000	1,412,538	1,419,925
Financial services	1,240,000	1,316,009	1,188,227
Human resources	529,000	496,159	517,571
Information technology	1,238,000	1,168,074	1,144,532
Corporate communications	1,331,000	1,284,365	1,230,618
Professional Access Program	763,000	716,537	618,093
Increase (decrease) in vacation pay and sick leave entitlements	-	16,439	(4,077)
Recoveries from Programs	(1,879,000)	(1,837,529)	(1,687,167)
	<u>6,198,000</u>	<u>6,028,352</u>	<u>5,770,405</u>
Capital and other projects and studies			
Administrative office	984,000	283,608	230,017
Information Technology acquisition project	577,000	567,556	427,850
	<u>7,759,000</u>	<u>6,879,516</u>	<u>6,428,272</u>
Less: expenditures on tangible capital assets included above	-	(469,469)	(340,896)
Expenditures before amortization	7,759,000	6,410,047	6,087,376
Amortization	-	235,801	247,453
	<u>7,759,000</u>	<u>6,645,848</u>	<u>6,334,829</u>
Surplus (deficit) for the year	<u>\$ -</u>	<u>\$ 672,453</u>	<u>\$ (47,494)</u>

Toronto and Region Conservation Authority
Schedule of Operations – Vehicle and Equipment

Year Ended December 31	2011	2011	2010
	Budget (unaudited)	Actual	Actual
Revenue			
Recovery of expenditures by charges			
Based on usage	\$ <u>1,178,000</u>	\$ <u>1,347,351</u>	\$ <u>1,251,362</u>
Expenditures			
Operations			
Fuel, maintenance and repairs	643,000	810,312	656,442
Other overhead	<u>55,000</u>	<u>64,509</u>	<u>57,699</u>
	698,000	874,821	714,141
Capital			
Purchase of equipment and machinery	195,000	208,784	394,663
Purchase of vehicles	300,000	203,341	316,873
Proceeds on disposals or trade-in	<u>(15,000)</u>	<u>(16,948)</u>	<u>(28,735)</u>
	<u>1,178,000</u>	<u>1,269,998</u>	<u>1,396,942</u>
	-	77,353	(145,580)
Add: expenditures on capital assets included above	-	409,726	708,712
Less: cost of sales of tangible capital assets included above	-	(3,261)	(3,503)
Less: amortization	<u>-</u>	<u>(461,106)</u>	<u>(464,040)</u>
Surplus for the year	\$ <u>-</u>	\$ <u>22,712</u>	\$ <u>95,589</u>

Toronto and Region Conservation Authority

Continuity of Reserves

Year Ended December 31, 2011

	Balance Beginning of Year	Appropriations to (from)	Balance End of Year
Vehicle and equipment	\$ 332,936	\$ 77,353	\$ 410,289
Tree donation program	12,280	56	12,336
Operating contingency	1,719,869	(29,061)	1,690,808
Funds held under provincial revenue sharing policy (Note 5)	<u>1,089,618</u>	<u>(343,994)</u>	<u>745,624</u>
	<u>\$ 3,154,703</u>	<u>\$ (295,646)</u>	<u>\$ 2,859,057</u>

Toronto and Region Conservation Authority Schedule of Accumulated Surplus

Year Ended December 31, 2011

	2011 <u>Actual</u>	2010 <u>Actual</u>
Accumulated surplus, beginning of year	\$ 401,119,563	\$ 383,528,880
Surplus for the year	<u>18,760,503</u>	<u>17,590,683</u>
Accumulated surplus, end of year	\$ <u>419,880,066</u>	\$ <u>401,119,563</u>
Accumulated Surplus consists of:		
Tangible capital assets	\$ 420,577,021	\$ 402,233,964
Reserves (Page 22)	2,859,057	3,154,703
Operating deficit	(1,874,332)	(2,388,493)
Amount to be funded in future periods	<u>(1,681,680)</u>	<u>(1,880,611)</u>
	\$ <u>419,880,066</u>	\$ <u>401,119,563</u>

Toronto and Region Conservation Authority

Schedule of Tangible Capital Assets

December 31

	Land	Land Improvements	Building & Building Improvements	Machinery & Equipment	Vehicles	Infrastructure	Work in Progress	Total 2011	Total 2010
Cost									
Beginning of year	\$ 322,311,785	\$7,035,822	\$ 41,569,030	\$ 5,607,144	\$ 3,492,388	\$ 127,273,010	\$ 10,878,043	\$ 518,167,222	\$ 498,009,102
Additions	10,777,373	834,688	645,250	617,282	214,713	3,717,707	7,787,240	24,594,253	21,940,816
Disposals	171,352	-	286,224	398,733	111,921	1,554	61,072	1,030,856	1,782,696
Transfer from Work in Progress	154,699	1,574,968	1,423,393	52,219	-	86,031	(3,291,310)	-	-
End of year	333,072,505	9,445,478	43,351,449	5,877,912	3,595,180	131,075,194	15,312,901	541,730,619	518,167,222
Accumulated Amortization									
Beginning of year	-	2,529,909	20,655,972	2,430,512	2,393,231	87,923,634	-	115,933,258	111,450,138
Amortization	-	365,016	1,553,599	667,437	333,818	3,084,037	-	6,003,907	5,902,163
Disposals	-	-	275,490	398,733	108,660	684	-	783,567	1,419,043
End of year	-	2,894,925	21,934,081	2,699,216	2,618,389	91,006,987	-	121,153,598	115,933,258
Net book value	\$ 333,072,505	\$ 6,550,553	\$ 21,417,368	\$ 3,178,696	\$ 976,791	\$ 40,068,207	\$ 15,312,901	\$ 420,577,021	\$ 402,233,964

Contributed capital assets have been recognized at fair market value at the date of contribution. The value of contributed assets received during the year is \$8,697,966 (2010 - \$1,123,586).