

Holland Marsh Drainage System Joint Municipal Service Board Agenda

Thursday, June 13, 2024, 7:00 p.m.
Large Engineering Boardroom
305 Barrie Street, Unit 2, Bradford, ON

Pages

1. **Call to Order**
Recommendation:
That this meeting of the Holland Marsh Drainage System Joint Municipal Service Board come to order at 7:00 p.m.
2. **Approval of Agenda/Changes**
Recommendation:
That the Board approve the agenda dated June 13, 2024, as printed and circulated.
3. **Declarations of Pecuniary Interest and the General Nature**
4. **Comments by the Chair**
5. **Presentations/Deputations**
 - 5.1 Baker Tilley, Jay Anstey (Auditor) - 2023 Financial Statement and Results
 - 5.2 R.J. Burnside & Associates Limited, Jeff Dickson, P.Eng. and Myles Douglas - Section 76 Assessment Revisions - Main Drain and Pumping Operations
6. **Adoption of Board Minutes** 3
Recommendation:
That the minutes of the Holland Marsh Drainage System Joint Municipal Service Board meeting held April 11, 2024, be approved, as printed and circulated.
7. **Correspondence/Reports**
 - 7.1 December 31, 2023 Financial Results, HMDS-FIN-2024-01 6
Recommendation:
That Report HMDS-FIN-2024-01 entitled "December 31, 2023 Financial Results" be received for information; and

That the 2023 HMDSJMSB Financial Statement be approved as

presented.

- 7.2 April 30, 2024 Financial Results, HMDS-FIN-2024-02 28

Recommendation:

That Report HM-FIN-2024-02 regarding “April 30, 2023 Financial Results” be received for information.

- 7.3 Report of Drainage Superintendent 32

Recommendation:

That Report HMDSJMSB-2024-05 of the Drainage Superintendent dated June 4, 2024 be received for information.

8. New Business

9. Closed Session

Recommendation:

That the Board resolve itself into closed session under the provisions of the Municipal Act, 2001, Section 239(2) at _____ p.m., in order to discuss:

1. Legal Matter - Order of Drainage Referee

10. Reconvene Regular Meeting

11. Motion Arising out of Closed Session

12. Next Meeting

The next meeting of the HMDSJMSB will be on Thursday, August 8, 2024 at 7:00 p.m. at the Trisan Centre, Multi-Purpose Room, 25 Dillane Drive, Schomberg, Ontario.

13. Adjourn

Recommendation:

That this meeting of the Holland Marsh Drainage System Joint Municipal Service Board adjourn at _____p.m.



Holland Marsh Drainage System
Joint Municipal Service Board
Minutes

April 11, 2024, 7:00 p.m.
Township of King Municipal Centre
2585 King Road
King City, Ontario

Members Present:	Jennifer Anstey, Councillor - TOK William J Eek, Chair Ben Verkaik, Councillor - BWG, Vice Chair Raj Sandhu, Deputy Mayor – BWG	Steve Pellegrini, Mayor - TOK Dan Sopuch Dave Munshaw
Regrets:	Brian Visser	Trevor Voorberg
Staff Present:	Frank Jonkman, Drainage Superintendent	Ruth Westlake, Holland Marsh Drainage Board Coordinator

1. Call to Order

Resolution HM-2024- 7

Moved By Verkaik
Seconded By Sopuch

That this meeting of the Holland Marsh Drainage System Joint Municipal Service Board come to order at 7:12 p.m.

CARRIED

2. Approval of Agenda/Changes

Resolution HM-2024- 8

Moved By Anstey
Seconded By Sandhu

That the Board approve the agenda dated April 11, 2024, as printed and circulated.

CARRIED

3. Declarations of Pecuniary Interest and the General Nature

There were not declarations of pecuniary interest.

4. Comments by the Chair

Chair Eek welcomed everyone to the meeting and commented on the arrival of spring.

5. Presentations/Deputations

There were no presentations or deputations.

6. Adoption of Board Minutes

Resolution HM-2024- 9

Moved By Sopuch

Seconded By Pellegrini

That the minutes of the Holland Marsh Drainage System Joint Municipal Service Board meeting held February 8, 2024 be approved, as printed and circulated.

CARRIED

7. Correspondence/Reports

7.1 Report of Drainage Superintendent

Frank Jonkman, Drainage Superintendent provided the Board members with an update on drainage activities and fielded related questions. He also updated the Board regarding Ontario Clean Water Agency's Research Study -Holland Marsh Phosphorus Reduction Project, and reported on recent stakeholder meetings.

Resolution HM-2024- 10

Moved By Sopuch

Seconded By Verkaik

The the Report HMDSJMSB-2024-02 of the Drainage Superintendent dated April 4, 2024 be received for information.

CARRIED

8. New Business

8.1 King Drain 11 2019 and King Drain 12 2019 Engineering Report

Resolution HM-2024- 11

Moved By Sandhu
Seconded By Munshaw

That Report HMDSJMSB-2024-03, dated April 4, 2024 entitled "Final Engineer's Report for the King Township Drain 11 and King Drain 12 dated March 18, 2024" be received; and

That the King Drain 11 and King Drain 12 Engineering Reports dated March 18, 2024, be received; and

That the Board recommend to the Township of King Council that King Drain 11 and King Drain 12 be provisionally adopted at the Township of King Council meeting on April 29, 2024; and

That the Board recommend to the Township of King Council that William Eek, Ben Verkaik, and Dan Sopuch, be appointed to the Court of Revision for King Drain 11 and King Drain 12.

CARRIED

8.2 Marine Traffic in Canal

Board members discussed installation of cautionary buoys at key convergence points within the canal. These buoys would serve as markers, alerting individuals to potential hazards.

9. **Next Meeting**

The next meeting of the HMDSJMSB will be on Thursday, June 13, 2024 at 7:00 p.m. at Large Engineering Boardroom, 305 Barrie Street, Unit 2, Bradford, ON.

10. **Adjourn**

Resolution HM-2024- 12

Moved By Pellegrini
Seconded By Munshaw

That this meeting of the Holland Marsh Drainage System Joint Municipal Service Board adjourn at 8:27 p.m.

CARRIED

William J Eek, Chair

Ruth Westlake, Secretary



Report of Financial Services

REPORT #: HMDS-FIN-2024-01

DATE: 13-Jun-24

TO: Members of the Holland Marsh Drainage System Joint Municipal Services Board

SUBJECT: **December 31, 2023 Financial Results**

PREPARED BY: Nathalie Carrier

1. RECOMMENDATIONS:

That Report HMDS-FIN-2024-01 entitled "December 31, 2023 Financial Results" be received for information; and

That the 2023 HMDSJMSB Financial Statement be approved as presented.

2. PREAMBLE:

The purpose of this report is to present the HMDSJMSB with the status of the 2023 Operating and Capital Budgets for the period January 1 to December 31, 2023.

3. BASIC DATA PERTAINING TO THE MATTER:

The audit of the Board was performed the week of February 12. The Board's financial statement are attached to this report and will be presented by Jay Anstey from Bakertilly.

In 2023, maintenance work was done as per the approved budget for River Rd, Horlings and Morris Rd drains however, some culverts replacement were needed in the Duga, Wanda and Scotch drains in Bradford. Maintenance work was done as per the approved budget for Drain 10 to 12 and Drain 14 and 15 in King Township. Capital works for 2023 included Melidy Drain and Section 76 for a total spent of \$64,485.

4. EFFECT ON TOWN FINANCES:

None.

HMDS-FIN-2024-01

5. ATTACHMENTS:

Attachment 5.1 HMDSJMSB Financial Statement as at December 31, 2023

Attachment 5.2 2023 Budget by Program/Activity

HOLLAND MARSH DRAINAGE SYSTEM JOINT MUNICIPAL SERVICE BOARD
 2023 Budget by Program/Activity
 As at December 31, 2023

	2023 Actual	2023 Budget	Variance 2023 Budget / 2023 Actual \$	Notes
HMDSJMSB BOARD				
(Surplus) / Deficit	107,035	-	(107,035)	
Cost recovered	(257,036)	(150,000)	107,036	
Wages & Benefits	63,776	62,515	(1,261)	
Material & Supplies	100,443	87,485	(12,958)	
Net Cost (Contribution)	14,218	-	(14,218)	
DRAINAGE SUPERINTENDENT				
Cost recovered	(38,148)	(43,220)	(5,072)	
Provincial Grants	(39,853)	(43,220)	(3,367)	
Wages & Benefits	71,568	76,012	4,444	
Material & Supplies	6,433	10,428	3,995	
Net Cost (Contribution)	-	-	-	
HOLLAND MARSH DRAINAGE SYSTEM				
Prior Year (Surplus) / Deficit	(362,552)	-	362,552	
Levies - (BWG & King)	(334,301)	(297,752)	36,549	
Levies - (MTO & County)	(4,192)	(15,125)	(10,933)	
Provincial Grants	(98,993)	(73,477)	25,516	
Perimeter Canal Maintenance	136,223	100,000	(36,223)	Clean out at Fraser & Kettleby Creek. Budget should be higher
Main Drain Maintenance	171,750	80,000	(91,750)	A larger section of the drain was cleaned out mostly due to erosion issues
Pumping Station Operation	111,150	111,500	350	
Equipment Operations	19,398	2,700	(16,698)	The barge required significant maintenance. The entire motor and pump was rebuilt and hydraulic hoses replaced. This had not been budgeted for, but needed to be done to keep it operable.
Fleet	25,636	30,000	4,364	
Net Cost (Contribution)	(335,881)	(62,154)	273,727	

HOLLAND MARSH DRAINAGE SYSTEM JOINT MUNICIPAL SERVICE BOARD
 2023 Budget by Program/Activity
 As at December 31, 2023

	2023 Actual	2023 Budget	Variance 2023 Budget / 2023 Actual \$	Notes
BWG Drains				
BWG Levies	(72,127)	(57,660)	14,467	
Provincial Grants	(5,266)	(3,340)	1,926	
Duga Drain	7,224		(7,224)	Culvert replacement
Wanda Drain	1,630		(1,630)	Weed management
Scotch Drain	1,630		(1,630)	Weed management
Horlings Drain	1,579	7,000	5,421	
Morris Rd Drain	55,486	49,000	(6,486)	This drain required rock which had increased in price. We also required fencing and turbidity curtains which have increased in cost
River Rd Drain	9,844	5,000	(4,844)	
Net Cost (Contribution)	-	-	-	
King Drains				
King Levies	(53,430)	(43,391)	10,039	
Provincial Grants	(10,871)	(8,609)	2,262	
Drain 6	281		(281)	
Drain 8	891		(891)	
Drain 10	7,830	10,000	2,170	
Drain 11	26,378	12,000	(14,378)	Culvert replacement
Drain 12	16,577	12,000	(4,577)	Culvert replacement
Drain 14	9,593	10,000	407	
Drain 15	2,751	8,000	5,249	
Net Cost (Contribution)	-	-	-	
CAPITAL PROJECTS - 2023				
Capital revenues	(64,485)	(785,000)	(720,515)	
Melidy Drain	50,697	75,000	24,303	
Drain 16	-	650,000	650,000	
Section 76	13,788	60,000	46,212	
Net Cost (Contribution)	-	-	-	
(SURPLUS) / DEFICIT			259,509	

HOLLAND MARSH DRAINAGE SYSTEM JOINT MUNICIPAL SERVICE BOARD
 2023 Budget by Program/Activity
 As at December 31, 2023

	2023 Actual	2023 Budget	Variance 2023 Budget / 2023 Actual \$	Notes
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**HOLLAND MARSH DRAINAGE SYSTEM
JOINT MUNICIPAL SERVICES BOARD
FINANCIAL STATEMENTS
DECEMBER 31, 2023**

Draft for Discussion

HOLLAND MARSH DRAINAGE SYSTEM JOINT MUNICIPAL SERVICES BOARD
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AS AT DECEMBER 31, 2023

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MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL REPORT

The accompanying financial statements of the Holland Marsh Drainage System Joint Municipal Services Board ("the Board") are the responsibility of the Board's management and have been prepared in accordance with Canadian public sector accounting standards, established by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada, as described in Note 1 to the financial statements.

The preparation of financial statements necessarily involves the use of estimates based on management's judgment, particularly when transactions affecting the current accounting period cannot be finalized with certainty until future periods.

The Board's management maintains a system of internal controls designed to provide reasonable assurance that assets are safeguarded, transactions are properly authorized and recorded, and reliable financial information is available on a timely basis for preparation of the financial statements. These systems are monitored and evaluated by management. The Board meets with management and the external auditor to review the financial statements and discuss any significant financial reporting or internal control matters prior to their approval.

The financial statements have been audited by Baker Tilly SGB LLP, independent external auditor appointed by the Board. The accompanying Independent Auditor's Report outlines their responsibilities, the scope of their examination and their opinion on the Board's financial statements.

Frank Jonkman, Superintendent
June 13, 2024

Nathalie Carrier, Deputy Treasurer, BWG
June 13, 2024



INDEPENDENT AUDITOR'S REPORT

To the Members of Council, Inhabitants and Ratepayers of Holland Marsh Drainage System Joint Municipal Services Board:

Opinion

We have audited the financial statements of the Holland Marsh Drainage System Joint Municipal Services Board ("the Board"), which comprise the statement of financial position as at December 31, 2023, and the statements of operations, changes in net financial assets and cash flow for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Board as at December 31, 2023, and its results of operations and cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Board in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of 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.

In preparing the financial statements, management is responsible for assessing the Board's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the board of directors either intends to liquidate the Board or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Board's financial reporting process.



Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Board's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Board'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 Board 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.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Baker Tilly SGB LLP
Chartered Professional Accountants
Licensed Public Accountants
Collingwood, Ontario
June 13, 2024

HOLLAND MARSH DRAINAGE SYSTEM JOINT MUNICIPAL SERVICES BOARD
STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31

	2023	2022
	\$	\$
Financial assets		
Accounts receivable	14,386	11,465
Due from Province	744,359	717,576
Due from Town of BWG - no set terms of repayment	36,945	44,256
Due from Township of King - no set terms of repayment	164,247	205,196
	959,937	978,493
Liabilities		
Accounts payable and accrued liabilities	62,014	67,971
Due to Town of BWG - no set terms of repayment	590,455	666,862
	652,469	734,833
Net financial assets	307,468	243,660
Non-financial assets		
Tangible capital assets (Schedule 1)	1,749,210	1,834,505
Prepaid expenses	14,197	11,861
	1,763,407	1,846,366
Accumulated surplus (Note 6)	2,070,875	2,090,026

Approved by the Board:

_____ Chair
 _____ Date

The accompanying notes are an integral part of
 these financial statements

HOLLAND MARSH DRAINAGE SYSTEM JOINT MUNICIPAL SERVICES BOARD
STATEMENT OF OPERATIONS
FOR THE YEAR ENDED DECEMBER 31

	Budget 2023 \$ (Note 5)	Actual 2023 \$	Actual 2022 \$
Revenue			
Municipal contributions from:			
Town of BWG (Note 3)	210,389	280,683	216,823
Township of King (Note 3)	280,583	348,801	286,783
Town of BWG drains	56,875	122,824	109,639
Township of King drains	693,391	53,430	73,017
Other	15,125	21,171	8,399
Government grants	129,431	154,983	150,102
	<u>1,385,794</u>	<u>981,892</u>	<u>844,763</u>
Expenses			
Amortization of tangible capital assets	-	110,931	108,520
Communications	1,700	1,309	974
Equipment maintenance and rentals	227,078	378,521	255,735
Insurance	11,700	21,988	17,751
Memberships	2,500	2,035	2,213
Other	46,464	42,842	22,185
Professional	59,671	44,422	68,256
Salaries and benefits	138,526	135,344	131,777
Supplies, materials and subcontract	8,000	14,356	13,424
Town of BWG drains	136,000	128,090	144,317
Town of King drains	702,000	64,301	77,975
Utilities	65,000	56,904	42,025
Gain on disposal of tangible capital assets	-	-	(22,531)
	<u>1,398,639</u>	<u>1,001,043</u>	<u>862,621</u>
Annual deficit	12,845	(19,151)	(17,858)
Accumulated surplus at beginning of year	-	2,090,026	2,107,884
Accumulated surplus at end of year (Note 6)	<u>-</u>	<u>2,070,875</u>	<u>2,090,026</u>

The accompanying notes are an integral part of
these financial statements

HOLLAND MARSH DRAINAGE SYSTEM JOINT MUNICIPAL SERVICES BOARD
STATEMENT OF CHANGE IN NET FINANCIAL ASSETS
FOR THE YEAR ENDED DECEMBER 31

	2023 \$	2022 \$
Annual deficit	(19,151)	(17,858)
Acquisition of tangible capital assets	(25,636)	-
Amortization of tangible capital assets	110,931	108,520
Gain on disposal of tangible capital assets	-	(22,531)
Change in prepaid expenses	(2,336)	(1,901)
Change in net financial assets	63,808	66,230
Net surplus at beginning of year	243,660	177,430
Net financial assets at end of year	307,468	243,660

Draft for Discussion

The accompanying notes are an integral part of
these financial statements

HOLLAND MARSH DRAINAGE SYSTEM JOINT MUNICIPAL SERVICES BOARD
STATEMENT OF CASH FLOW
FOR THE YEAR ENDED DECEMBER 31

	2023	2022
	\$	\$
Cash flows from (for):		
Operating activities		
Annual deficit	(19,151)	(17,858)
Items not involving cash		
Amortization of tangible capital assets	110,931	108,520
Gain on disposal of tangible capital assets	-	(22,531)
	91,780	68,131
Changes in		
Accounts receivable	(2,921)	553,251
Due from Province	(26,783)	(339,861)
Due from Section 78 CIP	-	405,697
Due from Town of BWG	7,311	696,508
Due from Township of King	40,949	469,397
Accounts payable and accrued liabilities	(5,957)	(28,860)
Due to Town of BWG	(76,407)	(1,822,362)
Prepaid expenses	(2,336)	(1,901)
	25,636	-
Capital activities		
Acquisition of tangible capital assets	(25,636)	-
	-	-
Change in cash	-	-
Balance at beginning of year	-	-
Balance at end of year	-	-

The accompanying notes are an integral part of
these financial statements

HOLLAND MARSH DRAINAGE SYSTEM JOINT MUNICIPAL SERVICES BOARD

NOTES TO THE FINANCIAL STATEMENTS

AS AT DECEMBER 31, 2023

Nature of organization

The Holland Marsh Drainage System Joint Municipal Services Board ("the Board") was established on June 25, 2007. As of January 1, 2008 the Board assumed responsibility for the Holland Marsh Drainage System (previously overseen by the Holland Marsh Drainage Commission), interior drains for the Town of Bradford West Gwillimbury (BWG) and the Township of King and small scheme for BWG. The Township of King and BWG have joint control of the Board.

1. Summary of significant accounting policies

The financial statements of the Board are the representation of management prepared in accordance with local government accounting standards established by the Public Sector Accounting Board (PSAB) of the Chartered Professional Accountants of Canada.

The focus of PSAB financial statements is on the financial position of the Board and the changes thereto. The statement of financial position includes all of the assets and liabilities of the Board. Financial assets are those assets which could provide resources to discharge existing liabilities or finance future operations. Accumulated surplus represents the financial position and is the difference between assets and liabilities. This provides information about the Board's overall future revenue requirements and its ability to finance activities and meet its obligations. Significant aspects of the accounting policies adopted by the Board are as follows:

(a) Accrual basis of accounting

Sources of revenues and expenses are reported on the accrual basis of accounting. The accrual basis of accounting recognizes revenues as they become available 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) Revenue recognition

Municipal contributions from Town of BWG and Township of King are used to fund the annual operating expenses of the Board. The revenue is based on budgeted operating costs funded by the municipality, as well as assessments levied to the land owners in the Holland Marsh. The contributions are recognized as revenue in the year assessed.

Town of BWG drains and small scheme and Township of King drains revenue are receivable from the Ontario Ministry of Agriculture, Food and Rural Affairs (OMAFRA) and the benefiting land owners, as determined by assessment schedules prepared by the Board's engineers. Revenue is recorded when related costs for the specific drain have been incurred.

Other revenues include amounts from The County of Simcoe and Ministry of Transportation Ontario for the recovery of project costs related to roads and bridges they own. Revenue is recorded when the related costs have been incurred.

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

HOLLAND MARSH DRAINAGE SYSTEM JOINT MUNICIPAL SERVICES BOARD
NOTES TO THE FINANCIAL STATEMENTS
AS AT DECEMBER 31, 2023

1. Summary of significant accounting policies (continued)

(c) Financial instruments

The financial instruments of the Board consist of accounts receivable, Due from the Township of King, accounts payable and Due to/from the Town of Bradford West Gwillimbury. All financial instruments are recognized at cost, amortized cost or fair value.

For financial instruments measured using amortized cost, the effective interest rate method is used to determine interest revenue or expense. Transaction costs are a component of cost for financial instruments measured at cost or amortized cost.

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

The Standards require an organization to classify fair value measurements using a fair value hierarchy, which includes three levels of information that may be used to measure fair value:

- Level 1 - Unadjusted quoted market prices in active markets for identical assets or liabilities;
- Level 2 - Observable or corroborated inputs, other than level 1, such as quoted prices for similar assets or liabilities in inactive markets or market data for substantially the full term of the assets or liabilities; and
- Level 3 - Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets and liabilities.

(d) Segment disclosures

Board services have been segmented by grouping drain types, location and activities. Revenues that are directly related to the costs of the function have been attributed to each segment.

(e) Non-financial assets

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They have useful lives extending beyond the current year and are not intended for sale in the ordinary course of operations. The change in non-financial assets during the year, together with the annual surplus or deficit, provides the change in net financial assets for the year.

Tangible capital assets

Tangible capital assets are recorded at cost, which includes all amounts that are directly attributable to acquisition, construction, development or betterment of the asset. The cost, less residual value, of the tangible capital assets are amortized on a straight-line basis over their estimated useful lives as follows:

Land improvements	37 to 55 years
Buildings	50 to 55 years
Vehicles, machinery and equipment	10 to 52 years

One half of the annual amortization is charged in the year of acquisition and in the year of disposal. Construction in process and tangible capital assets not available for use are not amortized until they are put into service.

Schedule 1 provides information on the tangible capital assets of the Board by major asset class, as well as accumulated amortization of the assets controlled. The reader should be aware that where an estimate of fair value could not be made, the tangible capital asset was recognized at a nominal value. Equipment is the only category where a nominal value was assigned.

HOLLAND MARSH DRAINAGE SYSTEM JOINT MUNICIPAL SERVICES BOARD
NOTES TO THE FINANCIAL STATEMENTS
AS AT DECEMBER 31, 2023

1. Summary of significant accounting policies (continued)

(f) Use of estimates

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the year. Significant estimates have been made of historical cost and useful lives of tangible capital assets. Actual results could differ significantly from those estimates.

In addition, the Municipality's implementation of *PS3280 Asset Retirement Obligations* has resulted in the requirement for management to make estimates regarding the useful lives of affected tangible capital assets and the expected retirement costs, as well as the timing and duration of these retirement costs. Actual results could differ from those estimates.

2. Changes in accounting policies

PS 3450 – Financial Instruments and PS 2601 – Foreign Currency Translation

On January 1, 2023, the Board adopted Public Accounting Standards PS 3450 – Financial Instruments and PS 2601 – Foreign Currency Translation. The standards were adopted prospectively from the date of adoption. The new standards provide comprehensive requirements for the recognition, measurement, presentation and disclosure of financial instruments and foreign currency transactions.

Under PS 3450, all financial instruments, including derivatives, are included on the statement of financial position and are measured either at fair value or amortized cost based on the characteristics of the instrument and the Municipality's accounting policy choices (see Note 1).

The Board undertook a process to identify any and all adjustments required as a result of the adoption of this standard. This process did not yield identification of any such adjustments.

3. Municipal contributions

Municipal contributions consist of the following:

	Town of BWG	Township of King	Town of BWG	Township of King
	2023		2022	
	\$	\$	\$	\$
Annual operating contributions	128,518	128,518	75,000	75,000
Drainage Superintendent	15,582	22,566	16,475	23,478
Road levy	30,051	32,690	8,605	10,660
Land levy	106,532	165,028	116,743	177,645
	280,683	348,802	216,823	286,783

HOLLAND MARSH DRAINAGE SYSTEM JOINT MUNICIPAL SERVICES BOARD
NOTES TO THE FINANCIAL STATEMENTS
AS AT DECEMBER 31, 2023

4. Credit facilities

The Board has available a \$2,700,000 revolving demand facility from Scotiabank with an interest rate of prime less 0.25%. At year end, the balance was \$NIL (2022 - \$NIL).

5. Budget amounts

The operating budget approved by the Board for 2023 is reflected on the statement of operations. Budget figures have been reclassified for the purposes of these financial statements to comply with PSAB reporting requirements. The budget did not include figures for acquisition nor amortization of tangible capital assets.

6. Accumulated surplus

The accumulated surplus consists of individual fund surpluses as follows:

	2023 \$	2022 \$
Invested in tangible capital assets	<u>1,749,210</u>	<u>1,834,505</u>
Holland Marsh (Schedule 2):		
Town of Bradford West Gwillimbury (40.85%)	137,198	148,090
Township of King (59.15%)	<u>198,685</u>	<u>214,455</u>
	<u>335,883</u>	<u>362,545</u>
Town of Bradford West Gwillimbury (Schedule 3):		
General government	<u>(7,109)</u>	<u>(53,512)</u>
Township of King (Schedule 4):		
General government	<u>(7,109)</u>	<u>(53,512)</u>
Accumulated surplus	<u>2,070,875</u>	<u>2,090,026</u>

7. Statement of remeasurement gains and losses

A statement of remeasurement gains and losses has not been provided because there were no remeasurement gains or losses during the year.

8. Contingencies

In the ordinary course of business, various claims and lawsuits are brought against the Board. It is the opinion of management that the settlement of these actions will not result in any material liabilities beyond any amounts already accrued. Any payment made by the Board pursuant to claims or lawsuits will be charged in the year of settlement.

HOLLAND MARSH DRAINAGE SYSTEM JOINT MUNICIPAL SERVICES BOARD
SCHEDULE 1 - TANGIBLE CAPITAL ASSETS
FOR THE YEAR ENDED DECEMBER 31

	Land Improvements \$	Buildings \$	Vehicles, Machinery and Equipment \$	Total 2023 \$	Total 2022 \$
Cost					
Balance at beginning of year	97,215	2,355,692	1,067,960	3,520,867	3,520,825
Additions	-	-	25,636	25,636	26,500
Disposals	-	-	-	-	(26,458)
Balance at end of year	97,215	2,355,692	1,093,596	3,546,503	3,520,867
Accumulated amortization					
Balance at beginning of year	80,227	972,308	633,827	1,686,362	1,600,331
Amortization	1,234	41,781	67,916	110,931	108,520
Disposals	-	-	-	-	(22,489)
Balance at end of year	81,461	1,014,089	701,743	1,797,293	1,686,362
Net book value at end of year	15,754	1,341,603	391,853	1,749,210	1,834,505

Draft for Discussion

HOLLAND MARSH DRAINAGE SYSTEM JOINT MUNICIPAL SERVICES BOARD
SCHEDULE 2 - SURPLUS FOR THE HOLLAND MARSH
FOR THE YEAR ENDED DECEMBER 31

	Town of Bradford West Gwillimbury \$	Township of King \$	Total 2023 \$	Total 2022 \$
Opening surplus	148,090	214,455	362,545	275,922
Revenues	185,649	268,816	454,465	396,920
Expenses	(196,541)	(284,586)	(481,127)	(310,297)
Ending surplus	137,198	198,685	335,883	362,545

Draft for Discussion

The accompanying notes are an integral part of
these financial statements

HOLLAND MARSH DRAINAGE SYSTEM JOINT MUNICIPAL SERVICES BOARD
SCHEDULE 3 - DEFICIT FOR THE TOWN OF BRADFORD WEST GWILLIMBURY
DRAINS, DRAINAGE SUPERINTENDENT AND GENERAL GOVERNMENT
FOR THE YEAR ENDED DECEMBER 31

	Drains \$	Drainage Superintendent \$	General Government \$	Total 2023 \$	Total 2022 \$
Opening deficit	-	-	(53,512)	(53,512)	(44,266)
Revenues	128,090	31,861	128,518	288,469	250,181
Expenses	(128,090)	(31,861)	(82,115)	(242,066)	(259,427)
Ending deficit	-	-	(7,109)	(7,109)	(53,512)

Draft for Discussion

The accompanying notes are an integral part of
these financial statements

HOLLAND MARSH DRAINAGE SYSTEM JOINT MUNICIPAL SERVICES BOARD
SCHEDULE 4 - DEFICIT FOR TOWNSHIP OF KING DRAINS, DRAINAGE SUPERINTENDENT AND
GENERAL GOVERNMENT
FOR THE YEAR ENDED DECEMBER 31

	Drains \$	Drainage Superintendent \$	General Government \$	Total 2023 \$	Total 2022 \$
Opening deficit	-	-	(53,512)	(53,512)	(44,266)
Revenues	64,301	46,140	128,518	238,959	197,671
Expenses	(64,301)	(46,140)	(82,115)	(192,556)	(206,917)
Ending deficit	-	-	(7,109)	(7,109)	(53,512)

Draft for Discussion

The accompanying notes are an integral part of
these financial statements



Report of Financial Services

REPORT #: HMDS-FIN-2024-02

DATE: 13-Jun-24

TO: Members of the Board

SUBJECT: **April 30, 2024 Financial Results**

PREPARED BY: Nathalie Carrier, Deputy Treasurer

1. RECOMMENDATIONS:

That Report HM-FIN-2024-02 regarding “April 30, 2023 Financial Results” be received for information.

2. PREAMBLE:

The purpose of this report is to present the HMDSJMSB with the status of the 2024 Operating and Capital Budgets for the period January 1 to April 30, 2024.

3. BASIC DATA PERTAINING TO THE MATTER:

In 2024, maintenance work is expected for Cullingham, Duga, Horlings and Morris Rd drains in Bradford. Maintenance work is expected on Drain 1 to 6 and Drain 10 in King Township. Capital works for 2024 includes Prof. Day Pumphouse replacement, Drain 16 and Section 76 for a total budget of \$150,000.

At this point, there are no issues to report. Some work still need to be done and will be invoiced later in the year.

4. EFFECT ON TOWN FINANCES:

None

5. ATTACHMENTS:

Attachment 5.1 2023 Budget by Program/Activity

HOLLAND MARSH DRAINAGE SYSTEM JOINT MUNICIPAL SERVICE BOARD
 2024 Budget by Program/Activity
 As at April 30, 2024

	2024 Actual	2024 Budget	Variance 2024 Budget / 2024 Actual \$	Notes
HMDSJMSB BOARD				
(Surplus) / Deficit	14,218	-	(14,218)	Invoices will be sent in early June
Cost recovered		(160,000)	(160,000)	
Wages & Benefits	24,865	62,515	37,650	
Material & Supplies	10,478	97,485	87,007	
Net Cost (Contribution)	49,561	-	(49,561)	
DRAINAGE SUPERINTENDENT				
Cost recovered		(43,220)	(43,220)	Revenues will be calculated at year end
Provincial Grants		(43,220)	(43,220)	
Wages & Benefits	28,651	78,790	50,139	
Material & Supplies	1,003	7,650	6,647	
Net Cost (Contribution)	29,654	-	(29,654)	
HOLLAND MARSH DRAINAGE SYSTEM				
Prior Year (Surplus) / Deficit	(335,881)	-	335,881	Revenues will be calculated at year end
Levies - (BWG & King)		(300,595)	(300,595)	
Levies - (MTO & County)		(59,695)	(59,695)	
Provincial Grants		(54,646)	(54,646)	
Perimeter Canal Maintenance	8,443	125,000	116,557	
Main Drain Maintenance		100,000	100,000	
Pumping Station Operation		184,000	184,000	
Equipment Operations		2,700	2,700	
South Bank Canal Road		-	-	
Net Cost (Contribution)	(327,438)	(3,236)	324,202	

HOLLAND MARSH DRAINAGE SYSTEM JOINT MUNICIPAL SERVICE BOARD
 2024 Budget by Program/Activity
 As at April 30, 2024

	2024 Actual	2024 Budget	Variance 2024 Budget / 2024 Actual \$	Notes	
BWG Drains					
BWG Levies	-	(64,624)	(64,624)	Revenues will be calculated at year end	
Provincial Grants	-	(7,876)	(7,876)		
Cullingham Drain	5,016	7,500	2,484		
Duga Drain	1,387	5,000	3,613		
Horlings Drain	250	15,000	14,750		
Morris Rd Drain	1,474	45,000	43,526		
Aquatic Vegetation Removal	(58,000)	-	58,000		
Holland Marsh Riparian Buffers	(87,000)	-	87,000		
Net Cost (Contribution)	(136,873)	-	136,873		
King Drains					
King Levies	-	(49,707)	(49,707)	Revenues will be calculated at year end	
Provincial Grants	-	(10,293)	(10,293)		
Drain 1	16,348	19,000	2,652		
Drain 2	3,849	5,000	1,151		
Drain 3	2,964	5,000	2,036		
Drain 4	6,311	5,000	(1,311)		
Drain 5	12,792	7,500	(5,292)		
Drain 6	-	15,000	15,000		
Drain 10	-	3,500	3,500		
Drain 11	1,272	-	(1,272)		
Drain 12	1,272	-	(1,272)		
Net Cost (Contribution)	44,808	-	(44,808)		
CAPITAL PROJECTS - 2023					
Capital revenues	-	(150,000)	(150,000)	\$777K unspent approved in previous years	
Drain 16	7,077	50,000	42,923		
Section 76	14,773	50,000	35,227		
Prof. Day Pumphouse Replacement	-	50,000	50,000		
Net Cost (Contribution)	21,850	-	(21,850)		
(SURPLUS) / DEFICIT			315,202		

HOLLAND MARSH DRAINAGE SYSTEM JOINT MUNICIPAL SERVICE BOARD
 2024 Budget by Program/Activity
 As at April 30, 2024

	2024 Actual	2024 Budget	Variance 2024 Budget / 2024 Actual \$	Notes
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CAPITAL PROJECTS - TOTAL TO DATE				
Melidy Drain	72,797	125,000	52,203	
Drain 16	80,329	850,000	769,671	
Section 76	31,353	110,000	78,647	
Prof. Day Pumphouse Replacement	-	50,000	50,000	
Net Cost (Contribution)	184,479	1,135,000	950,521	



HOLLAND MARSH
DRAINAGE SYSTEM
Joint Municipal Service Board

Report of Holland Marsh Drainage System
Joint Municipal Service Board

REPORT #: HMDSJMSB-2024-05
DATE: 04-06-2024
SUBJECT: Drainage Superintendent Report
SUBMITTED BY: Frank Jonkman, Drainage Superintendent

1. Main Drain
 - a. Scheduled Main Drain maintenance has been completed.
2. Pumping Stations
 - a. Art Janse Pumphouse
 - a. Pump 1 delivery expected shortly, supply/delivery delay
 - b. SCADA system has been completed
 - b. Bardawill Pumphouse
 - a. SCADA system has been commissioned, minor issues with sonar to be corrected
 - c. Charlie Davis Pumphouse
 - a. No update
 - d. Ferragina Pumphouse
 - a. No update
 - e. Horlings Pumphouse
 - a. No update
 - f. Professor Day Pumphouse
 - a. Waiting for confirmation of meeting from Burnside
 - g. Morris Road Pumphouse
 - a. Working on closing off building permit, following up with KSAL and Building Department
 - b. KSAL has provided a letter of completion for the construction of the pumpstation, Building has asked for the letter to include additional information and re-submitted
 - h. SCBR Pumphouse
 - a. No update
3. BWG / TOK Small Drains
 - a. Planned Small Drain Maintenance

- i. All Drains completed
 - b. Drain 16
 - a. Burnside to prepare the report (still waiting for an update)
 - c. S.76
 - a. Schedule has been submitted
 - i. Presentation to the Board set for 13/06/24 meeting
 - d. Drains 11/ 12
 - a. CoR to be held on 06/06/24, no appeals received
- 4. HMDSCIP Perimeter Maintenance
 - a. Soundings completed, will review data for future maintenance requirements
 - b. Nuisance animal control completed
- 5. General
 - a. Burnside
 - a. As reported above on various projects
 - b. DFO
 - a. No report
 - c. LSRCA
 - a. LSRCA continues to monitor discharge waters and has recently completed a sampling period that will do a complete analysis of discharge water
 - d. MTO Bridges
 - a. Design to be completed for north structure by the end of 2024. Anticipated construction to start in 2025, confirmed by MTO
 - b. No response to further inquiries regarding scheduling and KSAL review
 - e. OMAFRA
 - a. No update
 - f. MECP
 - a. The Ontario Clean Water Agency has been engaged by MECP to complete a study on the phosphorus offsetting efforts. We have attended all presentations by the OCWA group and have provided feedback where required
 - i. Report was expected to be published by the end of May, no further update
 - ii. Continued water sampling also being conducted by TMU
 - g. MECP / Bank Stabilization Project
 - a. Pilot has started on lands east of River/Rupke Road

- b. Several challenges with debris and garbage along the river will need to be sorted out
- h. MECP / Aquatic Vegetation Management
 - a. Initial discussions on the logistics of the operation have taken place
- i. Holland River Drain
 - a. Brushing - Discussions about process currently taking place with New Tecumseth