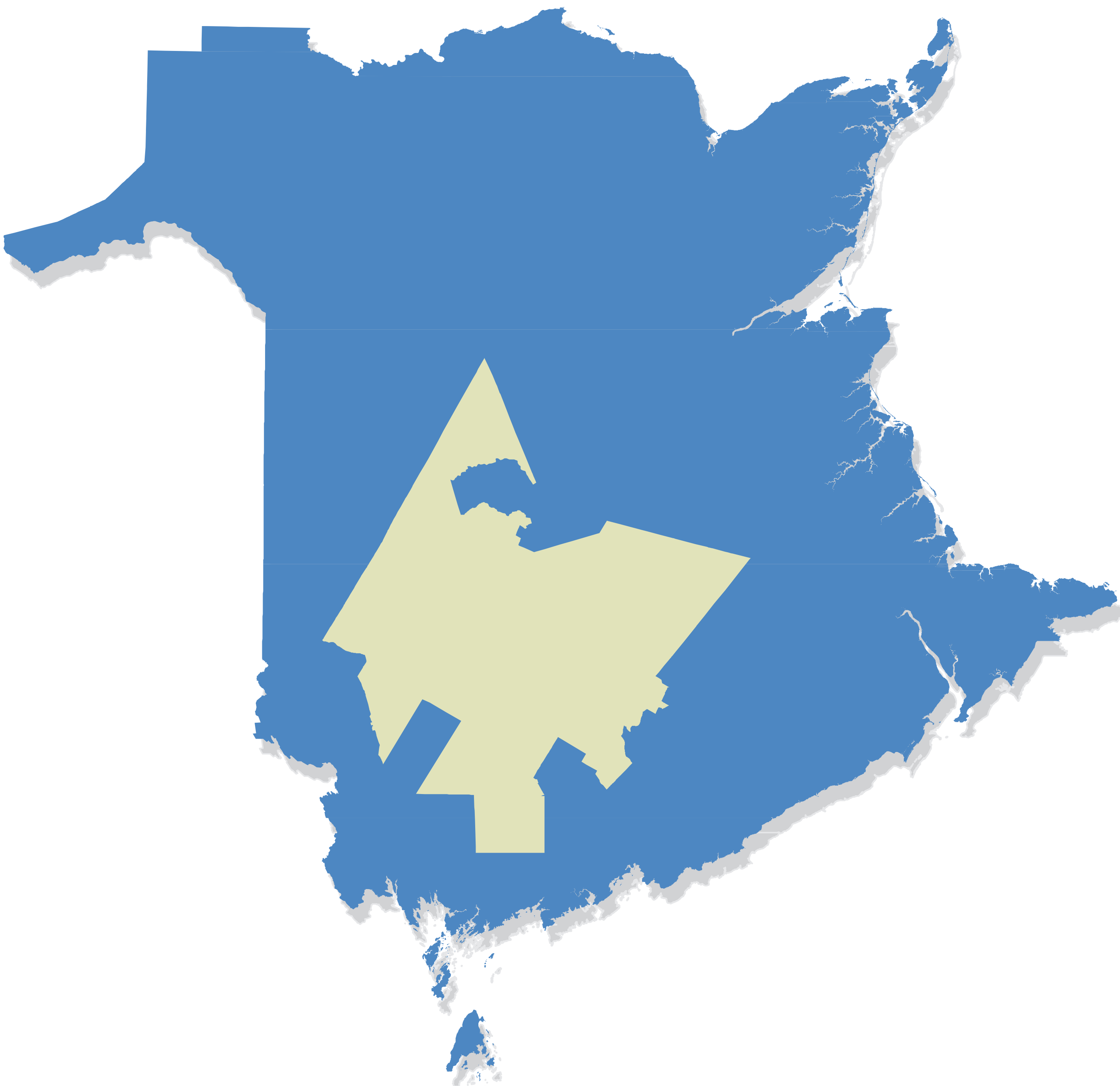
REGIONAL SERVICE COMMISSION 11

Annual Report 2016



Contents

Chairperson’s Report

On behalf of Regional Service Commission 11’s Board of Directors I am pleased to present the 2016 Annual Report. Your Board met 13 times during the year and there were also numerous committee meetings. I would like to publicly thank the members of the Commission for their care and attention to the work of the Commission and I would also like to thank the Commission staff for their support over the year.

In May of 2016 municipal elections were held throughout the Province and in the following month the Advisory Committee Chairs of our region’s unincorporated areas selected new representatives to the RSC Board. As a result we said goodbye to six directors who played an important role in guiding the Commission through its start-up phase and welcomed their successors.

This change of “personnel” led to several training and orientation initiatives that benefited new and returning Commissioners. Of particular note was the delivery of the Principles of Progress videos that were developed by the RSC Executive Directors with the support of the Department of Environment and Local Government. These videos which cover roles and responsibilities; relationships; governance and planning were targeted at new board members, but also were an effective refresher for returning members. Additionally they are good information for stakeholders and the public in general. The videos can be accessed on the commission’s website.

In late 2015 the Commission approved its strategic plan. In 2016 we began to consider some of the areas identified for study. Workshops were held covering the basics of a regional approach to tourism, transportation and recreation. Your Board will consider these topics in more detail in the coming year.

We pride ourselves in being a forum for regional issues to be discussed and during the year we heard public presentations on disaster mitigation and relief as well as policing costs. We also participated in the Premier’s consultation tour on local government as well as the Minister’s round table on strengthening the regional service model, which was a platform commitment of the provincial government.

Last year in this report I commented that we expected to hear a great deal from the Province in 2016 concerning the introduction of regional planning and this proved not to be the case. However, it is apparent that Government was busy modernizing our local government structures during the year as witnessed by the February 26th, 2017 introduction of a new Community Planning and Municipalities Act. With these two significant accomplishments behind them we urge the Department of Local Government to consider improving and strengthening the RSC model.

In the pages following you will see a summary of the past year’s activities from our committee chairs as well as the results from our operating divisions. Our audited financial statements for the 2016 year are also included.

It has been my pleasure to serve as your Chair.

Original Signed by:
Judy Wilson-Shee
Chairperson – 2016
Regional Service Commission 11

Governance Committee Report

The Governance Committee is tasked with three important duties:

1. To review annually the By-Laws of the Commission and to recommend to the Board, at its Annual General Meeting, such changes as necessary;

2. To monitor training practices for board members and make recommendations for new practices as necessary. The Committee, in collaboration with the Executive Director, will ensure an orientation process is in place for new board members; and

3. To ensure that a procedure for evaluating the functioning of the Board is in place and those evaluations are conducted on a regular basis.

This past year the Committee was faced with an interesting situation in that May was the month of the quadrennial municipal elections. This was relevant to the Commission because the annual terms of our committee and Chair and Vice-Chair appointments expire each April. We were faced with a situation where appointments could effectively be “overruled” by the election results.

After reflection, the Committee recommended to the Board that the existing terms be extended to September. This recommendation was approved by the Board and we took note that this situation would repeat itself every four years.

These quadrennial elections resulted in six new members taking seats at the board table and impacted the Governance Committee with respect to its responsibilities in the area of training and orientation as well as Board self evaluation.

The Committee has undertaken a comprehensive review of the Commission’s By-Laws as suggested in last year’s annual report and consulted with the Planning Management Committee with regard to the PRAC By-Law. Changes to each By-law are recommended and will be presented to the Board in a separate report at its Annual General Meeting.

This was the fourth year that the Committee administered a survey of board members about the overall functioning of the Board itself. The survey scores questions out of a possible total of 4 with no allocation for partial scores.

In the past Committees had focused on questions where the average result was less than 3 out of a possible 4. This year the Committee took the opportunity to delve a little deeper into this data and spent time examining the range of responses to these questions.

For example, in examining the responses to one question that would previously have triggered some concern regarding the Board’s oversight of management, an average score of 2.8 was evidenced. However, when examining the range of the 14 responses, a satisfaction rate (members answering either 3 or 4) of 79 per cent was demonstrated. The Committee agreed that this level of “satisfaction” is more telling than the apparent low average score.

A similar analysis of questions returning an average score below 3 revealed that in no case was there a majority of members who were “unsatisfied’ (rating of either 1 or 2) and that the satisfaction rate for these questions ranged from 61.5 per cent to 71.4 per cent.

Additionally, feedback from a third of the Board, who were all new members, suggested that this year should be considered a new “base year” and we should focus on the development of responses over time for this Board rather than contrast its answers to that of the previous Board.

The Committee also began its review of the training and orientation sessions that were delivered after the May elections. Board members will be surveyed for their opinions and reports will be delivered to the Board at future meetings.

I would like to close by taking this opportunity to thank staff for their work in compiling the data received into a format that was easy to review and the members of the Committee for their professional work during the year.

Members of the Committee are:

Chris Melvin - Vice Chair	Carson Atkinson
Judy Wilson-Shee	Don Fitzgerald – (ex-officio)

Original Signed by:
Debby Peck
Governance Chair

Community Policing Committee Report

The Community Policing Committee is unique in Regional Service Commission 11. It has both an executive group and an advisory group.

The Executive Group is appointed by the Chair and Vice Chair of the RSC and is comprised of Mayors and Local Service District Chairs, of communities in Regional Service Commission 11 to a maximum of five members. The Chair and Vice Chair of the committee are to be members of the Board of Directors of the RSC.

At December 31st 2016 the Executive was comprised of:

Peter Morrison – Vice Chair	Chris Melvin	Debby Peck
Dale Mowry	Don Fitzgerald (ex-officio)	

The Advisory Group is comprised of the Executive Group together with all other Mayors and Local Service District Chairs, or their representatives, of communities in the region. In addition, the Advisory Group includes the Royal Canadian Mounted Police Western District Detachment Commanders responsible for police services in Region 11. The Advisory Committee may also include representatives of other law enforcement agencies and related organizations as required by the Committee.

The Advisory Group is the continuation of the committee that existed prior to the formation of the Regional Service Commissions and was a "one of a kind" group in the Province. It was supported by volunteers and staff of the RCMP. Over time the volunteer support and the RCMP support diminished. On the volunteer front this was due to individual circumstances and on the RCMP side the main driver was the service delivery reorganization which occurred in 2013.

The factors came to a head in late 2015 and continued into 2016 and we began to see a steady decline in attendance at the Advisory quarterly meetings. In response to this RSC staff agreed to take on the administrative support to the group and due to their efforts we were able to see most communities represented at the November meeting. The Executive Group is confident that with the support of staff that the larger Advisory Group will be well supported and able to maintain a robust relationship with the RCMP.

We have noted that at roughly the same time as the RSCs were formed the model for delivery of policing services in the province was significantly changed and there was a large turnover in the management staff of J Division.

These two events combined to create a situation where there was a significant loss of "corporate memory" by the Force with regard to the community engagement and as a result the current RSC Policing Committee Governance Manual does not reflect today's reality of policing delivery.

We have tasked staff with consulting with the large number of stakeholders that should be involved in a robust review of the Governance Manual and to bring its recommendations to June meeting of the Advisory Group.

We believe that 2017 needs to be a year of renewal for the community policing approach in Region 11 and that will be our first priority.

Original Signed by:
Ian Kitchen
Community Policing Chair

Finance & Budget Committee Report

The Finance and Budget Committee met 10 times during the year. In addition to monitoring and reviewing the financial results on a monthly basis, the committee spent time during the year on a number of initiatives intended to improve and strengthen the financial management of the Commission.

The Committee continued its policy development work in 2016. With the assistance of staff and its investment advisor an investment policy statement (IPS) was developed and recommended to the Board. This policy governs the administration of the Solid Waste Division's post-closure fund and was approved by the Board at its march meeting.

All landfills in the province have been required to set aside funds from their current operations to cover the costs of dealing with and managing the landfill site once it is closed and no longer receiving solid waste. These costs include final covering and landscaping of the landfill, pumping of ground water and leachate from the site, and ongoing environmental monitoring, site inspection and maintenance. This responsibility became the responsibility of the RSC Board upon its formation.

The Board had not set a policy governing the administration of this fund. Such a policy provides guidance to staff and our investment advisor. Additionally, it demonstrates in a transparent way that the Board is exercising its fiduciary responsibility. The policy can be reviewed on the By-Laws and Policy section of the Commission's website.

During the year the Committee also reviewed and refreshed the Commission's processes concerning signing authorities, staff spending and purchasing authorities and internal controls.

Also in March, the Board approved the Committee's recommendation of a shared funding model for the local government contribution to the development of a regional performing arts centre as an equitable method of cost sharing.

Over the summer the Committee worked with staff in the development of the 2017 budget recommendations which were adopted by the Board without change after our member communities' review on Oct. 25, 2016.

In the fall, the Committee undertook a post project review of the installation of the H_2S filtration system for our power generation operation. Even though this project came in under its total anticipated budget, the Committee and staff found the review to be a worthwhile activity.

And finally, in December the Committee forwarded to the Board its recommendations for reserve account transfers.

In closing I would like to take this opportunity to thank the members of the Committee for their work during the year.

Members of the Committee are:

Robert Powell– Vice Chair	Michael Blaney	Don Fitzgerald (ex-officio)
Donald Gould	Daryl Prince	

Original Signed by:
Mike Chamberlain
Finance & Budget Chair

Planning Management Committee Report

The Planning Management Committee is composed of members of the Board of Directors, who represent member communities which receive their planning, development and building inspection services from the Commission. The Board cannot consider significant matters related to Community Planning, including an annual budget, unless the proposal is accompanied by a recommendation of the Planning Management Committee.

The Planning Management Committee met on three occasions in 2016. The committee regularly reviewed the financial performance of the Planning & Development Services Division. The past year was an extremely busy one for this department with the total number of transactions up by almost 22 per cent over the previous year. In terms of the scale of activities, the value of building permits was up 66 per cent over the previous year ($54,253,835 - $32,594,420)

As you will note in the attached financial statements, this significant increase in business volumes challenged the division's personnel costs. It was apparent to the Committee through its oversight activities that management took all reasonable steps to mitigate the situation, and I can report that the Board was kept fully informed during the year. The Committee also considered the draft 2017 budget proposal prepared by staff and recommended to the Board, through the Finance Committee the division's annual budget proposal.

During the year the Committee had general discussions about Regional Planning and heard from the Executive Director about the process behind the ED Working Group's recommendation to Environment and Local Government.

As a result of the Committee's activities staff made enhancements to the Commission's website, particularly with respect to the addition of a frequently asked questions (FAQs) section designed to make the development processes more user friendly.

While care must be taken not to confuse this Committee with the Board's Planning Review and Adjustment Committee (PRAC) which is a statutory committee appointed pursuant to the Provisions of the Community Planning Act with specific legislated duties outlined under that Act, the Committee did undertake to clarify the relationship between the Board and the PRAC.

By-Law changes were recommended to clarify that the PRAC performs its duties on behalf of the Board and that the PRAC is a standing committee of the Board. This language is consistent with our Act. Staff have also been tasked to develop a written policy for the appointment criteria and process for appointments to the PRAC in the coming year.

I appreciated the work and support of the staff and committee members during the year. Members of the Committee are:

Eleanor Lindsay – Vice Chair	Scott Smith	Don Fitzgerald (ex-officio)
Daryl Prince	Ian Kitchen	

Original Signed by:
Michael Blaney
Planning Management Chair

Audit Committee Report

The Audit Committee performs an important function on behalf of the Board and the public. Its prime role is to oversee the work of the external auditors and at the same time ensure that the work of the auditors is independent of management. The Audit Committee is the only standing committee of the Board on which the Executive Director is not an ex-officio member.

The Committee has met twice in connection with the preparation and delivery of the audited financial report which will be presented to the Board for approval at the Annual General Meeting.

In the first meeting we reviewed in detail the Audit Engagement Letter and the Audit Plan with MacMillan, Lawrence & Lawrence, our auditors. We found both to be satisfactory. At this meeting we also held an in-camera session with the firm to address any potential areas of concern with management. I am pleased to report there were none.

At the second meeting we reviewed the draft audit report and satisfied ourselves that the audit work was carried out in accordance with the engagement and plan details. In addition we reviewed the results in detail and agreed that the Committee would recommend to the Board adoption of the audited statements as well as a motion appointing MacMillan, Lawrence & Lawrence as our auditors for the 2017 year.

I want to close by thanking the members of the Committee for their diligence in preparing and participating in the Committee's work.

Members of the Committee are:

Scott Smith – Vice Chair	Bev Forbes
Blair Cummings	Mike O'Brien

Original Signed by:
Dale Mowry
Audit Chair

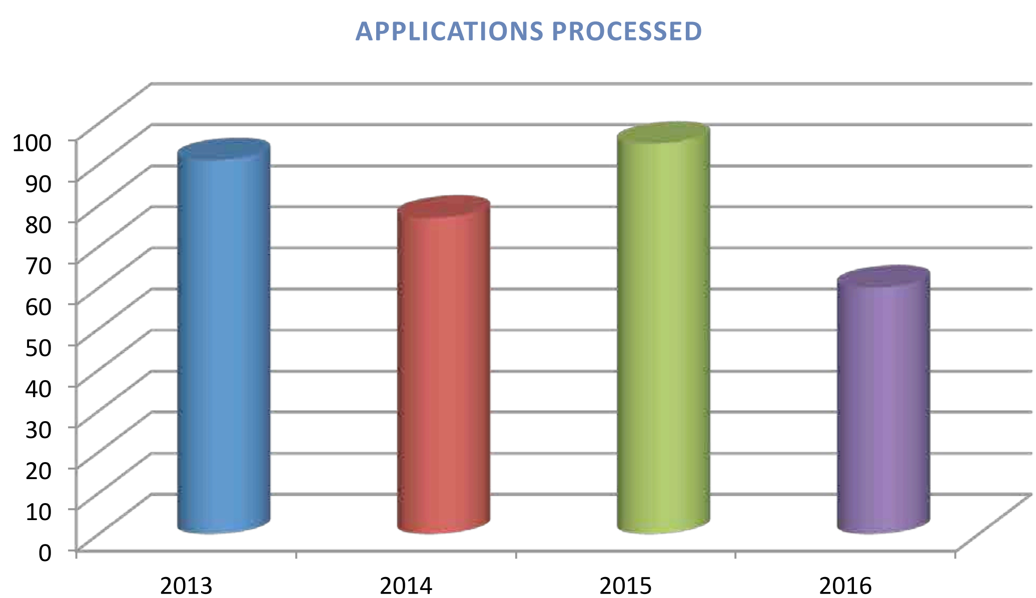
Planning Review and Adjustment Committe Report

The Planning Review and Adjustment Committee (PRAC) is a standing committee of the Board of Regional Service Commission 11. It has been delegated the certain duties and obligations of the Board with respect to land use planning. These duties are described in Appendix A of the PRAC By-Law which can be found on the Commission's website. The PRAC performs both a decision-making (quasi-judicial) and an advisory role on behalf of communities.

The role of the PRAC is critical to the ongoing administration of land use plans (municipal and rural) and of zoning bylaws and the decisions made by this Committee can have significant impacts on how development occurs within a community. The PRAC members are appointed on an "at large" basis. They do not represent the specific community from which they were appointed even though it is expected that they will have a greater understanding and knowledge of their own areas.

In 2016 the PRAC dealt with 60 applications as compared to 95 in 2015. There was one application that was rejected in 2015 which ended up as an appeal before the Assessment and Planning Appeal Board. No decision has been rendered at the time of this report.

Eldon Hunter
Chairperson
Region 11 PRAC



Planning and Development Services Division

During 2016 the Planning and Development Division worked on the following major projects:

- Completion of the review of the Town of Nackawic Municipal Plan;
- Review of the Town of Nackawic Zoning By-Law;
- Completion of the review of the Rural Plan for the Rural Community of Hanwell;
- Preparation of a Rural Plan for the LSDs of Cambridge and Waterborough; and
- Completion of the Regional Profile.

During the year, we broadened our scope to respond to the needs of the communities we serve. Going forward we believe that this trend will continue and include activities such as strategic planning and feasibility studies for restructuring projects.

Currently there are two restructuring projects underway in our region and this will lead to a need to ensure that the planning documents are current and properly focused. Nevertheless, we anticipate that our core responsibilities of preparing and reviewing land-use plans and processing land-use plan amendments will continue to be the main activity of the division. This division also provides GIS services to our communities. We expect that with the restructuring projects mentioned above, and the requirement for communities to complete a Capital Asset Management Plan to continue to qualify for gas tax funding, that this will be a busy area in 2017.

The staff of the Planning Section continued to attend training sessions to improve their skill sets and knowledge base to better serve our clients and comply with the requirements of their professional associations, and in the case of the GIS Analyst, stay current with new technologies. This is an area we address each year and will do so again in 2017.

BUILDING INSPECTION DEPARTMENT

The past year was a busy one for our building inspectors. There were a number of large projects in the region which required multiple and complex inspections. There were several fire halls under construction in the unincorporated areas. As a result of loss by fire the Village of Millville replaced its fire hall and Nackawic rebuilt its municipal building. Our inspectors also provided project management services to these municipalities. In both Minto and Chipman new EMS ambulance buildings were constructed.

Large private sector projects included a new hotel at the Kingswood facility in Hanwell as well as a number of commercial buildings in that community’s industrial park.

Building permits were up 42 permits from 2015 and the building permit value was up considerably to $21,659,415 over last year.

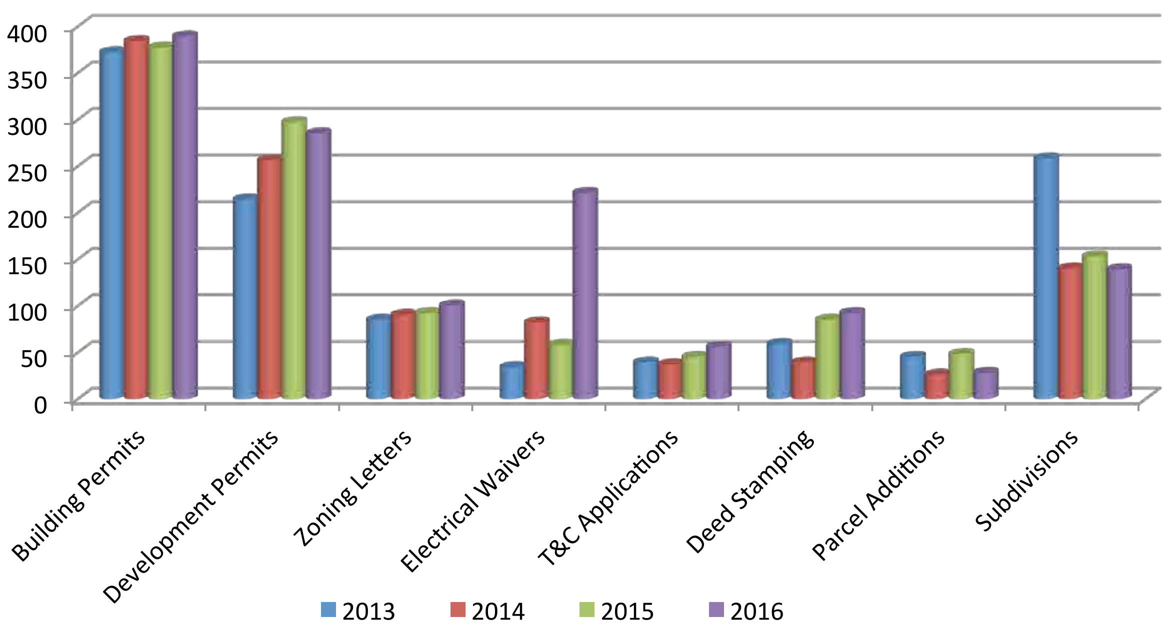
DEVELOPMENT OFFICERS DEPARTMENT

Following two successive years of maternity leaves the department returned to full staff in 2016. This was welcome since the past year was a busy one. The total number of transactions processed was up by almost 22% over the previous year. In terms of the scale of activities the value of building permits was up 66% over the previous year ($54,253,835 - $32,594,420). Again in 2016 the department engaged a seasonal By-Law Enforcement Officer who investigated and resolved 87 compliance issues.

RSC 11 continued to show leadership in the Province by hosting a training and information session for all Development Officers. This resulted in the beginning of a creation of a Provincial Development Officers Association and our region continues to be the driving force behind this initiative.

Our Development Officers support the PRAC meetings as well the municipal councils that receive planning services from us. Finally, we have witnessed strong growth in demand for 911 civic numbers since we began to provide the actual placards.

PLANNING TRANSACTIONS



Solid Waste Division

The solid waste division of the Commission operates publicly as Fredericton Region Solid Waste. Its operations cover several distinct areas: garbage; construction and demolition waste; household hazardous waste; recycling; and landfill gas utilization.

As the region continues to increase its population base, garbage is brought to the landfill where it is baled into approximately 700-kilogram bales and placed in properly constructed cells to ensure environmental protection.

Construction and demolition waste is treated separately from “regular garbage.” These materials are not placed in the engineered cells of the landfill, but rather are placed in their own area on the site. The reason for this is that this waste stream contains large pieces of concrete and some of the elements are recyclable, such as metals (copper and steel). These large concrete parts cannot be bundled without damaging the baling machines and taking up a significant amount of space in landfills.

Some waste streams require special handling and household hazardous waste (HHW) is certainly one of them. This includes but is not limited to paint, oil and anti-freeze for example. The solid waste division provides our communities with a safe way to dispose of these materials. Materials may be disposed of at the landfill on Wednesdays from 7:30 am – 4:00 pm and Saturdays from 7:30 am – 3:00 pm. Recognizing that it is not easy for many in our large region to make it to the landfill site we operate remote HHW collection activities three times a year.

Recycling is a key component in the day-to-day operations. Recycled materials accepted include plastics No. I through 7, aluminum cans, paper, cardboard, milk/juice cartons that are collected through a residential blue and grey collection box process and a number of large recycle bins. Materials are hand-sorted, baled and sold word-wide on the commodity markets. Recycling is environmentally responsible and also saves valuable landfill space.

The Commission recognizes its responsibility to be a good steward of the environment in all aspects of its operations. This is nowhere more apparent than in its landfill gas utility plant. This green project takes harmful methane from greenhouse gases - the product of waste decomposition in landfills - and turns it into a green and renewable source of energy for New Brunswickers.

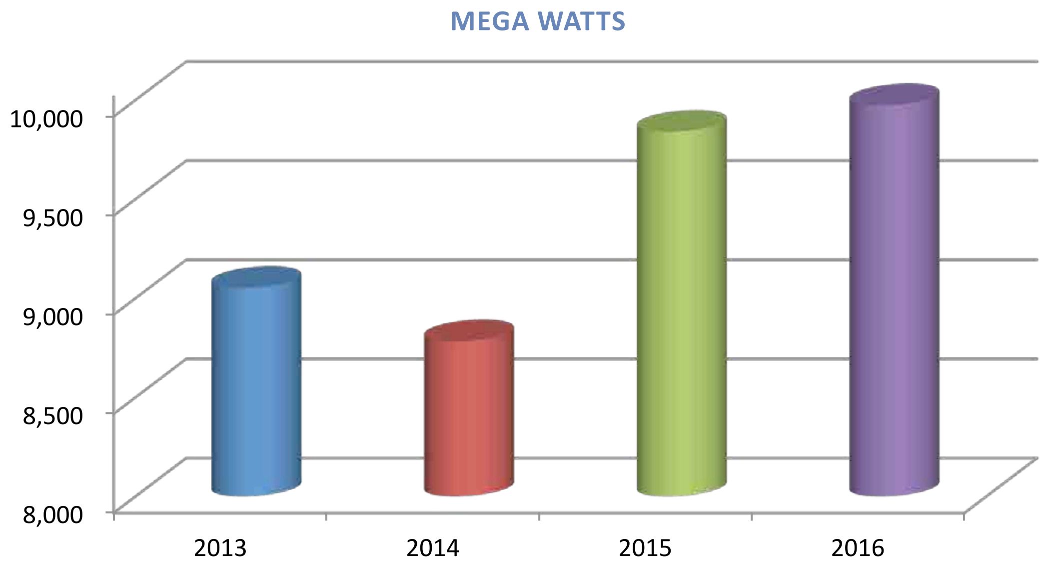
When solid waste decomposes, it releases methane, a powerful greenhouse gas that is harmful to the environment. While methane is odorless when mixed with an organic compound called a thiol, it produces an unpleasant odor.

The solid waste division’s gas treatment plan began with creating a system of wells, both horizontal and vertical in all solid waste cells at the site. As new cells are created, the wells are integrated into the system design. This allows our staff to capture the landfill gasses with a giant “vacuum cleaner” and send them to the gas utility plant.

At the plant, the gas stream is used to drive two large engines that create electricity which we sell to NB Power and is used in homes and businesses. The system has the capacity to power approximately 2,000 homes and eliminates between 45,000 and 60,000 tonnes of greenhouse gasses in the air per year.

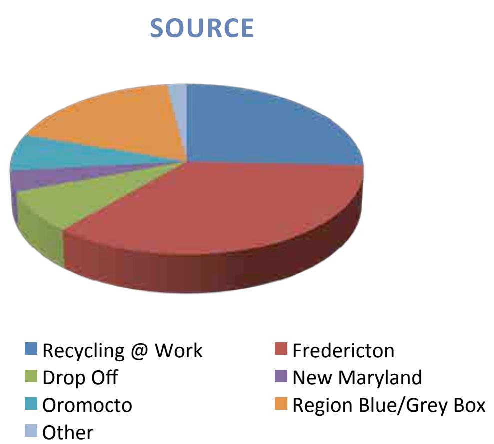
The utilization of the landfill gas plant is an environmental and financial success. The goal continues to provide an economic environmentally sustainable project during the duration of the 20-year contract.

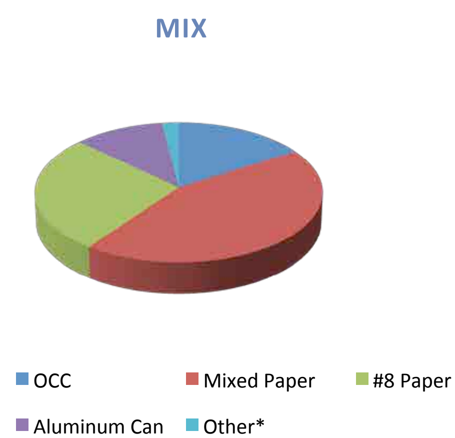
In 2016, just under 10,000 Mega Watts were produced by the landfill gas plant (see chart).



MATERIAL RECOVERY FACILITY AND RECYCLING

The overall tonnage handled by the Materials Recovery Facility (MRF) was 4,971 metric tonnes. Revenues totaling $10,588 were received on five and 10 cent refundables during the year. The following chart shows the source and mix of that material.





*Other includes Coated Book, Plastic Bags, Metal Cans and Milk Carton.

The annual Blue Box/Grey Box program calendar was produced for Fredericton and New Maryland. Approximately 27,000 copies were distributed to households and businesses for public pickup for those using the weekly blue and grey recycling box program. Participating weekly residents were also provided with a number of centrally located businesses or service locations to pick up in their City of Fredericton or Village of New Maryland neighbourhood.

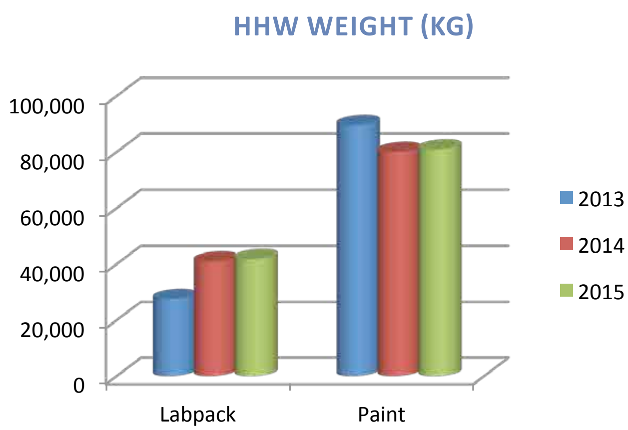
There is a long history of partnership with the University of New Brunswick Fredericton (UNBF) covering a wide range of our operations. In addition to having provided UNBF reliable paper recycling services for more than 15 years, we are a regular contributor to UNBF programs and continue working with UNBF to provide ash disposal services.

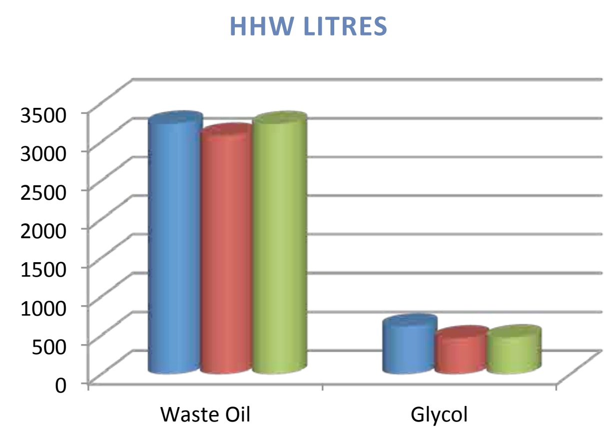
As well St. Thomas University is an important partner. We provides bin for all residences at STU, providing boxes for each classroom as well as desk side boxes and dollies allowing for paper recycling.

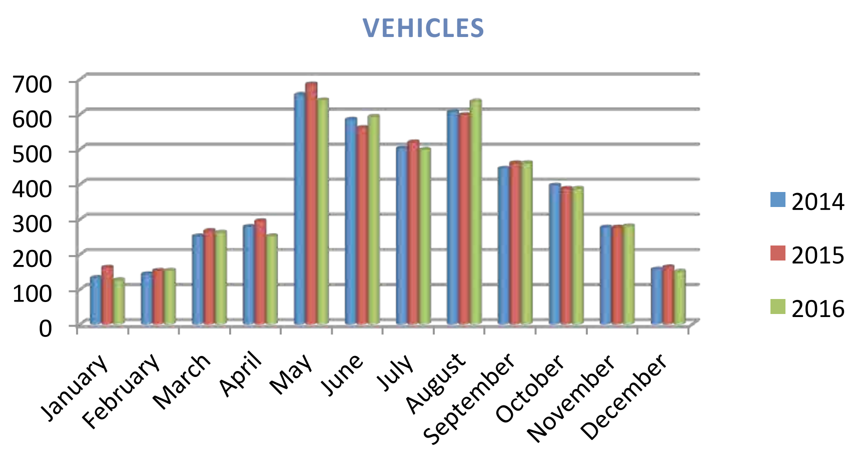
In 2016 we continued our association with Minto-based Minlak and also supplied a letter of support in its pursuit of New Brunswick Environmental Trust Fund grants. Minlak provides a diverse range of services that support individual choices and facilitates quality lifestyles for adults with disabilities. Part of those services also includes a dedication and commitment to recycling in the Minto and Grand Lake area.

HOUSEHOLD HAZARDOUS WASTE (HHW) DAYS

Household hazardous waste can be dropped off at the landfill site each Wednesday and Saturday during operation hours. The HHW program is a no charge service for residents. There are also three fully staffed remote HHW collection days between May and October to allow region-wise customers the opportunity to have their items properly disposed.

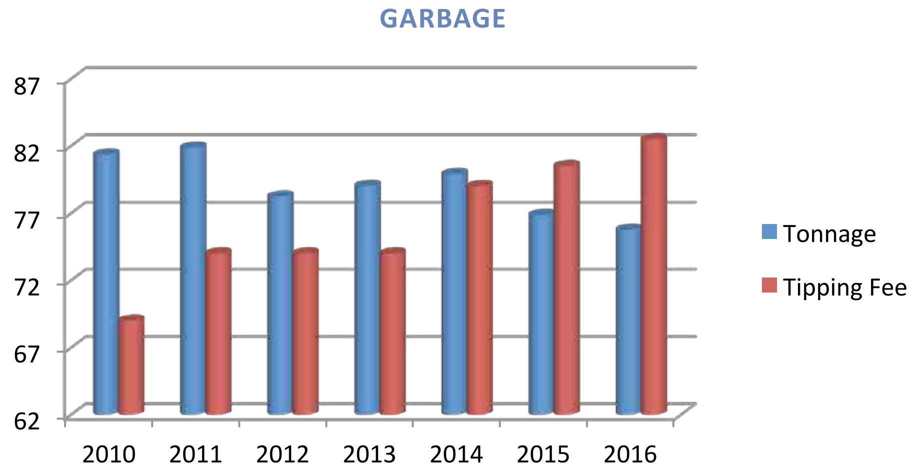






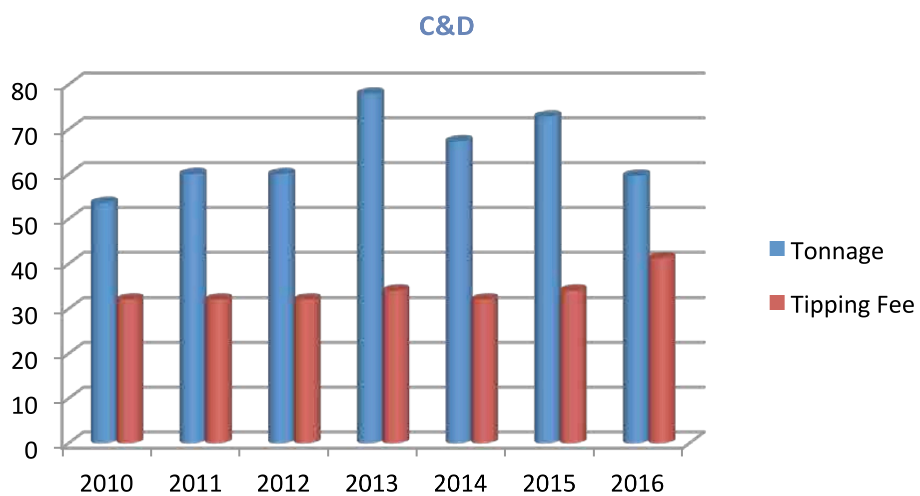
LANDFILL

The Following Chart shows the garbage tonnage and tipping fee for each of the last seven years. The tipping fee for 2016 was $82.50 per metric tonne. Garbage intake for 2016 was 75,767 metric tonnes.



Tonnage is shown in '000s and the tipping fee is shown in dollars

The Following Chart shows the Construction and Demolition waste tonnage and tipping fee for each of the last five years. The tipping fee for 2016 was $41.25 per metric tonne. The intake for 2016 was 5,961 metric tonnes, a decrease of 1,318 tonnes from the previous year.



Tonnage is shown in '00s and the tipping fee is shown in dollars

LEACHATE TREATMENT POND

The landfill has a leachate treatment pond which was constructed in 2000. This pond receives leachate generated in the landfill cells and provides treatment through biological activity supported by an aeration system. Leachate remains in the pond for approximately 127 days prior to discharge to the Fredericton Area Pollution Control Commission for final treatment. In 2016, a total of 52,274,320 litres of treated liquid were discharged from the leachate treatment pond.

ASH CELL

A cell designed for the disposal of ash generated by the University of New Brunswick's physical plant was constructed in late fall of 2001. UNB reimburses the landfill for capital and operational costs associated with the ash cell. In 2016, a total of 1,688 metric tonnes of ash were received from UNB. The revenue was $139,219.

PUBLIC RELATIONS CAMPAIGNS

In 2016 the Solid Waste Division (SWD) was the recipient of key media exposure for environmental stewardship and remained in a visible position in its region, throughout the province and Atlantic Canada through a series of Environmental Moments campaign that was well received. Public education campaigns promoted recycling, milk carton recycling, landfill gas management system, household hazardous waste and recycling.

Senior staff of the division participated at several environmental and climate conferences throughout New Brunswick. SWD hosted numerous on-site tours and attended several off-site visits not including trade shows and environmental events along with the launch of a new information video through New Brunswick Environmental Trust Fund on landfill gas production. We continued our mass advertising with the Regent Mall billboard. Other media coverage included:

The Daily Gleaner	Astral Radio	Riverside Neighbours
Rogers Television	Grand Lake Mirror	Canadian Recycling Magazine
Aitken Centre	UP, HOT FM	New Brunswick Telegraph Journal
CBC Radio	CBC Television	New Brunswick Environmental Trust Fund
CJPN Radio	CTV (Atlantic)	Waterborough Newsletter Lion's Club
Grant Harvey Centre	Global Television	YouTube
Jemseg News	Twitter Account	Oromocto Post-Gazette
Joy FM		

Staff attended a number of workshops, provided media interviews, delivered tours and classroom visits for elementary through university age groups along with numerous off-site presentations to businesses and departments of various governmental agencies.

Appendix A – Member Communities

Village of Cambridge-Narrows	Village of Chipman	The City of Fredericton
Village of Fredericton Junction	Village of Gagetown	Village of Millville
Village of Minto	Town of Nackawic	Village of New Maryland
Town of Oromocto	Village of Stanley	Village of Tracy
Rural Community of Hanwell	Parish of Bright	Parish of Burton
Parish of Cambridge	Parish of Canning	Parish of Chipman
Parish of Clarendon	Parish of Dumfries	Estey's Bridge
Parish of Douglas	Upper Gagetown	Parish of Gladstone
Hampstead	Parish of Blissville	Keswick Ridge
Parish of Kingsclear	Parish of Lincoln	Parish of Maugerville
Parish of New Maryland	Noonan	Parish of Northfield
Parish of Prince William	Parish of Queensbury	Rusagonis-Waasis
Parish of Saint Marys	Parish of Sheffield	Parish of Southampton
Parish of Stanley	Parish of Waterborough	Wirral-Enniskillen

Appendix B – Board Members Expenses 2016

DIRECTOR	REPRESENTING	PER DIEMS	MILEAGE & MEALS	TOTAL
Carson Atkinson	Chipman	$1,100	$701	$1,801
Eric Barnett	Minto	200	124	324
Michael Blaney	Gagetown	1,925	1,029	2,954
Susan Cassidy	Hanwell	425	39	464
Mike Chamberlain	Local Service Districts	2,975	726	3,701
Nancy Cronkhite	Nackawic	825	353	1,178
Blair Cummings	Cambridge-Narrows	1,800	1,059	2,859
Gerard Daly	Local Service Districts	1,950	993	2,943
Edward Farris	Chipman	900	579	1,479
Beverly Forbes	Millville	1,800	905	2,705
Mark Foreman	Stanley	2,150	882	3,032
Don Gould	Minto	1,100	983	2,083
Kenneth Hill	Local Service Districts	100	312	412
Ian Kitchen	Nackawic	1,125	577	1,702
Leo Kolijin	Local Service Districts	300	59	359
Eleanor Lindsay	Local Service Districts	1,625	435	2,060
Barb MacDonald	Stanley	100	41	141
Eric Megarity	Fredericton	600	64	664
Chris Melvin	Hanwell	900	128	1,028
Gary Mersereau	Fredericton Junction	1,525	447	1,972
Peter Morrison	Local Service Districts	2,800	797	3,597
Dale Mowry	Tracy	1,900	586	2,486
Debby Peck	Local Service Districts	1,050	184	1,234
Robert Powell	Oromocto	2,100	606	2,706
Daryl Prince	Local Service Districts	2,000	987	2,987
Kate Rogers	Fredericton	200	18	218
Scott Smith	Local Service Districts	1,950	280	2,230
Judy Wilson-Shee	New Maryland	2,250	121	2,371
Totals		**$37,675**	**$14,016**	**$51,691**

PRAC MEMBERS EXPENSES 2016

MEMBER	PER DIEMS	MILEAGE & MEALS	TOTAL
Mike Chamberlain	$900	$244	$1,144
Peter Corey	400	98	498
Bernie Hoganson	900	637	1,537
Eldon Hunter	1,000	548	1,548
Susan Jonah	800	363	1,163
Paul Milburn	900	229	1,129
Carman Nason	800	226	1,026
Tom Nisbet	900	546	1,446
Daryl Prince	825	484	1,309
Scott Smith	900	180	1,080
Brian Toole	600	344	944
Colin Trail	400	285	685
Totals	**$9,325**	**$4,184**	**$13,509**

Appendix C – Meeting Attendance 2016

COMMUNITY	REPRESENTATIVE	MEETINGS
Cambridge-Narrows	Blair Cummings	12 of 13
Chipman	Ed Farris	5 of 6
	Carson Atkinson	7 of 7
Fredericton	Brad Woodside	0 of 6
	Mike O'Brien	0 of 7
	Eric Megarity *	4
	Kate Rogers *	3
Fredericton Junction	Gary Mersereau	9 of 13
Gagetown	Michael Blaney	9 of 13
Hanwell	Susan Cassidy	4 of 6
	Chris Melvin	6 of 7
	Darren MacKenzie *	1
Millville	Bev Forbes	13 of 13
Minto	Eric Barnett	1 of 6
	Don Gould	6 of 7
Nackawic	Nancy Cronkhite	5 of 6
	Ian Kitchen	7 of 7
New Maryland	Judy Wilson -Shee	13 of 13
Oromocto	Robert Powell	13 of 13
Stanley	Mark Foreman	10 of 13
	Barb MacDonald *	2
Tracy	Dale Mowry	13 of 13
LSD Representatives	Mike Chamberlain	12 of 13
	Gerard Daly	7 of 7
	Gerard Daly *	4
	Leo Kolijin *	1
	Eleanor Lindsay	8 of 13
	Peter Morrison	12 of 13
	Debby Peck	6 of 6
	Daryl Prince	11 of 13
	Scott Smith	13 of 13

*Indicates attendance as an Alternate Member

Regional Service Commission 11

Audited Financial Statements

December 31, 2016

MacMillan Lawrence & Lawrence
Chartered Professional Accountants

Regional Service Commission 11

December 31, 2016

Contents

Independent Auditors' Report

To the Commissioners of
Regional Service Commission 11

We have audited the accompanying financial statements of Regional Service Commission 11, which comprise the statement of financial position as at December 31, 2016, and the statement of operations, accumulated surplus, 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.

Auditors' 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 Regional Service Commission 11 as at December 31, 2016, 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.

MacMillan Lawrence & Lawrence

Fredericton, NB
April 4, 2017

Chartered Professional Accountants

Regional Service Commission 11

Statement of Financial Position

December 31, 2016

		2016		2015
Financial assets				
Cash and cash equivalents (Note 3)	$	3,623,605	$	2,440,669
Receivables (Note 4)		861,225		1,332,193
Interest receivable		-		5,039
Inventory		34,262		13,015
Investments (Note 5)		2,854,352		3,083,000
		7,373,444		6,873,916
Liabilities				
Payables and accruals		1,145,616		1,695,176
Deferred revenue		-		106,246
Funds held in trust (Note 15)		105,561		105,236
Retiring allowance (Note 9)		570,000		518,300
Long term debt (Note 7)		4,305,000		4,338,000
Accrued post-closing costs (Note 6)		3,080,348		2,769,563
		9,206,525		9,532,521
Net debt		(1,833,081)		(2,658,605)
Non-financial assets				
Tangible capital assets (Schedule 1)		12,447,834		12,356,522
Prepaid expenses		161,968		112,706
Deferred financing charges		24,073		27,816
		12,633,875		12,497,044
Accumulated surplus	$	10,800,794	$	9,838,439

See accompanying notes to financial statements

Contingencies and commitments (Note 12 & 13)

Approved by the Commission:

Original Signed By Judy Wilson-Shee
_______________________________ Member

Original Signed by Scott Smith
_______________________________ Member

Regional Service Commission 11

Statement of Operations and Accumulated Surplus

Year ended December 31, 2016

	(Unaudited) Budget 2016	Actual 2016	Actual 2015
Revenue			
Sale of services (Schedule 6)	$ 5,680,087	$ 5,547,559	$ 5,299,550
Member charges (Schedule 6)	3,910,504	3,812,659	3,725,795
Other (Schedule 6)	145,000	107,132	55,895
Grants (Schedule 6)	-	-	32,469
Insurance recovery	-	247,428	302,452
Interest	16,050	22,749	52,077
	9,751,641	9,737,527	9,468,238
Expenditures			
Administration (Schedule 6)	1,961,322	1,875,540	1,908,659
Fiscal services	167,366	197,549	368,688
Governance (Schedule 6)	62,500	53,277	53,387
Planning and building inspection services (Schedule 6)	632,355	644,616	637,813
Post-closing costs	182,746	197,440	263,654
Regional sport, recreation and culture	-	-	20,000
Solid waste services (Schedule 6)	7,225,606	5,796,113	5,870,697
	10,231,895	8,764,535	9,122,898
Annual surplus (deficit) before unrealized losses on investments	(480,254)	972,992	345,340
Unrealized losses on investments		(10,637)	(3,810)
Annual surplus		962,355	341,530
Accumulated surplus, beginning of year		9,838,439	9,496,909
Accumulated surplus, end of year		$ 10,800,794	$ 9,838,439

See accompanying notes to financial statements

Regional Service Commission 11

Statement of Changes in Net Debt

Year ended December 31, 2016

	2016	2015
Annual surplus	$ 962,355	$ 341,530
Acquisition of tangible capital assets	(1,279,962)	(2,434,329)
Writedown of tangible capital assets due to fire	-	18,896
Amortization of tangible capital assets	1,188,650	1,206,051
	871,043	(867,852)
Change in deferred financing charges	3,743	6,494
Change in prepaid expenses	(49,262)	(9,851)
Decrease (increase) in net debt	825,524	(871,209)
Net debt, beginning of the year	(2,658,605)	(1,787,396)
Net debt, end of year	$ (1,833,081)	$ (2,658,605)

See accompanying notes to financial statements

Regional Service Commission 11

Statement of Cash Flows

Year ended December 31, 2016

	2016	2015
Increase (decrease) in cash and cash equivalents		
Operating activities		
Annual surplus	$ 962,355	$ 341,530
Amortization of tangible capital assets	1,188,650	1,206,051
Gain on disposal of tangible capital assets	(43,000)	(8,500)
Writedown of tangible capital assets due to fire	-	18,896
Unrealized loss on investments	10,637	3,810
	2,118,642	1,561,787
Change in non-cash working capital		
Receivables	470,968	782,939
Interest receivable	5,039	763
Inventory	(21,247)	(13,015)
Payables and accruals	(549,560)	657,596
Deferred revenue	(106,246)	103,181
Funds held in trust	325	355
Retiring allowance	51,700	51,700
Accrued post-closing costs	310,785	291,952
Deferred finance charges	3,743	6,494
Prepaid expenses	(49,262)	(9,851)
	116,245	1,872,114
Cash flows provided by operating activities	2,234,887	3,433,901
Capital activities		
Acquisition of tangible capital assets	(1,279,962)	(2,434,329)
Proceeds from disposal of tangible capital assets	43,000	8,500
Cash flows used in capital activities	(1,236,962)	(2,425,829)
Financing activities		
Long term debt (net)	(33,000)	(732,000)
Cash flows used in financing activities	(33,000)	(732,000)
Investing activities		
Investments (net)	218,011	524,512
Cash flows provided by investing activities	218,011	524,512
Net increase in cash and cash equivalents	1,182,936	800,584
Cash and cash equivalents, beginning of year	2,440,669	1,640,085
Cash and cash equivalents, end of year	$ 3,623,605	$ 2,440,669

See accompanying notes to financial statements

1. Nature of operations

The Commission was established under a special act of the New Brunswick legislature with a mandate to provide or facilitate the provision of regional planning services and solid waste disposal services to all its members, and to all its members that are local service districts, a land use planning service. Regional Service Commission 11 (the "Commission") was created effective January 1, 2013.

In accordance with a Ministerial Order, Sections 41 and 48 of the *Regional Service Delivery Act*, SNB 2012, c.37 effective January 1, 2013, all assets, liabilities, rights, obligations, powers and responsibilities of the Fredericton Region Solid Waste Commission and the Rural Planning District Commission, with the exception of $4,146 in capital assets, are transferred to and become the assets, liabilities, rights, obligations, powers and responsibilities of Regional Service Commission 11.

2. Significant accounting policies

Basis of accounting
The financial statements of the Commission have been prepared in accordance with Canadian generally accepted accounting principles as recommended by the Public Sector Accounting Board ("PSAB") of the Chartered Professional Accountants of Canada.

Reporting entity
The financial statements of the Commission reflect the assets, liabilities, revenues and expenses and changes in net debt and cash flows of the reporting entity. Inter-fund balances and transactions have been eliminated.

Revenue recognition
Revenues are recognized as they are earned and measurable. Tipping fees are recorded when the waste is delivered to the landfill facility and when collection is reasonably assured. Recycling commodity sales are recognized upon shipment of the recyclables to the customer and when collectability is reasonably assured. Planning fees are recognized as they are earned or upon issuance of a permit.

Financial instruments
The Commission initially measures its financial assets and financial liabilities at fair value. The Commission subsequently measures all its financial assets and financial liabilities at amortized cost, except for investments in equity instruments that are quoted in an active market, which are measured at fair value. Changes in fair value are recognized in the statement of operations.

Financial assets measured at amortized cost include cash and cash equivalents, receivables and investments.

Financial liabilities measured at amortized cost include payables and accruals and long term debt.

Financial assets measured at fair value include investment in balanced funds and term deposits.

The fair value of investments in balanced funds are determined by reference to the latest closing transactional net asset value of each respective balanced fund.

2. Significant accounting policies (continued)

Cash and cash equivalents
Cash and cash equivalents include cash on hand, balances with banks and short-term deposits with original maturities of ninety days or less.

Inventory
Inventory held for sale is valued at the lower of cost and net realizable value with cost being determined on the first-in, first-out basis.

Investments
Investments are managed in accordance with the New Brunswick Trustees Act.

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 excess of revenues over expenses, 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 of the tangible capital asset is amortized on a straight line basis over the estimated useful life as follows:

	Useful Lives
Land	Indefinite
Land improvements:	
Paving	20 years
Fencing	10 years
Gas collection system	20 years
Landfill cells	Estimated capacity of cell
Buildings	15 - 40 years
Machinery and equipment	5 - 40 years
Vehicles	5 years
Electronic equipment	5 years
Furniture and fixtures	10 years

Assets under construction are not amortized until the asset is available for productive use.

Deferred financing charges
Financing charges related to the issuance of long term debt are deferred and amortized over the terms of the related debt.

Leases
Leases are classified as capital or operating leases. Leases which transfer substantially all of the benefits and risks incidental to the ownership or property are accounted for as capital leases. All other leases are accounted for as operating leases and the related lease payments are charged to expenses as incurred.

2. Significant accounting policies (continued)

Expense recognition
Expenses are recorded on the accrual basis as they are incurred and measurable based on the receipt of goods or services and legal obligation to pay.

Landfill closure and post closure liability
The Commission accrues landfill closure and post-closure care requirements that include final covering and landscaping of the landfill, pumping of ground water and leachate from the site, and ongoing environmental monitoring, site inspection and maintenance. The reported liability is based on estimates and assumptions using the best information available to management as documented in Note 6.

Future events may result in significant changes to the estimated total expenses, capacity used or total capacity and the estimated liability, and would be recognized prospectively, as a change in estimate when applicable.

Segmented information
The Commission's operations are broken down into five distinct areas which encompass a wide range of services. For management reporting purposes, the Commission's operations and activities are organized and reported by function. This presentation was created for the purpose of recording specific activities to attain certain objectives in accordance with special regulations, restrictions or limitations. Commission services are provided by departments as follows:

Co-operative and Regional Planning
This department is responsible for providing its members with a forum in order to initiate cooperative action among its members, which include discussions with respect to regional planning, regional policing collaboration, regional emergency measures planning, regional sport, recreation and culture infrastructure planning and cost-sharing.

Local Planning Services
This department is responsible to oversee building inspection, development and planning services.

Landfill Operations
This department is responsible for the acceptance and disposition of waste received at the landfill site, including, but not limited to, garbage, construction and demolition waste, and household hazardous waste.

SWC Recycling
This department is responsible for the collection and acceptance of recyclable material, including its sorting and subsequent sale.

Power Generation
This department is responsible for the generation of electricity which is sold to the New Brunswick Power Commission.

2. Significant accounting policies (continued)

Employee future benefits
The Commission has a sick leave benefit as documented in Note 8.

Certain Commission employees, having five years of continuous service, are entitled to a retirement allowance of five days for each full year of continuous service not exceeding 125 days at the employee's regular rate of compensation at retirement. The liability is actuarially determined as documented in Note 9.

The Commission provides a defined contribution money purchase pension plan for eligible planning and development employees. The amount of the member's benefit is not determined until the time the benefit is provided. The Commission's responsibility is limited to matching contribution to a maximum of 5.0% to 7.0% of gross pay of the employee and upon retirement the Commission has no further responsibility to the plan. Total benefit expense for the year ended December 31, 2016 was $43,101 (2015 - $40,929).

The Commission's solid waste employees are members of the City of Fredericton Shared Risk Pension Plan, which is a multi-employer shared risk pension plan. The plan is accounted for as a defined contribution plan in accordance with Public Sector Accounting Handbook PS3250 - Retirement Benefits.

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 the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the reporting period. Significant estimates include assumptions used in estimating useful lives of tangible capital assets, landfill closure and post-closure liability and in performing actuarial valuations of employee future benefits. These estimates are reviewed periodically, and as adjustments become necessary, they are reported in earnings in the period in which they become known. Actual results may differ from those estimates.

3. Cash and cash equivalents

	2016	2015
Cash and cash equivalents - restricted	$ 1,989,541	$ 1,606,474
Cash and cash equivalents - unrestricted	1,634,064	834,195
	$ 3,623,605	$ 2,440,669

The Commission has a revolving line of credit of $300,000, which was not utilized at December 31, 2016. Interest at prime less 0.5% secured by letter from the Chairman of the Commission, under seal, authorizing the Commission to borrow for the purpose of bridging normal member funding and financing receivables.

4. Receivables

		2016		2015
Planning and development	$	76	$	933
Solid waste		668,093		862,888
Recycling		31,335		10,929
Power generation		104,000		91,346
Legal fees recoverable		-		62,867
HST rebate		57,721		307,526
	$	861,225	$	1,336,489
Less: allowance for doubtful accounts		-		(4,296)
	$	861,225	$	1,332,193

5. Investments

	2016				2015			
	Amortized Cost		Fair Value		Amortized Cost		Fair Value	
Cash	$	189,130	$	189,130	$	494,780	$	494,780
Term deposits		-		-		186,600		192,316
Balanced funds		2,652,896		2,665,222		1,869,930		1,887,177
		2,842,026		2,854,352		2,551,310		2,574,273
Guaranteed investment certificates		-		-		508,727		508,727
	$	2,842,026	$	2,854,352	$	3,060,037	$	3,083,000

Fair values have been determined based on quoted market rates supplied by ScotiaMcLeod.

The balance of cash and balanced funds is restricted for future closure and post closure costs.

6. Accrued post-closing costs

The Commission is responsible for the continued monitoring and treatment of the site following its closure.

The accrued liability for post-closing costs has been determined based on estimated post-closing costs of $503,100 per year, in future dollars, for a period of 30 years commencing in 2037.

Post-closing costs are discounted at a rate of 4.84% (6.99% nominal rate less 2.15% assumed inflation) for a current estimate of $16,874,084 required by the end of 2036 to fund post closure expenses.

At December 31, 2016 the capacity of the landfill had been estimated at 2,750,423 metric tonnes of which 1,609,000 (2015 - 1,692,000) metric tonnes remains unused as at December 31, 2016.

At December 31, 2016 the estimated post closure liability is $3,080,348 (2015 - $2,769,563) of which the Commission has funded with cash and balanced funds with a cost of $2,842,026 (2015 - $2,551,310) and with a market value of $2,854,352 (2015 - $2,574,273) for a shortfall of $225,996 (2015 - $195,290) based on market value at year end. Investment detail is documented in Note 5.

7. Long term debt

New Brunswick Municipal Finance Corporation	2016	2015
Debentures:		
AV58 4.15% - 4.45%, due 2016, OIC 06-0011	$ -	$ 871,000
BF46 1.35% - 3.45%, due 2016, OIC 00-0017	-	37,000
BH47 1.35% - 3.8%, due 2017, OIC 10-0107	64,000	127,000
B152 1.35% - 4.0%, due 2023, OIC 11-0005	2,607,000	2,947,000
BL47 1.2% - 3.7%, due 2019, OIC 14-0003	269,000	356,000
BO50 1.45% - 2.0%, due 2021, OIC 15-0046	239,000	-
BP40 1.20% - 2.0%, due 2021, OIC 06-0011, 16-0003	1,126,000	-
	$ 4,305,000	$ 4,338,000

Approval of the Municipal Capital Borrowing Board has been obtained for all long term debt.

Principal payments required in each of the next five years are as follows:

2017	$ 763,000
2018	713,000
2019	726,000
2020	648,000
2021	663,000

8. Accrued sick leave

The Commission provides sick leave that accumulates at 1.25 days per month for full-time employees. These employees can accumulate a maximum of 150 sick days for planning and development division employees and 200 sick days for solid waste division employees.

An actuarial valuation was performed on the 54 employee plan in accordance with PSA 3255 at December 31, 2014. 2016 estimates are based on roll forward amounts from the December 31, 2014 actuarial valuation. The actuarial method used was the Projected Unit Credit pro-rated on service to expected usage. The valuation was based on a number of assumptions about future events, such as interest rates, wage and salary increases and employee turnover and retirement. The assumptions used reflect the Commission's best estimates.

The following summarizes the major assumptions in the valuation:
- annual salary increase is 2.0%;
- the discount rate used to determine the accrued benefit obligation is 3.17%;
- retirement age is 60; and
- estimated net excess utilization of rate of sick leave varies with age.

The sick leave is an unfunded benefit. As such, there are no applicable assets. Benefits are paid out of general revenue as they come due.

The unfunded liability was $110,745 on December 31, 2016 (2015 - $132,010).

9. Retiring allowance

Solid waste division employees of the Commission become eligible for a retiring allowance after five years of full-time consecutive service. Qualifying employees are entitled to five days of regular pay for each full year of continuous employment to a maximum of 125 days. The accrued benefit becomes payable in the year an employee ceases working for the Commission by retirement. There were no retirement allowances paid out during the year (2015 - $nil).

10. Pension plan

The Commission's solid waste employees are members of the City of Fredericton Shared Risk Plan, which is a Shared Risk Pension Plan in accordance with the New Brunswick Pension Benefits Act. The Plan is administered by an independent Board of Trustees. Under the Plan, contributions are made by the Plan members and Regional Service Commission 11. The Plan was created effective March 31, 2013.

Plan members contribute at a rate of 9% of pensionable earnings. The Commission matches these contributions to form the Plan's Initial Contributions. In addition, the Commission is making Temporary Contributions in the amount of 4.25% of pensionable earnings for at least 10 years and at most 15 years beginning March 31, 2013. As per the Plan's Funding Policy, contributions may increase or decrease by 2.25% of payroll for both the Commission and the employees should certain funding levels be reached.

10. Pension plan (continued)

For service up to and including March 31, 2013, benefits accrue at a rate of 1.3% on the first $5,000 of earnings and 2.0% on the remainder of pensionable earnings, to a maximum benefit of $2,000 per year of pensionable service. For this period of pre-conversion service, benefits are available on an unreduced basis for members who retire on or after age 55 and whose age plus service total at least 80. For service after March 31, 2013, benefits accrued at a rate of 1.8% of pensionable earnings. For this period of post-conversion service, benefits are available on an unreduced basis for members who retire on or after age 65.

The last actuarial valuation of the Plan was conducted as at March 31, 2014. At that date, the open group funded ratio of the Plan was 103.8%.

Contributions to the plan in 2016 totalled $473,233 (2015 - $459,988).

11. Financial instrument risk management

(a) Credit risk

Credit risk is the risk of financial loss to the Commission if a debtor fails to make payments of interest and principal when due. The Commission is exposed to this risk relating to its debt holdings in its post closure investment fund.

The maximum exposure to credit risk and concentration of this risk with respect to debt holdings is referred to in Note 5.

The Commission is subject to credit risk through receivables. The Commission minimizes credit risk through ongoing credit management.

(b) Interest rate risk

Interest rate risk is defined as the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Changes in the market interest rates of long-term debt with fixed interest rates only affects net income if such debt is measured at fair value. All of the Commission's fixed rate long-term debt is carried at amortized cost and therefore is not subject to interest rate risk. The balanced fund faces interest rate risk and income risk.

(c) Currency risk

Currency risk relates to the Commission operating in different currencies and converting non Canadian earnings at different points in time at different foreign exchange levels when adverse changes in foreign currency exchange rates occur. All foreign currency transactions during the year have been made during the normal course of operations. The Commission does not hold foreign currency reserves, investments, or receivables at year end.

12. Contingency

The Commission previously entered into an agreement covering a ten year period commencing October 1, 1994 with a one time five year renewal option, to rent a portion of landfill property for use as a hydrocarbon contaminated soil remediation facility. The income from this project was being placed in a reserve account for future capital acquisitions (Note 15).

After the five year extension renewal option, exercised in 2004, expired September 2009 the lease has been subject to litigation. The Commission is currently subject to a court injunction prohibiting the interference of daily operations of the counter party.

The Commission has entered into Minutes of Settlement in relation to the litigation. Under the terms of the Minutes of Settlement, both parties have undertakings to perform before the settlement can be implemented. It is management's estimate that the remaining costs associated with the Minutes of Settlement is $250,000 (2015 - $445,000). This amount has been accrued in the financial statements as of December 31, 2016. Actual settlement costs may be materially different.

13. Commitments

The Commission rents office space for its planning and development division under an operating lease agreement covering the period of May 1, 2012 to April 30, 2019. The minimum annual lease payments for the next three years are as follows:

2017	$ 79,971
2018	79,971
2019	26,657

14. Short term borrowings compliance

Operating borrowing
As prescribed in the Regional Service Delivery Act, borrowing to finance operating expenses is limited to 5% of the amount budgeted for that service. With respect to a solid waste management service, the Commission shall not borrow for operating expenses more than 25% of the amount budgeted for that service. In 2016 the Commission has complied with these restrictions.

Inter-fund borrowing
The Municipal Financial Reporting Manual requires the short-term inter-fund borrowings to be repaid in the next year unless the borrowing is for a capital project. The amounts payable between funds are in compliance with the requirements.

15. Funds held in trust

Represents funds held in trust by the Commission to cover any cleanup costs which may be required to support the tenant's obligation to remediate their leased land as referred to in Note 12. In the event that these trust funds drop below $100,000 as a result of payment for non-hydrocarbon remediation costs the tenant is obligated to pay an additional $2 per tonne until the trust fund once again reaches $100,000.

16. Budget

The financial plan is prepared on a revenue and expenditure basis. For comparative purposes, the Commission has modified its financial plan to prepare a budget that is consistent with the scope and accounting principles used to report the actual results. The budget figures used in these financial statements have been approved by the Board.

The reconciliation between the financial plan and the budget figures used in these statements is disclosed in Schedule 5 - Schedule of Operating Budget to PSA Budget.

Regional Service Commission 11

Schedule 1: Schedule of Tangible Capital Assets

Year ended December 31, 2016

	Land	Land improvements	Buildings	Machinery and equipment	Vehicles	Electronic equipment	Furniture and fixtures	Assets under construction	2016
Cost									
Balance, beginning of year	$ 539,511	$ 2,856,766	$ 3,438,083	$ 14,462,107	$ 555,182	$ 126,678	$ 103,855	$ 1,435,467	$ 23,517,649
Add:									
Additions and transfers during the year	-	41,795	1,690,525	955,746	-	27,363	-	(1,435,467)	1,279,962
Less:									
Disposals and writedowns	-	-	-	(282,361)	-	-	-	-	(282,361)
Balance, end of year	539,511	2,898,561	5,128,608	15,135,492	555,182	154,041	103,855	-	24,515,250
Accumulated amortization									
Balance, beginning of year	-	1,622,149	1,660,888	7,256,581	432,122	108,185	81,202	-	11,161,127
Add:									
Amortization during the year	-	179,068	127,904	794,068	66,589	12,947	8,074	-	1,188,650
Less:									
Accumulated amortization on disposals and writedowns	-	-	-	(282,361)	-	-	-	-	(282,361)
Balance, end of year	-	1,801,217	1,788,792	7,768,288	498,711	121,132	89,276	-	12,067,416
Net book value of tangible capital assets	$ 539,511	$ 1,097,344	$ 3,339,816	$ 7,367,204	$ 56,471	$ 32,909	$ 14,579	$ -	$ 12,447,834
Consists of:									
Local planning assets	$ -	$ -	$ -	$ -	$ -	$ 2,740	$ 888	$ -	$ 3,628
Landfill assets	539,511	1,077,645	949,537	3,479,579	35,489	30,169	5,496	-	6,117,426
Recycle assets	-	19,699	2,385,330	179,979	20,982	-	8,195	-	2,614,185
Power generation assets	-	-	4,949	3,707,646	-	-	-	-	3,712,595
	$ 539,511	$ 1,097,344	$ 3,339,816	$ 7,367,204	$ 56,471	$ 32,909	$ 14,579	$ -	$ 12,447,834

Regional Service Commission 11

Schedule 1: Schedule of Tangible Capital Assets

Year ended December 31, 2015

	Land	Land improvements	Buildings	Machinery and equipment	Vehicles	Electronic equipment	Furniture and fixtures	Assets under construction	2015
Cost									
Balance, beginning of year	$ 539,511	$ 3,122,143	$ 3,438,083	$ 14,132,373	$ 555,182	$ 124,484	$ 97,388	$ 1,574	$ 22,010,738
Add:									
Additions and transfers during the year	-	441,737	-	550,038	-	2,194	6,467	1,433,893	2,434,329
Less:									
Disposals and write downs	-	(707,114)	-	(220,304)	-	-	-	-	(927,418)
Balance, end of year	539,511	2,856,766	3,438,083	14,462,107	555,182	126,678	103,855	1,435,467	23,517,649
Accumulated amortization									
Balance, beginning of year	-	2,210,689	1,572,039	6,548,864	363,476	95,078	73,452	-	10,863,598
Add:									
Amortization during the year	-	118,574	88,849	909,125	68,646	13,107	7,750	-	1,206,051
Less:									
Accumulated amortization on disposals and writedowns	-	(707,114)	-	(201,408)	-	-	-	-	(908,522)
Balance, end of year	-	1,622,149	1,660,888	7,256,581	432,122	108,185	81,202	-	11,161,127
Net book value of tangible capital assets	$ 539,511	$ 1,234,617	$ 1,777,195	$ 7,205,526	$ 123,060	$ 18,493	$ 22,653	$ 1,435,467	$ 12,356,522
Consists of:									
Local planning assets	$ -	$ -	$ -	$ -	$ -	$ 7,915	$ 1,229	$ -	$ 9,144
Landfill assets	539,511	1,213,042	1,009,776	3,578,638	60,113	10,578	6,143	1,574	6,419,375
Recycle assets	-	21,575	762,170	152,909	62,947	-	15,281	1,433,893	2,448,775
Power generation assets	-	-	5,249	3,473,979	-	-	-	-	3,479,228
	$ 539,511	$ 1,234,617	$ 1,777,195	$ 7,205,526	$ 123,060	$ 18,493	$ 22,653	$ 1,435,467	$ 12,356,522

Regional Service Commission 11

Schedule 2: Schedule of Reconciliation of Annual Surplus

Year ended December 31, 2016

	Co-operative and Regional Planning Operating Fund	Local Planning Operating Fund	Solid Waste Operating Fund	Generation Operating Fund	Local Planning Capital Fund	Solid Waste Capital Fund	Sub-total Carry Forward
2016 annual surplus (deficit)	$ 9,378	$ (51,706)	$ 1,511,872	$ 667,475	$ (5,514)	$ (930,511)	$ 1,200,994
Adjustments to annual surplus (deficit) for funding requirements							
Second previous year's surplus (deficit)	15,121	51,668	(451,044)	95,486	-	-	(288,769)
Transfer between funds							
Transfer elimination	-	-	-	-	-	-	-
Transfer elimination - capital asset additions	-	-	(793,976)	(340,986)	-	793,976	(340,986)
Long-term debt principal repayment	-	-	(318,000)	(340,000)	-	318,000	(340,000)
Issuance of new debt	-	-	625,000	-	-	(625,000)	-
Change in sick leave accrual	-	377	(21,642)	-	-	-	(21,265)
Amortization expense	-	-	-	-	5,514	930,511	936,025
Unrealized loss on marketable securities	-	-	10,637	-	-	-	10,637
Total adjustments to 2016 annual surplus (deficit)	$ 15,121	$ 52,045	$ (949,025)	$ (585,500)	$ 5,514	$ 1,417,487	$ (44,358)
	$ 24,499	$ 339	$ 562,847	$ 81,975	$ -	$ 486,976	$ 1,156,636
2016 annual surplus per PNB requirements	$ 24,499	$ 339	$ 562,847	$ 81,975			

Continued

Regional Service Commission 11

Schedule 2: Schedule of Reconciliation of Annual Surplus (Continued)

Year ended December 31, 2016

	Sub-total Carry Forward	Generation Capital Fund	Local Planning Operating Reserve Fund	Solid Waste Operating Reserve Fund	Solid Waste Capital Reserve Fund	Generation Capital Reserve Fund	Total
2016 annual surplus (deficit)	$ 1,200,994	$ (252,625)	$ -	$ 2,280	$ 10,591	$ 1,115	$ 962,355
Adjustments to annual surplus (deficit) for funding requirements							
Second previous year's surplus	(288,769)	-	-	-	-	-	(288,769)
Transfer between funds							
Transfer elimination	-	145,000	-	-	-	(145,000)	-
Transfer elimination - capital asset additions	(340,986)	340,986	-	-	-	-	-
Long-term debt principal repayment	(340,000)	340,000	-	-	-	-	-
Issuance of new debt	-	-	-	-	-	-	-
Change in sick leave accrual	(21,265)	-	-	-	-	-	(21,265)
Amortization expense	936,025	252,625	-	-	-	-	1,188,650
Unrealized loss on marketable securities	10,637	-	-	-	-	-	10,637
Total adjustments to 2016 annual surplus (deficit)	$ (44,358)	$ 1,078,611	$ -	$ -	$ -	$ (145,000)	$ 889,253
	$ 1,156,636	$ 825,986	$ -	$ 2,280	$ 10,591	$ (143,885)	$ 1,851,608

Regional Service Commission 11

Schedule 2: Schedule of Reconciliation of Annual Surplus

Year ended December 31, 2015

	Co-operative and Regional Planning Operating Fund	Local Planning Operating Fund	Solid Waste Operating Fund	Generation Operating Fund	Local Planning Capital Fund	Solid Waste Capital Fund	Sub-total Carry Forward
2015 annual surplus (deficit)	$ (3,927)	$ (22,383)	$ 1,107,985	$ 439,134	$ (6,975)	$ (1,003,049)	$ 510,785
Adjustments to annual surplus (deficit) for funding requirements							
Second previous year's surplus	17,962	57,530	101,903	35,059	-	-	212,454
Transfer between funds							
Transfer elimination	-	(8,300)	-	-	-	400,000	391,700
Transfer elimination	-	(2,193)	(1,535,263)	(19,899)	2,193	1,535,263	(19,899)
Long-term debt principal repayment	-	-	(398,000)	(334,000)	-	398,000	(334,000)
Change in sick leave accrual	-	(10,074)	4,184	-	-	-	(5,890)
Amortization expense	-	-	-	-	6,975	1,003,049	1,010,024
Writedown of tangible capital assets due to fire	-	-	-	-	-	18,896	18,896
Unrealized loss on marketable securities	-	-	3,810	-	-	-	3,810
Insurance recovery	-	-	817,207	-	-	-	817,207
Total adjustments to 2015 annual surplus (deficit)	$ 17,962	$ 36,963	$ (1,006,159)	$ (318,840)	$ 9,168	$ 3,355,208	$ 2,094,302
	$ 14,035	$ 14,580	$ 101,826	$ 120,294	$ 2,193	$ 2,352,159	$ 2,605,087
2015 annual surplus per PNB requirements	$ 14,035	$ 14,580	$ 101,826	$ 120,294			

Continued

Regional Service Commission 11

Schedule 2: Schedule of Reconciliation of Annual Surplus (Continued)

Year ended December 31, 2015

	Sub-total Carry Forward	Generation Capital Fund	Local Planning Operating Reserve Fund	Solid Waste Operating Reserve Fund	Solid Waste Capital Reserve Fund	Generation Capital Reserve Fund	Total
2015 annual surplus (deficit)	$ 510,785	$ (196,027)	$ -	$ 2,874	$ 20,140	$ 3,758	$ 341,530
Adjustments to annual surplus (deficit) for funding requirements							
Second previous year's surplus	212,454	-	-	-	-	-	212,454
Transfer between funds							
Transfer elimination	391,700	300,000	8,300	-	(400,000)	(300,000)	-
Transfer elimination	(19,899)	19,899	-	-	-	-	-
Long-term debt principal repayment	(334,000)	334,000	-	-	-	-	-
Change in sick leave accrual	(5,890)	-	-	-	-	-	(5,890)
Amortization expense	1,010,024	196,027	-	-	-	-	1,206,051
Writedown of tangible capital assets due to fire	18,896	-	-	-	-	-	18,896
Unrealized loss on marketable securities	3,810	-	-	-	-	-	3,810
Insurance recovery	817,207	-	-	-	-	-	817,207
Total adjustments to 2015 annual surplus (deficit)	$ 2,094,302	$ 849,926	$ 8,300	$ -	$ (400,000)	$ (300,000)	$ 2,252,528
	$ 2,605,087	$ 653,899	$ 8,300	$ 2,874	$ (379,860)	$ (296,242)	$ 2,594,058

Regional Service Commission 11

Schedule 3: Schedule of Segment Disclosure

Year ended December 31, 2016

	Co-operative and Regional Planning	Local Planning	Landfill	SWC Recycling	Power Generation	2016
Revenue						
Member charges	$ 68,058	$ 1,122,833	$ 2,621,768	$ -	$ -	$ 3,812,659
Sale of services	-	-	4,154,378	359,006	1,034,175	5,547,559
Other	-	12,953	94,179	-	-	107,132
Interest	-	946	20,132	-	1,671	22,749
Insurance recovery	-	-	-	247,428	-	247,428
	68,058	1,136,732	6,890,457	606,434	1,035,846	9,737,527
Expenditures						
Salaries and benefits	32,168	910,201	2,328,694	458,813	79,331	3,809,207
Operating expenses	26,512	278,237	2,733,436	384,936	215,482	3,638,603
Amortization	-	5,514	775,525	154,986	252,625	1,188,650
Interest	-	-	54,818	814	72,443	128,075
	58,680	1,193,952	5,892,473	999,549	619,881	8,764,535
Unrealized loss on investments	-	-	(10,637)	-	-	(10,637)
Annual (deficit) surplus	$ 9,378	$ (57,220)	$ 987,347	$ (393,115)	$ 415,965	$ 962,355

Regional Service Commission 11

Schedule 3: Schedule of Segment Disclosure

Year ended December 31, 2015

	Co-operative and Regional Planning	Local Planning	Landfill	SWC Recycling	Power Generation	2015
Revenue						
Member charges	$ 54,376	$ 1,121,259	$ 2,550,160	$ -	$ -	$ 3,725,795
Sale of services	-	-	4,071,308	228,936	999,306	5,299,550
Other	-	(7,710)	63,605	-	-	55,895
Grants - Environmental Trust Fund	15,000	-	10,000	7,469	-	32,469
Interest	-	2,342	44,996	-	4,739	52,077
Insurance recovery	-	-	-	302,452	-	302,452
	69,376	1,115,891	6,740,069	538,857	1,004,045	9,468,238
Expenditures						
Salaries and benefits	27,482	876,535	2,304,251	324,037	75,660	3,607,965
Operating expenses	25,821	261,739	3,111,191	326,353	405,507	4,130,611
Amortization	-	6,975	897,687	105,362	196,027	1,206,051
Interest	-	-	59,318	1,498	79,986	140,802
Other	20,000	-	10,000	7,469	-	37,469
	73,303	1,145,249	6,382,447	764,719	757,180	9,122,898
Unrealized loss on investments	-	-	(3,810)	-	-	(3,810)
Annual (deficit) surplus	$ (3,927)	$ (29,358)	$ 353,812	$ (225,862)	$ 246,865	$ 341,530

Regional Service Commission 11

Schedule 4: Schedule of Statement of Reserves

Year ended December 31, 2016

	Local Planning Operating Reserve	Local Planning Capital Reserve	Solid Waste Operating Reserve	Solid Waste Capital Reserve	Generation Capital Reserve	2016 Total
Assets						
Cash	$ 24,300	$ 8,000	$ 386,568	$ 1,400,414	$ 64,698	$ 1,883,980
Due from Solid Waste Operating Fund	-	-	443	5,390	-	5,833
	24,300	8,000	387,011	1,405,804	64,698	1,889,813
Accumulated surplus	$ 24,300	$ 8,000	$ 387,011	$ 1,405,804	$ 64,698	$ 1,889,813
Revenue						
Interest	$ -	$ -	$ 2,280	$ 10,591	$ 1,115	$ 13,986
	-	-	2,280	10,591	1,115	13,986
Expenditures	-	-	-	-	145,000	145,000
Annual surplus (deficit)	$ -	$ -	$ 2,280	$ 10,591	$ (143,885)	$ (131,014)

Resolutions regarding transfers to and from reserves:

Motion: Be it resolved that Regional Service Commission 11 transfer a total of $145,000 from the Generation Facility Capital Reserve Fund to the Generation Facility Capital Fund. Motion by Robert Powell, seconded by Daryl Prince.

I hereby certify that the above are true and exact copies of resolutions adopted at a Commission meeting on December 21, 2016.

Original Signed by D. R. Fitzgerald

D.R. Fitzgerald
Executive Director, Regional Service Commission 11

April 4, 2016

Date

Regional Service Commission 11

Schedule 4: Schedule of Statement of Reserves

Year ended December 31, 2015

	Local Planning Operating Reserve	Local Planning Capital Reserve	Solid Waste Operating Reserve	Solid Waste Capital Reserve	Generation Capital Reserve	2015 Total
Assets						
Cash	$ 24,300	$ 8,000	$ 267,703	$ 992,652	$ 208,583	$ 1,501,238
Interest receivable	-	-	1,143	3,895	-	5,038
Due from Solid Waste Operating Fund	-	-	441	5,383	-	5,824
Investments	-	-	115,444	393,284	-	508,728
	24,300	8,000	384,731	1,395,214	208,583	2,020,828
Accumulated surplus	$ 24,300	$ 8,000	$ 384,731	$ 1,395,214	$ 208,583	$ 2,020,828
Revenue						
Operating fund transfer	$ 8,300	$ -	$ -	$ -	$ -	$ 8,300
Interest	-	-	2,874	20,140	3,758	26,772
	8,300	-	2,874	20,140	3,758	35,072
Expenditures	-	-	-	400,000	300,000	700,000
Annual surplus (deficit)	$ 8,300	$ -	$ 2,874	$ (379,860)	$ (296,242)	$ (664,928)

Name of Investment	Principal Amount	Interest Rate	Date of Maturity
Cashable GIC	$ 508,728	1.03%	January 14, 2016

Resolutions regarding transfers to and from reserves:

Motion: Be it resolved that Regional Service Commission 11 transfer a total of $8,300 from the Local Planning Services Operating Fund to the Local Planning Services Operating Reserve Fund. Motion by Peter Morrison, seconded by Mark Foreman.

Motion: Be it resolved that Regional Service Commission 11 transfer a total of $400,000 from the Solid Waste Services Capital Reserve Fund to the Solid Waste Services Capital Fund. Motion by Peter Morrison, seconded by Michael Blaney.

Motion: Be it resolved that Regional Service Commission 11 transfer a total of $300,000 from the Generation Facility Capital Reserve Fund to the Generation Facility Capital Fund. Motion by Peter Morrison, seconded by Michael Blaney.

I hereby certify that the above are true and exact copies of resolutions adopted at a Commission meeting on December 21, 2015.

Original Signed by D. R. Fitzgerald

D.R. Fitzgerald
Executive Director, Regional Service Commission 11

April 4, 2016

Date

Regional Service Commission 11

Schedule 5: Schedule of Operating Budget to PSA Budget

Year ended December 31, 2016

	Corporate Services Operating Budget	Co-operative and Regional Planning Operating Budget	Local Planning Operating Budget	Solid Waste Operating Budget	Generation Facility Operating Budget	Amortization TCA	Other Sick Leave	Transfers	Total
Revenue									
Member charges	$ -	$ 68,059	$ 1,122,832	$ 2,719,613	$ -	$ -	$ -	$ -	$ 3,910,504
Sale of services	-	-	-	4,620,087	1,100,000	-	-	-	5,720,087
Transfer from own or other fund	503,885	-	-	182,000	-	-	-	(685,885)	-
Interest	-	-	3,000	12,000	1,050	-	-	-	16,050
Surplus (deficit) of second previous year	-	15,121	51,668	(451,044)	95,486	-	-	288,769	-
Other revenue	-	-	-	105,000	-	-	-	-	105,000
	503,885	83,180	1,177,500	7,187,656	1,196,536	-	-	(397,116)	9,751,641
Expenditures									
Governance	62,500	-	-	-	-	-	-	-	62,500
Administration	435,045	65,680	540,145	1,275,137	11,200	-	-	(503,885)	1,823,322
Regional planning	-	5,000	-	-	-	-	-	-	5,000
Regional policing collaboration	-	2,500	-	-	-	-	-	-	2,500
Regional sport, recreation and culture infrastructure planning and cost sharing	-	10,000	-	-	-	-	-	-	10,000
Planning & building inspection services	-	-	620,355	-	-	9,000	3,000	-	632,355
Solid waste services	-	-	-	5,248,003	424,603	1,660,000	6,000	-	7,338,606
Post-closing costs	-	-	-	182,746	-	-	-	-	182,746
Fiscal services									
Interest	-	-	-	62,270	84,556	-	-	-	146,826
Other financing charges	3,500	-	3,000	2,500	2,700	-	-	-	11,700
Other fiscal services	2,840	-	7,500	6,000	-	-	-	-	16,340
Transfer to Capital Fund	-	-	5,500	411,000	389,000	-	-	(757,000)	48,500
Transfer to Operating Reserve Fund	-	-	1,000	-	140,000	-	-	(141,000)	-
Transfer to Capital Reserve Fund	-	-	-	-	144,477	-	-	(144,477)	-
	503,885	83,180	1,177,500	7,187,656	1,196,536	1,669,000	9,000	(1,546,362)	10,280,395
Surplus (deficit)	**$ -**	$ -	$ -	$ -	$ -	$ (1,669,000)	$ (9,000)	$ 1,149,246	$ (528,754)

Regional Service Commission 11

Schedule 5: Schedule of Operating Budget to PSA Budget

Year ended December 31, 2015

	Corporate Services Operating Budget	Co-operative and Regional Planning Operating Budget	Local Planning Operating Budget	Solid Waste Operating Budget	Generation Facility Operating Budget	Amortization TCA	Other Sick Leave	Transfers	Total
Revenue									
Member charges	$ -	$ 54,376	$ 1,101,724	$ 2,638,388	$ -	$ -	$ -	$ -	$ 3,794,488
Sale of services	-	-	-	4,546,143	1,024,000	-	-	-	5,570,143
Transfer from own or other fund	474,545	-	-	-	-	-	-	(474,545)	-
Interest	-	-	3,000	11,220	1,000	-	-	-	15,220
Surplus of second previous year	-	17,962	57,530	101,903	35,059	-	-	(212,454)	-
Other revenue	-	-	-	104,198	-	-	-	-	104,198
	474,545	72,338	1,162,254	7,401,852	1,060,059	-	-	(686,999)	9,484,049
Expenditures									
Governance	62,000	-	-	-	-	-	-	-	62,000
Administration	406,199	62,338	476,070	1,269,620	12,200	-	-	(474,545)	1,751,882
Regional planning	-	-	-	-	-	-	-	-	-
Regional policing collaboration	-	2,500	-	-	-	-	-	-	2,500
Regional emergency measures planning	-	2,500	-	-	-	-	-	-	2,500
Regional sport, recreation and culture infrastructure planning and cost sharing	-	5,000	-	-	-	-	-	-	5,000
Planning & building inspection services	-	-	661,934	-	-	9,000	1,000	-	671,934
Solid waste services	-	-	-	5,465,469	524,659	1,558,000	4,000	-	7,552,128
Post-closing costs	-	-	-	174,871	-	-	-	-	174,871
Fiscal services									
Interest	-	-	-	69,392	78,711	-	-	-	148,103
Other financing charges	3,500	-	4,000	2,500	500	-	-	-	10,500
Other fiscal services	2,846	-	6,950	26,000	-	-	-	-	35,796
Transfer to Capital Fund	-	-	5,000	394,000	334,000	-	-	(728,000)	5,000
Transfer to Operating Reserve Fund	-	-	8,300	-	-	-	-	(8,300)	-
Transfer to Capital Reserve Fund	-	-	-	-	109,989	-	-	(109,989)	-
	474,545	72,338	1,162,254	7,401,852	1,060,059	1,567,000	5,000	(1,320,834)	10,422,214
Surplus (deficit)	**$ -**	$ -	$ -	$ -	$ -	$ (1,567,000)	$ (5,000)	$ 633,835	$ (938,165)

Regional Service Commission 11

Schedule 6 - Schedule of Revenue and Expenditures

Year ended December 31, 2016

	(Unaudited) Budget 2016	Actual 2016	Actual 2015
Revenue			
Sale of services			
Industrial/Commercial/Institutional tipping fees	$ 3,867,887	$ 3,862,657	$ 3,789,752
Construction and demolition	247,500	245,926	247,490
Recycling materials	430,200	359,006	228,936
Power generation	1,100,000	1,034,175	999,306
Other	34,500	45,795	34,066
	$ 5,680,087	$ 5,547,559	$ 5,299,550
Member charges			
Cooperative and regional planning fees	$ 68,059	$ 68,058	$ 54,376
Local planning and inspection services fees	1,122,832	1,122,833	1,121,259
Tipping fees	2,719,613	2,621,768	2,550,160
	$ 3,910,504	$ 3,812,659	$ 3,725,795
Other			
Gain on disposal of capital assets	$ 105,000	$ 43,000	$ 36,147
Other (Planning and Development)	-	12,953	(7,710)
Other (Solid Waste)	40,000	51,179	27,458
	$ 145,000	$ 107,132	$ 55,895
Grants			
Recreational Planning	$ -	$ -	$ 15,000
ETF (Solid Waste)	-	-	17,469
	$ -	$ -	$ 32,469
Expenditures			
Administration			
Executive Director's office	$ 213,717	$ 206,516	$ 174,702
Financial management			
External audit	19,500	19,000	22,000
Personnel	117,028	34,571	114,175
Professional services - Sub-contract personnel	-	61,510	-
	136,528	115,081	136,175
Other			
Liability insurance	46,000	44,164	45,339
Professional services	8,000	375	13,369
Public relations	2,500	-	-
Office expense	12,300	11,385	12,121
Legal services	6,000	550	-
Translation	10,000	3,924	7,018
	84,800	60,398	77,847

Regional Service Commission 11

Schedule 6 - Schedule of Revenue and Expenditures (Continued)

Year ended December 31, 2016

	(Unaudited) Budget 2016	Actual 2016	Actual 2015
Administration			
Local planning office	242,786	262,020	242,356
Liability insurance	4,000	2,787	1,141
Professional services	23,500	-	-
Public relations	1,500	93	288
Office expense	129,017	130,961	138,823
HST	7,500	7,418	7,099
Legal services	10,000	5,191	162
	418,303	408,470	389,869
Administration			
Solid waste office	502,174	530,276	524,511
Liability insurance	146,000	135,531	123,202
Professional services	90,100	94,359	137,376
Public relations and education	112,000	108,814	117,987
Office expense	114,500	111,939	143,794
Legal services	25,000	12,586	1,044
HST	107,000	86,176	73,838
	1,096,774	1,079,681	1,121,752
Administration			
Generation facility	11,200	5,394	6,816
Professional services	-	-	1,498
	11,200	5,394	8,314
	$ 1,961,322	$ 1,875,540	$ 1,908,659
Governance			
Honorariums	$ 40,000	$ 37,877	$ 35,940
Travel	13,500	12,684	12,917
Meetings	9,000	2,716	4,530
	$ 62,500	$ 53,277	$ 53,387
Planning and Building Inspection Services			
Planning services			
Personnel	$ 301,808	$ 317,576	$ 358,593
Advertising	6,000	5,113	2,773
Planning advisory committee	19,200	13,324	20,575
Amortization	5,000	5,514	3,488
Sick leave	3,000	377	(10,074)
Other	6,000	4,032	(3,550)
	341,008	345,936	371,805

Regional Service Commission 11

Schedule 6 - Schedule of Revenue and Expenditures (Continued)

Year ended December 31, 2016

	(Unaudited) Budget 2016	Actual 2016	Actual 2015
Inspection Services			
Personnel	285,747	297,685	261,717
Supplies	1,600	995	803
Amortization	4,000	-	3,488
	291,347	298,680	266,008
	$ 632,355	$ 644,616	$ 637,813
Solid Waste Services			
Station and building	$ 268,500	$ 265,163	$ 207,552
Machinery and equipment	1,235,400	752,818	909,995
Landfill operations	2,209,701	2,101,669	2,060,171
Scale house	258,557	274,638	296,925
Waste diversion	995,870	794,536	543,386
Hazardous household waste	166,975	160,132	170,654
Sick leave	6,000	(21,642)	4,184
Other - Environmental Trust Fund	-	-	7,469
Amortization	1,455,000	930,513	1,003,049
	6,596,003	5,257,827	5,203,385
Generation facility			
Personnel	84,603	79,331	75,660
Machinery and equipment	340,000	206,332	395,625
Amortization	205,000	252,623	196,027
	629,603	538,286	667,312
	$ 7,225,606	$ 5,796,113	$ 5,870,697