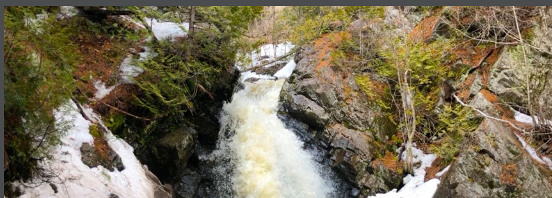
ANNUAL REPORT

2020

REGIONAL SERVICE COMMISSION 11
COMMISSION DE SERVICES RÉGIONAUX 11



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PROLOGUE

The information in this annual report describes the activities of Regional Service Commission 11 during 2020.

It was prepared in early 2021 and finalized in February.

A year like no other could not even begin to describe what the world watched unfold early in 2020.

What seemed so far away, reached New Brunswick and Regional Service Commission 11's territory in swift fashion, causing numerous alterations to how business – and life itself – operated.

RSC11 began following suit with the rest of the world when it came to posting signs of caution, signs of advice and signs of expectations when the world grinded to a halt back in mid-March.

It has certainly altered the way RSC11 and its services operate, beginning with basic caution at the outset to working from home and changing entire working operations and approaches to try and find some sense of normalcy during the global pandemic.

The following is a recap of the COVID-19 operational guidelines that carried through the remainder of 2020 and certainly in to the new year.

- RSC11 has two operating divisions: Planning and Development (P&D) and the Solid Waste Division (SWD). These divisions operate from different premises and the nature of the operations are sufficiently different.

- RSC11 implemented numerous strategies and procedures to combat the spread of Covid-19 in the workplace. Those measures range from telecommuting to sanitizing procedures. Those measures have become the new norm for RSC11. Although it was important to be productive and provide a service to the public, RSC11 recognizes it was NOT business as usual.

- RSC11 took the following measures to ensure safety to the employees and the wider community. (The New Brunswick General Public Health Measures During Covid-19 Recovery checklist has been applied to both divisions and two are attached (Appendix A)).

CHAIR'S COMMENTS

On behalf of the Directors of Regional Service Commission 11, it is my pleasure to present to you the 2020 Annual Report. The past year was one without precedent and one for which we couldn't have prepared. Much of the activities of your Board and its staff was spent reacting to uncontrollable external events due to the COVID 19 pandemic. We offer our sincere condolences to the families who have lost a loved one due to the virus.

During the year we operated under lockdown, and multiple instances of the Orange and Yellow Phases. We needed to change the way that we met and monitored the RSC. The staff had to change the way they worked and the way they provided us with the information we required for oversight.

Directors all learned to be comfortable with video conferencing for Board and Committee meetings. Staff learned to function in remote and virtual ways using previously unfamiliar technology and collaboration to get the job done.

I am proud of our Board and the staff for the extra effort they put in during this time and some of those Covid adaptations will continue after the virus is gone. We will continue to broadcast our Board and Committee meetings live via the internet allowing citizens easy travel free access to our issues and deliberations.

I expect that this will be even more important in the coming year when the provincial government begins to introduce its local government reform initiatives.

In 2020 we continued to reach out to the Province about our dissatisfaction regarding policing in the region and while, as yet, we haven't been able to effect change we haven't given up on the need to improve this basic function. We have no intention of backing off.

In addition to the effort required to reinvent many of our processes we also dealt with new initiatives. On the solid waste management front a review of the existing provincial model was coupled to the PPP plans and our staff participated in various working groups and joint meetings with Environment officials. The Board was briefed in early February about the suggested model and provided its input to the Environment Minister.

The Commission led a feasibility analysis of a new regional pool on behalf of 4 of our municipalities and surrounding Local Districts.

Operationally our divisions exceeded their budget targets and I want to thank staff for working hard to minimize the cost to our taxpayers.

The coming year will also be one of change as the postponed municipal elections will be held in May. Concurrently the provincial government will be introducing its vision for a reform of local government. It seems clear that the only constant we face is change.

And sadly, I must report that former Director Daryl Prince passed away in March of 2020 at the age of 80. Daryl was involved with the Regional Service Commission from the outset and its predecessor Solid Waste and Planning Commissions. He contributed countless volunteer hours to us and the Jemseg Fire Department. He was a tireless advocate of the Province's unincorporated area in general and Jemseg in particular. We will miss him.

In the pages that follow, you will see that in addition to overseeing our operating divisions the Board engaged in several initiatives that have impacts throughout the region.

Judy Wilson-Shee

PLANNING AND DEVELOPMENT (P&D)

P&D PROCESS AND THE PUBLIC

INTERNET PRESENCE

P&D was able to administer a range of services to the public with an Internet presence. Through the RSC11.ca website, the public was able to access permit application forms which can be filled and provided to RSC11 remotely by e-mail or fax. Credit card payments were received over the phone. Questions regarding applications, properties, processes, building standards, etc. were answered over e-mail or phone. This process eliminated interaction with the public to minimize opportunities to transmit the disease.

PUBLIC RESTRICTIONS

With the services RSC11 provides, there were times when deeds and plans from the public required handling by RSC11 staff. The public is NOT permitted in the RSC11 office. Doors were kept locked at all times. All deeds and plans were to be placed in a drop box which is accessible from outside the office. This process eliminated staff interaction with the public. Staff stamp the deeds and plans upon receival (as per required process) while wearing disposable gloves which are then disposed of in a safe manner. Disposable gloves were NOT reused. Three days were allowed to elapse before the staff further interact with the stamped deeds and plans.

TRANSPARENT PLEXIGLASS INSTALLED

The public is not allowed access in office during orange phase. A three-foot transparent plexiglass partition has been affixed to the front counter to separate the vestibule from the reception desk area. When further provincial restrictions are lifted, this partition will provide a physical separation from the entrance of the building to the sole point of contact with staff. All counter tops and surfaces the public may have been in contact with will be cleaned and disinfected after each interaction with the public. These safety measures are part of the RSC11 office operational plan.

WORKING IN THE COMMUNITY

Building inspections is a service that P&D building inspectors provide that requires working in the community. Procedures have been undertaken to reduce interactions with the public and ensure social distancing. The public is required to leave the premises that the building inspector will be inspecting. If leaving the premises is not feasible for the individual, they are then required to sit in their vehicle throughout the duration of the building inspectors work. Social distancing and safety are important; therefore, refusal to inspect the premises will occur if neither of the above measures are adhered to. Buildings inspectors wear face masks and disposable gloves when conducting their building inspections.

P&D TELECOMMUTING AND SOCIAL DISTANCING

Strategies have been undertaken to ensure social distancing is possible within the RSC11 office for the safety of staff. Some staff members are required in the office due to the nature of RSC11 services; however, most staff members have been telecommuting with the uptake of Teams, Zoom, and other available communication technology. Staff has been able to collaboratively and productively work from home and thereby reduce the number of staff in the office. Only minimum staff if someone is being tested. Due to the office layout staff members are able to successfully and easily partake in social distancing at all times when in the office setting. RSC11 employees who are unwell, experiencing Covid-19 symptoms, or have been told to self-isolate by Public Health; or have been in contact with someone who is unwell, experiencing Covid-19 symptoms, or have been told to self-isolate by Public Health are not allowed to enter the RSC11 premises.

MEETINGS THROUGH TECHNOLOGY

RSC11 successfully held a virtual Planning Review and Adjustment Committee (PRAC) meeting on April the 28th, 2020 by utilizing communication technology. At least one member from the public was virtually present for the meeting. PRAC's monthly meetings are essential to the process of certain services RSC11 provides.

CLEANING

A daily cleaning procedure has been undertaken by RSC11 staff member while at the office. All frequently touched surfaces are cleaned and disinfected at the beginning of each workday. Disinfectant wipes are used for cleaning and disinfecting. The office assistant is tasked with ensuring this process is completed to satisfactory levels at the beginning of each workday.

P&D ETIQUETTE AND SAFETY EQUIPMENT

RESPIRATORY ETIQUETTE

RSC11 staff was required to participate in respiratory etiquette which includes coughing or sneezing into a tissue and washing their hands. When a tissue is unavailable it included coughing or sneezing into their elbow or sleeve.

PERSONAL HYGIENE ETIQUETTE

Five washrooms and a kitchen are equipped with hot/cold running water and soap which are all accessible to RSC11 staff. Staff is required to frequently and thoroughly wash their hands throughout the workday. RSC11 staff has access to minimum 60 per cent alcohol-based hand sanitizer. Paper towel, toilet paper, and garbage bins are all available to the staff members.

SAFETY EQUIPMENT

RSC11 staff has access to safety equipment when in the office, either to comply with the procedures outlined above or to satisfy their personal judgement which goes beyond the RSC11 office procedures. Safety equipment is NOT shared between staff members.

Disposable gloves were accessible to staff members and safely disposed of after their use. Disposable gloves were NOT reused.

Respiratory masks were available to staff members and NOT shared between staff members. Masks were used in accordance with the manufacturer's instructions.

P&D SAFETY ADVERTISEMENT

New Brunswick Public Health Advice posters for Covid-19 are located throughout the RSC11 office. Proper handwashing New Brunswick Covid-19 Public Health Advice posters are located in all RSC11 office washrooms and kitchen. Covid-19 symptoms, proper social distancing, and proper respiratory hygiene New Brunswick Public Health

Advice posters are located in numerous places in the RSC11 office such as the vestibule, hallway, kitchen, and washrooms.

SOLID WASTE DIVISION

SWD ensured its facilities were up to safety standards to protect its employees and the public.

Employees in administration can enter through one door, but it must remain locked to keep the public out. Email receipts and drop boxes will be used for accounts.

Staff was staggered during the initial outbreak to minimize employees in the building.

The Materials Recovery Facility, home to the recycling operation, is the most densely populated building on site. Measures are under way to create safe working space, especially on the recycling belt where eight employees work together.

OPEN TO COMMERCIAL VEHICLES ONLY

SWD opted to continue operating since the pandemic outbreak, but the landfill site was open to commercial vehicles only. Residential customers were not allowed to bring personal items to the landfill. They were turned away at the scales and reminded curbside collection of garbage and recycling items was still operating.

PROGRAMS SUSPENDED

All on-site programs at SWD including Household Hazardous Waste, electronic waste collection, shredding and recycling at the Materials Recovery Facility were suspended. Dense commercial advertising from mainstream media to digital marketing has conveyed consistent messages about residential closure, recycling changes and other updates. Those restrictions were lifted in May, but services such as Recycle@Work have been altered where customers must have their blue dollies outside for collection and shredding customers must bring their items to the landfill site as opposed to pick up. Numerous landfill tours and classroom and business visits have been suspended. However, public relations have continued through digital advertising and Zoom/Teams calls with students and professors. More projects are planned for 2021 to have virtual tours/interviews arranged and available.

ACCOMMODATING CHANGE

SWD's Materials Recovery Facility is its most densely populated work-space including eight employees on the sorting belt. Safety measures including installation of Plexiglass is on-going to ensure safety. Multiple changes have been made in SWD's administration building including limiting the number of employees and ensuring staff uses one entrance and locks the doors at all times while working. Customers will receive email statements or other ways to ensure payment as opposed to physically coming in and paying. A thermal temperature gauge was also installed in the MRF as a further precaution.

SAFETY REMAINS NO. 1 PRIORITY

Its first priority was to ensure the safety of our customers and staff. To ensure compliance with the Emergency Order, SWD opened to residential customers once approved safety related changes had been implemented and sufficient supplies of required PPE had been received.

An opening date was communicated to the public in May.

PLANNING POSTS MAJOR SUBDIVISION INCREASE

RSC11 posted a 64 per cent increase in subdivisions in 2020. That number was the largest posted increase in a decade.

'The substantial increase would be pointed toward people staying home and working on projects that they left on shelves for years,' Stephen McAlinden of RSC11's Planning and Development Services. 'It was the highest number in 10 years.'

There was also a $30-million dollar increase year over year on building permit values.

COMMERCIAL CANNABIS

A contentious rezoning application for a commercial cannabis operation on Zionville Road drew opposition for residents.

The Minister of Local Government did approve the project.

REGIONAL **POOL**

Following extensive studies the development of a regional aquatics pool has been a key part of RSC11's involvement in recreational facilities.

RSC11 announced in the late fall recommendations toward a new regional aquatic centre, mindful of the anticipated closure of the Sir Max Aitken Pool at the University of New Brunswick in the not too distant future.

A study deemed the development of UNB endowment lands near Knowledge Park Drive is the preferred option for a new aquatics facility to service the Greater Fredericton Region.

The suggested facility would include a 10-lane 25-metre tank as well as leisure and therapy tanks.

Regional Service Commission 11 led a project steering committee comprised of various municipal stakeholders and community representatives in developing an Aquatics Facility Feasibility Study which also investigated an addition to the multi-purpose Grant-Harvey Centre.

The working group included representatives from the City of Fredericton, Town of Oromocto, Rural Community of Hanwell, Village of New Maryland, adjacent Local Service Districts and existing aquatic user groups.

Building the facility on UNB endowment land has an estimated total project cost is $42,046,070.

Expansion to the existing Grant-Harvey Centre would see a total estimated project cost of $38,480,471.

The need for a new aquatic centre has been a critical file following UNB's announcement it would close its Sir Max Aitken Pool, which has served the region since 1967.

There was one stakeholder workshop for aquatic users, an on-line public survey which yielded 1,581 responses and internal and external stakeholders with groups such as the City of Fredericton, Fredericton YMCA, UNB and Government of New Brunswick along with others.

The study also identified required next steps which includes the development of a funding and cost sharing plan as well as updated recreation service agreements between the communities.

Upon completion the study was forwarded to the participating communities. At the time of this writing Fredericton has reconfirmed its commitment to the project and we are awaiting word from the other Councils.

EXTENDED PRODUCERS **RESPONSIBILITY**

Extended Producer Responsibility (EPR) was anticipated to be a key part of 2020 with RSC11.

COVID-19 changed potential progress in that department and essentially shelved the initiative for the remainder of 2020.

EPR would see legislation charge industry with the end-of-life management of its products. Presently in New Brunswick there are EPR programs for tires, paint, oil, glycol products and electronics.

In October of 2019, after years of joint study with the RSCs, the provincial government announced its intentions to introduce legislation covering packaging and printed paper (PPP) which includes:

- Plastic Bottles & Jars;
- Rigid Plastics;
- Corrugated Cardboard;
- Boxboard;
- Containers;
- Steel Containers; and,
- Mixed Paper.

PPP materials are far and away the largest category of recyclables in the waste stream. RSC11 already deals with a full range of materials (as do some other commissions) and remains keenly interested (and supportive) in the enactment of legislation.

FIVE-YEAR PLAN

The Regional Service Delivery Act Regulation 2012-109 requires RSCs to prepare multi-year budget projections. This provides a framework for the Board and staff to operate within the medium and long term.

Uncertainty is part of any forecast, however, there is a significant amount of uncertainty right now both in the world at large and specific to RSC 11. The effects of Covid-19 continue to be felt and it is uncertain how long or how much this will impact the economy. Other items that are uncertain provincially include the separation of the Department of Environment and Local Government, including a focus on climate change, and potential local governance reform. The solid waste division faces additional uncertainties, which are discussed further in the section pertaining to it.

Despite this, having a solid financial plan will allow the RSC to face these uncertainties while making the necessary adjustments that may be required annually.

CORPORATE SERVICES

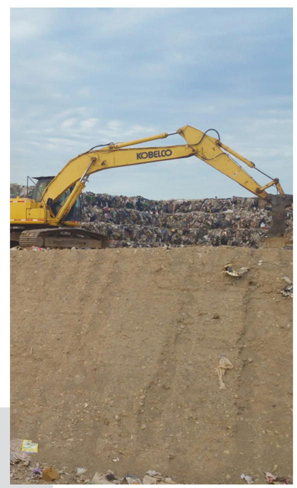
- In total these expenses forecast an average increase of just under $15,000 annually, or 2.4 per cent per annum.
- Salaries and benefits include merit and cost of living adjustments amounting to 2.0 per cent per annum on average.
- Board expenses includes a two per cent increase to Board honorariums annually and a decrease to Board training in 2022, as 2021's municipal elections will result in new Board members and therefore training expenses were increased in that 2021 budgeted figure.
- Administration expenses include small adjustments for inflation and discretionary spending.

CO-OPERATIVE AND REGIONAL PLANNING

The regional planning budget includes the corporate services charges and an amount designated for collaborative activity. We have provided for $20,000 for that purpose since the formation of the Commission. In all but one year these funds were not spent and the amount was returned as a second previous year surplus. For the purpose of the five-year plan we have increased that amount by $5,000 per year solely for contingency purposes. Staff have no specific insight into an increased requirement, but this approach will provide more flexibility if required.

PLANNING & DEVELOPMENT DIVISION

- Expenses are forecast to increase an average of just under $42,000 annually, or 2.8 per cent per annum.
- Administration expenses include adjustments for inflation, as well as rent increases in accordance with the rental agreement.
- Building inspection expenses are forecast to increase in 2022, with the replacement of a seasonal building inspector with a full-time one to meet the higher level of demand on this service. The estimated cost of this change is $38,000. The remaining increase is simply inflationary.
- Both Planning and Development and Planning Advisory Services include small inflationary increases only.
- These increases in expenses result in an increase required in the contribution from participating members of $74,000 in 2022, and an average of $33,000/annually for the subsequent three years. It is important to keep in mind that we are not able to include second previous year surpluses in our forecasts, given the legislative requirement to produce balanced budgets, but a surplus, which is typically our goal, would help reduce the contribution required when the annual budgets are produced.



SOLID WASTE DIVISION

The solid waste division forecasts 79,000 tonnes of garbage and 6,000 tonnes of C&D waste, which is consistent with prior years. While these are reasonable estimates based on current tonnage, they may need to be adjusted downward or upward in the future if actuals dictate.

Significant expenses affecting the five-year forecast are as follows:

- The single biggest item impacting the forecast is cell construction costs in 2022. This cell will be the most costly built to date, as it requires significant excavation work. Included in 2022's budget is $2.1- million for this cell. This figure will likely change based on the amount of work that can be performed in 2021, as time and weather permits.
- To be in a position to fund these cell costs in 2022, without having to raise the tipping fee by $20, management is recommending a withdrawal of $1,210,000 from the Capital Reserve Fund. This will leave a balance of only $400,000 in the fund, which is well below the recommended minimum balance of $1,200,000 as per Policy Fin – 01 (a). We have discussed with the Finance Committee and Board on previous occasions the importance of maintaining a Capital Reserve Fund for such a time as this to prevent rate shock, so we are using the fund for its intended purpose. Furthermore, the projections lay out a plan to have the minimum target in the Capital Reserve Fund restored within two years.

- Once the 2022 cell is built, the cell construction schedule returns to a more normal level, with cells being constructed every two years and for costs that are more consistent with the amounts paid in the previous five years. This allows us to be able to rebuild the Capital Reserve Fund.

- Debt servicing expenses consist of principal and interest payments, with the annual fluctuations being driven by retirement of old debt and the addition of new debt in accordance with the capital replacement schedule. The Long-term Debt Repayment schedule shows the estimated debt service ratio (including Power Generation) that results. Of significant note is that in 2023, the estimated debt service ratio is 14.42%, which is approaching the internally imposed maximum of 15 per cent as per Fin-Pol 02. With the retirement of the Power Generation debt in 2023, the debt service ratio falls significantly in the subsequent year.

- Post-closing costs are calculated using the rates as per our most recent post-closure review performed in 2018.

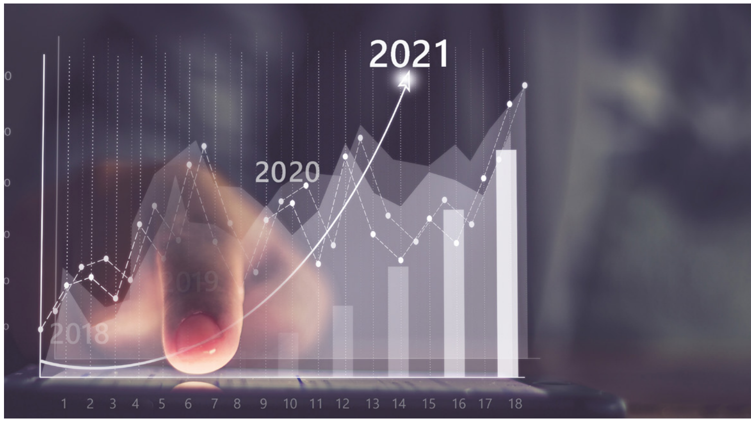
- All other expenses are adjusted as needed for inflation only, with the exception of baler costs, which sees a reduction in 2022 due to one-time maintenance costs included in the 2021 budget.

- On the revenue side, besides the recommended increase to the tipping fee in 2022, the only other change not yet discussed, is the elimination of the second previous year surplus from 2022 – 2025. This is the same situation as discussed in the Planning and Development section. The division has a strong history of looking for efficiencies and expense management which has resulted in reasonably consistent surpluses and management hopes to continue that trend.

- The net result is a recommended tipping fee increase of $5 in 2022, with no further increases through 2025.

- These projected tipping fees are based on the most current information we have. There are several uncertainties out there, specifically as it relates to Solid Waste. The major ones being the Environmental Impact Assessment (EIA) results, changes to packaging and printed paper (PPP) processing, and the provincial waste study.

- Power generation expenses are very consistent year to year with exception of engine maintenance. This fluctuates significantly depending on the hours each engine has on it, as that dictates the maintenance to be performed. Since the installation of the engines in 2012, we have known that major maintenance would be required at the 60,000-hour interval, as the engines would require a complete replacement of parts. This interval will occur in 2022 for Engine 1 and 2023 for Engine 2.



- The five-year plan takes this into consideration and rather than paying for these costs completely from operations, we recommend borrowing for these costs, so that no deficit is produced and no transfer from the Solid Waste Operating Fund is required. This means that in 2022, SWD would borrow $588,000 and in 2023 we would borrow $700,000.

- In 2023, the original 10 year loan is paid off, which means in 2024, SWD is projecting a surplus again, which will be rolled into the Capital Reserve Fund until the minimum target of $800,000 is reached, as per Policy Fin – 01 (a).

RCMP

The disappearance of some RCMP attachments in areas such as Gagetown and Keswick Valley and unavailability for officers to report directly to local councils has created a number of concerns in the RSC11 coverage area.

As 2020 came to an end, there has been a movement to discuss increased RCMP correspondence with a long delayed study that could potentially increase communication.

'This was never a personal thing against the RCMP or individual Mounties at all,' said RSC11 executive director, Don Fitzgerald. 'To do what the RCMP does is a stressful job and we understand many changes have affected operations.'

Fitzgerald indicated communities are concerned with less access to the RCMP.

'We know the RCMP is not as visible as it was with some detachments disappearing and communities are disappointed with those developments,' he said. 'There used to be open dialogue with communities and councils and the RCMP has migrated away from that. Although the RCMP reports to Regional Service Commissions, communities want to see them. As we moved toward the end of 2020, we hope to see the long awaited study in 2021 and we will see what that tells us.'

DISSATISFACTION VOICED OVER RCMP

RSC11 executive director Don Fitzgerald completed a survey from RCMP headquarters which evaluated the quality of service being provided.

A letter of dissatisfaction was sent in late December, 2019, to the Minister of Public Safety as that department is responsible for negotiating contracts with the RCMP. RSC11 chair, Judy Wilson-Shee, was invited to a meeting with the CEO of RCMP J Division. RSC11 board members Carson Atkinson (Chipman) and Erica Barnett (Minto) were also invited to meetings.

ENVIRONMENTAL IMPACT ASSESSMENT

SWD MAXIMUM HEIGHT INCREASE PROJECT

The Solid Waste Division undertook an environmental impact assessment, in cooperation with Gemtec, to increase the landfill's height from 59-metres to 88-metres, an overall increase of 29-metres.

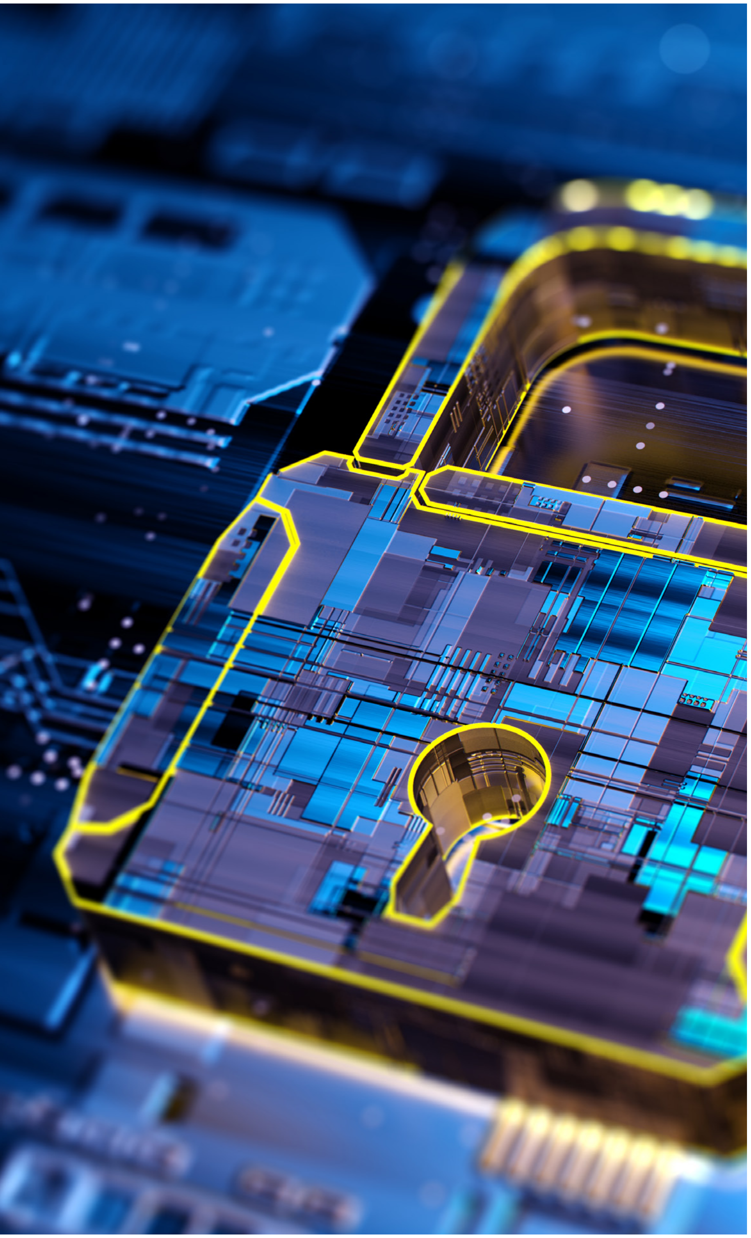
SWD General Manager Brett McCrea and Gemtec staff created numerous information updates, prepared 3D versions and drone footage of the proposed elevation increase in the middle of the present-day landfill site.

A public forum was planned for mid-January of 2021, but local residents were notified through Canada Post and two days of advertising in The Daily Gleaner along with the FRSW website. That entire project's planning was also placed on FRSW's website for public consumption.

Numerous benefits of the proposed landfill height increase included:

- Maintains current landfill footprint and exterior slopes;
- Caps old landfill area (improvement);
- Extends life of current landfill site by 17+ years;
- Reduction in construction costs (Fees);
- Maintain current service area;
- Increased lifespan of landfill;
- Additional useable volume of approx. 2 million cubic metres;
- Makes sense to maximize the life of the current site;
- Significantly delays need to site new disposal facility;
- Utilizes existing infrastructure;
- Leachate collection system;
- Leachate treatment facility;
- Surface water treatment pond;
- Landfill gas management system;
- Reduced construction, operation and maintenance costs;
- Significant savings to rate payers through tipping fees.

The present height approval allows disposal to 59+ metres. It was noted the landfill would not create a mountain that is 88-metres tall. Base elevation is roughly 30-metres with 4:1 slopes from the edge of the footprint. Only a small portion in the centre of the landfill would reach an elevation of 88-metres.



CYBER INSURANCE

Safety was the number one priority when it came to avoiding potential disaster for RSC11.

Ransomware was on the mind of the Board when it moved to purchasing cyber insurance in 2020.

'The Board knew moving forward RSC11 would need a safety net with more and more computer mischief happing on a regular basis,' said RSC11 executive director, Don Fitzgerald. 'We are moving toward digital communication and with COVID-19 meaning more shared documents, implanting cyber insurance was a forward-thinking plan.'

Not being vulnerable to potential cyber attacks was at the forefront of the decision and the necessary homework was completed before purchasing insurance.

'We wanted to ensure our information was not vulnerable to external scams and we did have some areas that were identified as vulnerable,' said Fitzgerald. 'We wanted to make sure we were in a good and proper position before going to market to purchase the insurance.'

SOLID WASTE DIVISION (SWD)

The Solid Waste Division of Regional Service Commission 11 is now 33 years old.

It's been over three decades since the landfill site was founded and the changes have been significant over its years of service to the community.

From remarkably simple beginnings of accepting regional waste to expanded services and sustainability of environmental protection and leadership, the SWD continues its course toward the future. SWD continue to thrive as an environmental leader, building off its lists of provincial firsts including:

- First regional sanitary landfill in New Brunswick;
- First blue and grey curbside recycle collection;
- First landfill gas management system;
- First landfill to bale its garbage;
- First to construct a recycling facility;
- First to develop a household hazardous waste program;
- First landfill gas collection system process in Canada to be verified allowing it to see carbon credits on the international Blue Registry.

Under RSC11's umbrella and leadership, SWD experienced another strong year of progress in 2020, showing sustainability and efficiency at the region's landfill site even during the trying times COVID-19 created.

COVID-19 forced landfill operations to a minimum staff during the later winter of 2020. Solid waste division accepted only commercial loads and noted to the public its recycling efforts would be landfilled. Relief came in May when regular operations opened its doors again.

Despite a third consecutive summer of dry weather and an early winter frost, SWD employees were able to keep cell development and other projects on course for a challenging, yet effective, 2020.

SWD's operation and environmental protection pursuits remain paramount for a coverage area of some 125-square kilometres.

Garbage, household hazardous waste, landfill gas to energy, recycle and construction and demolition all reflected SWD's continued commitment to the environment.

Household Hazardous Waste continues to flourish and an increased effort on recycling was also part of 2020's commitment to the public. Although the first remote HHW event of the season was in jeopardy due to COVID-19, solid waste staff was able to open to large numbers in Nackawic.

LANDFILL GAS TO ENERGY

SWD's landfill gas to energy plant produced 6,749,404 KiloWatts in 2020.

Water is required to help garbage decompose in the landfill cell areas. With the severe lack of rain during the late spring and summer months, that garbage was unable to decompose as normal into methane gas. The field did not generate its usual amount of gas without the water, resulting in lower than anticipated Mega Watts.

The energy plan produces enough energy to power approximately 2,300 homes. It eliminates between 45,000 and 60,000 tonnes of greenhouse gas in the air per year.

Despite the environmental circumstances, the landfill gas to energy product is a viable entity that is truly a green project.

MATERIAL RECOVERY FACILITY AND RECYCLING

The overall tonnage handled by the Materials Recovery Facility (MRF) was 5,506 metric tonnes in 2020.

Revenues totaling $6,108 were received on five and 10-cent refundables during the year.

The MRF accepts mixed paper, aluminum cans, No. 8 paper, corrugated cardboard and plastics No. 1 through 7.

Items are baled into approximate 700-kilogram bales and sold across the world.

DIVERSION

SWD diverted some 610 tonnes of scrap metal in 2020, 290 tonnes of wood and brush and just over 6,275 tonnes in construction and demolition.

There were 3,500 tonnes of methane diverted through landfill gas to energy plant, the single largest embedded energy project in the province with the reduction of 60,000 carbon equivalent tonnes plus 5,506.75 from SWD's Material Recovery Facility was diverted.

These figures do not include commercial sectors.

Residential diversion rate was 33 per cent.

HOUSEHOLD HAZARDOUS WASTE

Household hazardous waste can be dropped off at the landfill site each Wednesday and Saturday during operation. It is a no charge service for residential HHW only. There were also three full staffed remote HHW collection days through May to October to allow region-wide residents the opportunity to have their items properly disposed.

In 2020, HHW remotes were held in Nackawic, Minto and Gagetown. The remote HHW events are advantageous to those living in the outlying areas. Almost 1,000 vehicles were recorded in 2020 visiting the three remote sites allowing for easier residential access as opposed to making a special trip to the landfill site each Wednesday or Saturday.

A total of 4,876 vehicles crossed the SWD scales for HHW drop-off in 2020 and there were three remote HHW events. SWD was unsure if the opening spring event would be held due to COVID-19, but the Nackawic event went as planned and drew large numbers. Chipman was scheduled to host the second event in the summer, but due to school closures, the event was switched to Minto. The third HHW event was in the fall at Gagetown. Remote events continue to rise in popularity, diverting potentially dangerous chemicals from the landfill.

The schedule for 2021 HHW events will be announced in early spring.

Labpack total weight was 40,160 kilograms. Items included in labpack are lighter fluid, swimming pool chemicals, Drano and paint thinners which are separated and stored in 45-gallon drums. Paint received totalled 85,500 litres. Waste oil was 24,400 litres and total volume yielded 110,540 litres diverted from the landfill site.

LANDFILL

The tipping fee for 2020 was $94.00. Garbage intake for the year was 79,004 metric tonnes.

CONSTRUCTION AND DEMOLITION

Waste that comes from construction and demolition is kept out of main engineered landfill site. Instead, construction and demolition material is diverted to its own special area.

The reason to separate the construction material from regular waste is two-fold. The first is the size of some of the items such as large pieces of concrete. These large portions of concrete cannot be baled without damaging the machinery and would take up a significant amount of space in the landfill. The second reason is some of items are recyclable such as metals (ie. copper and steel). By keeping construction and demolition waste separate, the lifespan of the landfill is prolonged.

The tipping fee for 2020 was $43.75, exactly half of the price of the regular tipping fee. The intake for the year was 6,275 metric tonnes.

LEACHATE TREATMENT POND

The landfill has a leachate treatment pond which was constructed in 2000. The 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 2020, a total of 66,368,790 litres of treated liquid were discharged from the treatment pond.

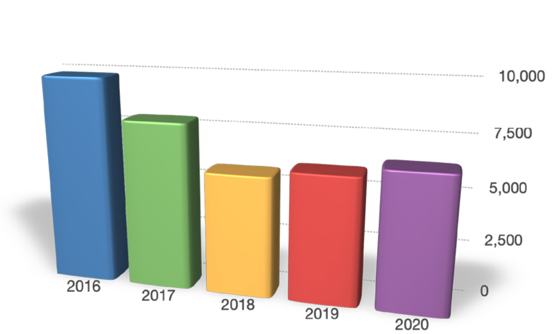
ASH CELL

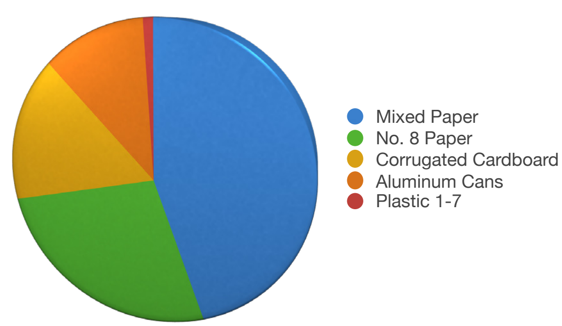
A cell designed for the disposal of ash generated by the University of New Brunswick's physical plant was constructed in 2001. UNB reimburses the landfill for capital and operational costs associated with the ash cell. In 2020, 693 metric tonnes of ash were received from UNB. The revenue was $65,142.00.

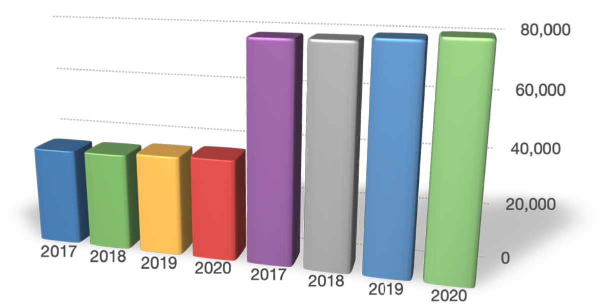
ELECTRONIC WASTE

SWD launched its first electronic waste collection centre early in 2020. It was marketed as accepting anything with a plug or a battery and the e-waste centre performed well, collecting 21.78 tonnes of material diverted from the landfill, yielding $2,047.99.

Mega Watts







Labpack

Paint

PUBLIC RELATIONS & EDUCATION

SWD public relations and education was busy with COVID-19 restriction advertising in late winter of 2020. Numerous advertising campaigns, some changing daily, were necessary to keep up with the changes, residential access closure and other key messaging. Plenty of interviews were conducted on radio, television and print to keep the public informed.

Increased signage throughout the facility with COVID-19 measures in mind were produced and placed throughout the landfill.

Despite all the work put into COVID-19 measures, SWD's public relations and education continued to advertise through digital fields, targeting key audiences for messaging including household hazardous waste remote events that were centred on the host regions.

3

Three successful Household Hazardous Waste region-wide collection days were held in Nackawic, Minto and Gagetown.

Normally, SWD will host scores of tours and visit classrooms and businesses, but those were stopped in March. Creative measures were taken to ensure messaging was still available and that included Teams and Zoom lectures with university and high school students. Even more creative ways were being administered toward the end of 2020 and into the new year to ensure educational components of SWD are available.

SWD did not receive Government of New Brunswick Environmental Trust Fund funding in 2020 after applying for electronic waste education grants.

SWD also has its own YouTube site where recycle videos, landfill gas to energy and other environmental shorts are available for schools. The YouTube channel and website videos are shown to classes with a mix of real and animated scenes. New commercials will be added in 2021.

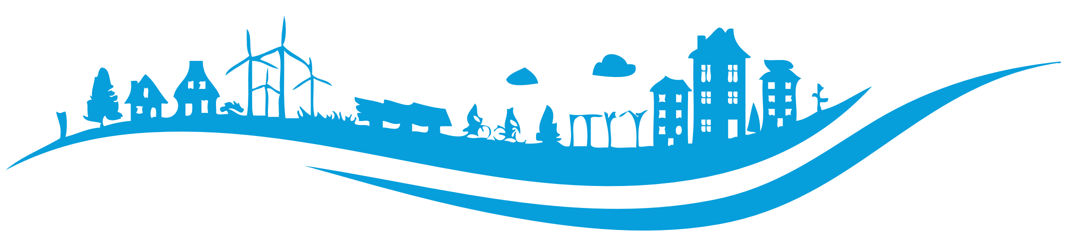
SWD continues to advertise in numerous locations and through various events across the region to enhance recognition of its services and Recycle Hotline number at 453-9938. It has also promoted info@frswc.ca more to help with services through the pandemic.

STATISTICS

MUNICIPALITY	ELECTRICAL WAIVERS		T&C APPLICATIONS		SUBDIVISION		BUILDING PERMITS		DEVELOPMENT PERMITS		TOTAL	
	VALUE	TRANSACTIONS	VALUE	TRANSACTIONS	VALUE	TRANSACTIONS	VALUE	TRANSACTIONS	VALUE	TRANSACTIONS	VALUE	TRANSACTIONS
Cambridge Narrows	$275	11	$250	1	$1,300	3	$5,787	21	$0	21	$7,612	57
Chipman	$325	13	$0	0	$1,100	2	$6,264	8	$250	5	$7,939	28
Fredericton Junction	$0	2	$0	1	$0	1	$832	18	$0	0	$832	22
Gagetown	$175	7	$500	2	$500	1	$3,888	15	$0	15	$5,063	40
Hanwell	$900	36	$2,250	5	$2,325	6	$192,783	47	$500	10	$198,758	104
Minto	$475	19	$500	2	$0	0	$12,124	15	$900	18	$13,999	54
Millville	$0	0	$0	0	$0	0	$300	2	$50	1	$350	3
Nackawic	$0	5	$2,000	3	$250	1	$1,703	7	$100	2	$4,053	18
Stanley	$25	1	$0	0	$0	0	$369	7	$100	2	$494	10
Tracy	$225	9	$500	2	$0	0	$470	4	$0	0	$1,195	15

BUILDING PERMIT COMPARISON

MUNICIPALITY	2019	2020	MUNICIPALITY	2019	2020	MUNICIPALITY	2019	2020
Blissville	$13,500	$478,000	Gagetown LSD	$780,000	$63,000	Prince William	$2,180,000	$1,465,200
Bright	$1,260,500	$2,172,550	Gladstone	$251,000	$255,500	Queensbury	$300,500	$2,083,800
Burton	$2,109,105	$3,225,446	Hampstead	$384,000	$258,500	Rusagonis	$3,537,400	$7,006,272
Cambridge	$1,270,300	$233,000	Hanwell	$4,243,766	$38,725,411	Sheffield	$542,800	$1,283,660
Cambridge-Narrows	$1,016,517	$1,057,275	Keswick Ridge	$1,294,800	$3,522,000	Southampton	$323,900	$727,500
Canning	$1,721,700	$784,747	Kingsclear	$1,882,000	$3,788,538	Saint Marys	$5,778,690	$5,730,900
Chipman LSD	$739,700	$422,000	Lincoln	$15,318,958	$908,000	Stanley LSD	$201,000	$348,100
Chipman	$2,333,400	$1,229,240	Maugerville	$125,849	$997,000	Stanley Village	$56,000	$143,700
Clarendon	$0	$80,500	Millville	$0	$26,000	Tracy	$319,853	$74,000
Douglas	$1,213,000	$1,413,410	Minto	$1,290,575	$1,029,019	Waterborough	$1,505,880	$1,631,580
Dumfries	$414,700	$232,000	Nackawic	$585,600.	$312,400	Wirral-Enniskillen	$0	$2,000
Estey's Bridge	$4,387,580	$3,369,000	New Maryland	$2,615,486	$4,188,253	TOTALS	$62,178,634	$91,391,376
Fredericton Junction	$463,800	$951,855	Noonan	$484,675	$205,000			
Gagetown	$890,100	$702,500	Northfield	$342,000	$262,500			



APPENDIX A

MEMBER COMMUNITIES

Village of Cambridge-Narrows	Village of Chipman	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

DIRECTORS EXPENSES

BOARD OF COMMISSIONERS	2020 EXPENSES
Eleanor Lindsay	$1,422.56
Mike Chamberlain	$2,342.42
Michael Blaney	$2,270.15
Judy Wilson-Shee	$1,898.35
Bev Forbes	$2,255.17
Robert Powell	$2,196.35
Mark Foreman	$1,877.96
Peter Morrison	$2,738.90
Dale Mowry	$2,399.55
Ian Kitchen	$1,960.93

BOARD OF COMMISSIONERS	2020 EXPENSES
Carson Atkinson	$1,788.96
Debby Peck	$407.26
Leo Kolijin	$1,377.03
Erica Barnett	$2,091.86
John Bigger	$2,903.67
Chris Rinehart	$1,206.97
John T. Nisbet	$1,306.08
Susan Cassidy	$2,935.40
David Duplessis	$991.52
Steven Hicks	$1,200.55
TOTAL	$37,571.64

APPENDIX C

MEETING ATTENDANCE

COMMUNITY	REPRESENTATIVE	MEETINGS
Cambridge-Narrows	Tom Nisbett	10 of 11
Chipman	Carson Atkinson	11 of 11
Fredericton	Mike O'Brien	0 of 11
	Steven Hicks*	10 of 11
Fredericton Junction	John Bigger	9 of 11
Gagetown	Michael Blaney	9 of 11
Hanwell	Susan Cassidy	11 of 11
Millville	Bev Forbes	11 of 11
Minto	Erica Barnett	10 of 11
Nackawic	Ian Kitchen	11 of 11
New Maryland	Judy Wilson-Shee	11 of 11

COMMUNITY	REPRESENTATIVE	MEETINGS
Oromocto	Robert Powell	10 of 11
Stanley	Mark Foreman	10 of 11
Tracy	Dale Mowry	11 of 11
LSD Representatives	Mike Chamberlain	11 of 11
	Leo Kolijn	8 of 11
	Eleanor Lindsay	10 of 11
	Peter Morrison	11 of 11
	David Duplessis	7 of 9
	Chris Rinehart	9 of 11
	Debby Peck	2 of 4

*Indicates attendance as a Director's Alternate

APPENDIX D

PRAC EXPENSES

PRAC MEMBERS	2020 EXPENSES
Paul Milburn	$666.31
Bernie Hoganson	$1,384.57
Mike Chamberlain	$1,047.06
Eldon Hunter	$939.22
Peter Corey	$564.17
John T. Nisbet (Tom)	$1,888.83

PRAC MEMBERS	2020 EXPENSES
Brian Toole	$999.83
Peter Morrison	$1,190.91
Blaine Nason	$920.68
Bobbi Hartt	$1,287.70
Peter Dufour	$500.00
Susan Jonah	$1,203.83

Regional Service Commission 11

Audited Financial Statements

December 31, 2020

MacMillan Lawrence & Lawrence
Chartered Professional Accountants

Regional Service Commission 11

December 31, 2020

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MacMillan Lawrence & Lawrence
Chartered Professional Accountants

Independent Auditors' Report

To the Commissioners of
Regional Service Commission 11

Opinion

We have audited the financial statements of Regional Service Commission 11 (the "Commission"), which comprise the statement of financial position as at December 31, 2020, and the statement of operations, accumulated surplus, changes in net debt and cash flows 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 Commission as at December 31, 2020, and the results of its operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Commission 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 the 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 Commission's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Commission or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Commission'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 Commission'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 Commission'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 Commission 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.

MacMillan Lawrence & Lawrence

Fredericton, NB
April 6, 2021

Chartered Professional Accountants

Regional Service Commission 11

Statement of Financial Position

December 31, 2020

		2020		2019
Financial assets				
Cash and cash equivalents (Note 3)	$	3,380,656	$	3,203,897
Receivables (Note 4)		1,235,262		942,437
Loan receivable (Note 5)		1,317		89,765
Inventory		31,633		37,605
Interest receivable		1,253		6,241
Investments (Note 6)		4,428,743		3,926,743
		9,078,864		8,206,688
Liabilities				
Payables and accruals		1,111,287		671,812
Deferred revenue		27,213		101,285
Funds held in trust (Note 15)		109,171		108,423
Retiring allowance (Note 10)		671,787		618,287
Long term debt (Note 8)		3,890,000		4,314,000
Accrued post-closing costs (Note 7)		4,280,014		3,861,799
		10,089,472		9,675,606
Net debt		(1,010,608)		(1,468,918)
Non-financial assets				
Tangible capital assets (Schedule 1)		12,945,938		12,909,279
Prepaid expenses		157,278		175,661
Deferred financing charges		9,132		12,865
		13,112,348		13,097,805
Accumulated surplus	$	12,101,740	$	11,628,887

See accompanying notes to financial statements

Commitments (Note 13)

Approved by the Commission:

Original Signed by Judy Wilson-Shee
_______________________________ Member

Original Signed by Mike Chamberlain
_______________________________ Member

Regional Service Commission 11

Statement of Operations and Accumulated Surplus

Year ended December 31, 2020

	(Unaudited) Budget 2020	Actual 2020	Actual 2019
Revenue			
Sale of services (Schedule 6)	$ 6,409,879	$ 5,765,368	$ 5,994,248
Member charges (Schedule 6)	4,545,883	4,741,027	4,328,898
Other (Schedule 6)	180,000	557,531	223,924
Grants (Schedule 6)	-	-	18,384
Interest	14,200	44,163	75,062
	11,149,962	11,108,089	10,640,516
Expenditures			
Administration (Schedule 6)	2,359,606	2,390,573	2,254,557
Fiscal services	141,391	161,381	138,223
Governance (Schedule 6)	72,134	51,197	40,775
Planning and building inspection services (Schedule 6)	831,343	749,906	789,104
Post-closing costs (Note 7)	240,550	371,496	331,602
Regional planning	20,000	-	-
Regional sport, recreation and culture	-	99,045	5,000
Solid waste services (Schedule 6)	7,491,614	7,050,816	7,098,223
	11,156,638	10,874,414	10,657,484
Annual surplus (deficit) before unrealized gain on investments	(6,676)	233,675	(16,968)
Unrealized gain on investments		239,178	417,503
Annual surplus	(6,676)	472,853	400,535
Accumulated surplus, beginning of year		11,628,887	11,228,352
Accumulated surplus, end of year		$ 12,101,740	$ 11,628,887

See accompanying notes to financial statements

Regional Service Commission 11

Statement of Changes in Net Debt

Year ended December 31, 2020

	2020	2019
Annual surplus	$ 472,853	$ 400,535
Acquisition of tangible capital assets	(1,785,591)	(2,523,862)
Writedown of tangible capital assets	22,777	-
Amortization of tangible capital assets	1,726,155	1,949,501
	436,194	(173,826)
Change in deferred financing charges	3,733	3,732
Change in prepaid expenses	18,383	(45,149)
Decrease (increase) in net debt	458,310	(215,243)
Net debt, beginning of the year	(1,468,918)	(1,253,675)
Net debt, end of year	$ (1,010,608)	$ (1,468,918)

See accompanying notes to financial statements

Regional Service Commission 11

Statement of Cash Flows

Year ended December 31, 2020

	2020	2019
Increase (decrease) in cash and cash equivalents		
Operating activities		
Annual surplus	$ 472,853	$ 400,535
Amortization of tangible capital assets	1,726,155	1,949,501
Gain on disposal of tangible capital assets	(163,682)	(140,650)
Unrealized gain on investments	(239,178)	(417,503)
	1,796,148	1,791,883
Change in non-cash working capital		
Receivables	(292,825)	477,054
Interest receivable	4,988	4,692
Loan receivable	88,448	5,990
Inventory	5,972	1,870
Payables and accruals	439,475	(480,869)
Deferred revenue	(74,072)	101,285
Funds held in trust	748	1,346
Retiring allowance	53,500	14,750
Accrued post-closing costs	418,215	388,746
Deferred finance charges	3,733	3,732
Prepaid expenses	18,383	(45,149)
	666,565	473,447
Cash flows provided by operating activities	2,462,713	2,265,330
Capital activities		
Acquisition of tangible capital assets	(1,785,591)	(2,523,862)
Proceeds from disposal of tangible capital assets	186,460	140,650
Cash flows used in capital activities	(1,599,131)	(2,383,212)
Financing activities		
Long term debt (net)	(424,000)	154,000
Cash flows (used in) provided by financing activities	(424,000)	154,000
Investing activities		
Investments (net)	(262,823)	(289,168)
Cash flows used in investing activities	(262,823)	(289,168)
Net increase (decrease) in cash and cash equivalents	176,759	(253,050)
Cash and cash equivalents, beginning of year	3,203,897	3,456,947
Cash and cash equivalents, end of year	$ 3,380,656	$ 3,203,897

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 7.

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.

SWD 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 9.

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 10.

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, 2020 was $52,443 (2019 - $53,681).

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

	2020	2019
Cash and cash equivalents - restricted	$ 2,779,478	$ 2,106,873
Cash and cash equivalents - unrestricted	601,178	1,097,024
	$ 3,380,656	$ 3,203,897

The Commission has a revolving line of credit of $300,000, which was not utilized at December 31, 2020. 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

	2020	2019
Planning and development	$ 1,452	$ -
Solid waste	973,523	616,017
Recycling	70,077	68,764
Power generation	53,663	109,026
HST rebate	141,547	148,630
	1,240,262	942,437
Less: allowance for doubtful accounts	(5,000)	-
	$ 1,235,262	$ 942,437

5. Loan receivable

	2020	2019
Amount due from Elmtree Environmental Ltd. of $100,000 at 0% repayable over a maximum of six years, repayable $1 per tonne added to the tonnage fee until the loan is repaid. After three years if $50,000 has not been repaid the difference between the $50,000 and the payments to date is due. Upon maturity, August 2023, any remaining unpaid balance is due. Annual interest at the daily prime bank commercial lending rate plus 2% will accrue upon default.	$ 1,317	$ 89,765
Less principal due within one year	1,317	39,765
	$ -	$ 50,000

6. Investments

	2020		2019	
	Amortized Cost	Fair Value	Amortized Cost	Fair Value
Cash	$ 174,842	$ 174,842	$ 218,998	$ 218,998
Balanced funds	3,718,503	4,253,901	3,411,525	3,707,745
	$ 3,893,345	$ 4,428,743	$ 3,630,523	$ 3,926,743

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

7. Accrued post-closing costs

The Commission is responsible for the continued monitoring and treatment of the site following its closure. During 2018, the Commission completed a comprehensive review of the landfill site and a new post-closure analysis was completed resulting in a reduction adjustment of $223,510 to the post-closure liability.

The accrued liability for post-closing costs has been determined based on estimated post-closing costs of $566,750 (2019 - $566,750) 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% (6.85% nominal rate less 2.01% assumed inflation) for a current estimate of $16,696,785 (2019 - $16,696,785) required by the end of 2036 to fund post closure expenses.

At December 31, 2020 the capacity of the landfill had been estimated at 2,755,569 (2019 - 2,755,569) metric tonnes of which 1,283,328 (2019 - 1,367,874) metric tonnes remains unused as at December 31, 2020.

At December 31, 2020 the estimated post closure liability is $4,280,014 (2019 - $3,861,799) of which the Commission has funded with cash and balanced funds with a cost of $3,893,345 (2019 - $3,630,523) and with a market value of $4,428,743 (2019 - $3,926,743) for a surplus of $148,729 (2019 - surplus of $64,944) based on market value at year end. Investment detail is documented in Note 6.

8. Long term debt

New Brunswick Municipal Finance Corporation	2020	2019
Debentures:		
B152 1.35% - 3.25%, due 2023, OIC 11-0005	$ 1,174,000	$ 1,545,000
BO50 1.45% - 2.0%, due 2021, OIC 15-0046	49,000	98,000
BP40 1.20% - 2.0%, due 2021, OIC 06-0011, 16-0003	232,000	460,000
BR46 1.65% - 2.35%, due 2022, OIC 16-0003, 17-0041	158,000	235,000
BU41 2.55% - 2.95%, due 2023, OIC 18-0001	628,000	826,000
BW58 1.95% - 2.10%, due 2024, OIC 19-0002	929,000	1,150,000
BX43 0.9% - 1.5%, due 2025, OIC 19-0086	720,000	-
	$ 3,890,000	$ 4,314,000

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:

2021	2022	2023	2024	2025
$ 1,312,000	$ 1,054,000	$ 992,000	$ 385,000	$ 147,000

9. 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 53 employee plan in accordance with PS 3255 at December 31, 2017. 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 estimate.

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 3.07%;
- retirement age is 60; and
- estimated average excess utilization 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 $100,014 on December 31, 2020 (2019 - $102,460).

10. 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. The Commission paid a retirement allowance of $Nil during the year (2019 - $38,750).

11. 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.

11. 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, 2018. At that date, the open group funded ratio of the Plan was 114.5%.

Contributions to the plan in 2020 totalled $591,057 (2019 - $540,197).

12. 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 6.

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.

(d) Liquidity risk:

Liquidity risk is the risk that the Commission will encounter difficulty in meeting obligations associated with financial liabilities. The Commission is exposed to this risk mainly in respect of its payables and accruals and long term debt.

13. Commitments

The Commission has entered into an agreement retro-active to September 2013 to rent a portion of landfill property for use as a hydrocarbon contaminated soil remediation facility. Terms of the agreement allow for the renewal of the lease every five years. Rent is $2,850 per month plus $2.75 per tonne of soil.

The Commission rents office space for its planning and development division under an operating lease agreement covering the period of October 1, 2018 to September 30, 2025. The minimum annual lease payments for the next five years are as follows:

2021	2022	2023	2024	2025
$ 120,083	$ 120,083	$ 125,304	$ 125,304	$ 93,978

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 2020 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. 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, 2020

	Land	Land Improvements	Buildings	Machinery and equipment	Vehicles	Electronic equipment	Furniture and fixtures	2020
Cost								
Balance, beginning of year	$ 539,511	$ 2,323,291	$ 5,148,016	$ 17,067,411	$ 653,584	$ 218,172	$ 116,178	$ 26,066,163
Add:								
Additions and transfers during the year	-	327,603	71,470	1,122,586	129,759	133,131	1,042	1,785,591
Less:								
Disposals and writedowns	-	-	-	(491,985)	(144,921)	-	-	(636,906)
Balance, end of year	539,511	2,650,894	5,219,486	17,698,012	638,422	351,303	117,220	27,214,848
Accumulated amortization								
Balance, beginning of year	-	1,267,870	2,182,613	8,993,280	454,978	154,627	103,516	13,156,884
Add:								
Amortization during the year	-	312,625	132,976	1,158,798	82,477	37,216	2,063	1,726,155
Less:								
Accumulated amortization on disposals and writedowns	-	-	-	(469,208)	(144,921)	-	-	(614,129)
Balance, end of year	-	1,580,495	2,315,589	9,682,870	392,534	191,843	105,579	14,268,910
Net book value of tangible capital assets	$ 539,511	$ 1,070,399	$ 2,903,897	$ 8,015,142	$ 245,888	$ 159,460	$ 11,641	$ 12,945,938
Consists of:								
Local planning assets	$ -	$ -	$ -	$ -	$ -	$ 24,033	$ 8,731	$ 32,764
Landfill assets	539,511	1,058,204	797,112	5,006,339	64,770	110,270	2,910	7,579,116
Recycle assets	-	12,195	2,103,036	121,019	181,118	25,157	-	2,442,525
Power generation assets	-	-	3,749	2,887,784	-	-	-	2,891,533
	$ 539,511	$ 1,070,399	$ 2,903,897	$ 8,015,142	$ 245,888	$ 159,460	$ 11,641	$ 12,945,938

Regional Service Commission 11

Schedule 1: Schedule of Tangible Capital Assets

Year ended December 31, 2019

	Land	Land Improvements	Buildings	Machinery and equipment	Vehicles	Electronic equipment	Furniture and fixtures	2019
Cost								
Balance, beginning of year	$ 539,511	$ 3,932,522	$ 5,128,608	$ 15,998,812	$ 659,670	$ 204,849	$ 116,178	$ 26,580,150
Add:								
Additions and transfers during the year	-	643,111	19,408	1,833,524	14,496	13,323	-	2,523,862
Less:								
Disposals and write downs	-	(2,252,342)	-	(764,925)	(20,582)	-	-	(3,037,849)
Balance, end of year	539,511	2,323,291	5,148,016	17,067,411	653,584	218,172	116,178	26,066,163
Accumulated amortization								
Balance, beginning of year	-	2,858,503	2,051,016	8,699,919	404,254	131,100	100,440	14,245,232
Add:								
Amortization during the year	-	661,709	131,597	1,058,286	71,306	23,527	3,076	1,949,501
Less:								
Accumulated amortization on disposals and writedowns	-	(2,252,342)	-	(764,925)	(20,582)	-	-	(3,037,849)
Balance, end of year	-	1,267,870	2,182,613	8,993,280	454,978	154,627	103,516	13,156,884
Net book value of tangible capital assets	$ 539,511	$ 1,055,421	$ 2,965,403	$ 8,074,131	$ 198,606	$ 63,545	$ 12,662	$ 12,909,279
Consists of:								
Local planning assets	$ -	$ -	$ -	$ -	$ -	$ 9,949	$ 9,105	$ 19,054
Landfill assets	539,511	1,041,350	787,744	4,736,905	78,776	47,383	3,557	7,235,226
Recycle assets	-	14,071	2,173,610	57,790	119,830	6,213	-	2,371,514
Power generation assets	-	-	4,049	3,279,436	-	-	-	3,283,485
	$ 539,511	$ 1,055,421	$ 2,965,403	$ 8,074,131	$ 198,606	$ 63,545	$ 12,662	$ 12,909,279

Regional Service Commission 11

Schedule 2: Schedule of Reconciliation of Annual Surplus

Year ended December 31, 2020

	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
2020 annual surplus (deficit)	$ 1,654	$ 52,841	$ 2,023,413	$ 98,959	$ (6,701)	$ (1,327,503)	$ 842,663
Adjustments to annual surplus (deficit) for funding requirements							
Second previous year's surplus (deficit)	36,744	20,128	454,879	(384,919)	-	-	126,832
Transfer between funds							
Transfer elimination	-	-	(359,329)	214,329	-	-	(145,000)
Transfer elimination - capital asset additions	-	(20,413)	(1,045,178)	-	20,413	1,045,178	-
Long-term debt principal repayment	-	-	(773,000)	(371,000)	-	773,000	(371,000)
Loss on disposal of capital asset	-	-	22,777	-	-	-	22,777
Change in sick leave accrual	-	(279)	(2,167)	-	-	-	(2,446)
Amortization expense	-	-	-	-	6,701	1,327,503	1,334,204
Unrealized gain on marketable securities	-	-	(239,178)	-	-	-	(239,178)
Total adjustments to 2020 annual surplus (deficit)	$ 36,744	$ (564)	$ (1,941,196)	$ (541,590)	$ 27,114	$ 3,145,681	$ 726,189
	$ 38,398	$ 52,277	$ 82,217	$ (442,631)	$ 20,413	$ 1,818,178	$ 1,568,852
2020 annual surplus (deficit) per PNB requirements	$ 38,398	$ 52,277	$ 82,217	$ (442,631)			

Continued

Regional Service Commission 11

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

Year ended December 31, 2020

	Sub-total Carry Forward	Generation Capital Fund	Local Planning Operating Reserve Fund	Local Planning Capital Reserve Fund	Solid Waste Operating Reserve Fund	Solid Waste Capital Reserve Fund	Generation Capital Reserve Fund	Total
2020 annual surplus (deficit)	$ 842,663	$ (391,961)	$ -	$ -	$ 3,937	$ 17,737	$ 477	$ 472,853
Adjustments to annual surplus (deficit) for funding requirements								
Second previous year's surplus (deficit)	126,832	-	-	-	-	-	-	126,832
Transfer between funds								
Transfer elimination	(145,000)	-	-	-	-	145,000	-	-
Transfer elimination - capital asset additions	-	-	-	-	-	-	-	-
Long-term debt principal repayment	(371,000)	371,000	-	-	-	-	-	-
Loss on disposal of capital asset	22,777	-	-	-	-	-	-	22,777
Change in sick leave accrual	(2,446)	-	-	-	-	-	-	(2,446)
Amortization expense	1,334,204	391,951	-	-	-	-	-	1,726,155
Unrealized gain on marketable securities	(239,178)	-	-	-	-	-	-	(239,178)
Total adjustments to 2020 annual surplus (deficit)	$ 726,189	$ 762,951	$ -	$ -	$ -	$ 145,000	$ -	$ 1,634,140
	$ 1,568,852	$ 370,990	$ -	$ -	$ 3,937	$ 162,737	$ 477	$ 2,106,993

Regional Service Commission 11

Schedule 2: Schedule of Reconciliation of Annual Surplus

Year ended December 31, 2019

	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
2019 annual surplus (deficit)	$ 11,251	$ (66,080)	$ 1,926,878	$ 445,424	$ (5,874)	$ (1,551,676)	$ 759,923
Adjustments to annual surplus (deficit) for funding requirements							
Second previous year's surplus (deficit)	25,866	68,415	200,746	140,726	-	-	435,753
Transfer between funds							
Transfer elimination	-	-	-	-	-	253,057	253,057
Transfer elimination - capital asset additions	-	(46)	(835,297)	(185,462)	46	835,297	(185,462)
Long-term debt principal repayment	-	-	(634,000)	(362,000)	-	634,000	(362,000)
Change in sick leave accrual	-	4,674	8,268	-	-	-	12,942
Amortization expense	-	-	-	-	5,874	1,551,676	1,557,550
Unrealized loss on marketable securities	-	-	(417,503)	-	-	-	(417,503)
Total adjustments to 2019 annual surplus (deficit)	$ 25,866	$ 73,043	$ (1,677,786)	$ (406,736)	$ 5,920	$ 3,274,030	$ 1,294,337
	$ 37,117	$ 6,963	$ 249,092	$ 38,688	$ 46	$ 1,722,354	$ 2,054,260
2019 annual surplus per PNB requirements	$ 37,117	$ 6,963	$ 249,092	$ 38,688			

Continued

Regional Service Commission 11

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

Year ended December 31, 2019

	Sub-total Carry Forward	Generation Capital Fund	Local Planning Operating Reserve Fun	Local Planning Capital Reserve Fund	Solid Waste Operating Reserve Fund	Solid Waste Capital Reserve Fund	Generation Capital Reserve Fund	Total
2019 annual surplus (deficit)	$ 759,923	$ (391,951)	$ 24	$ 8	$ 5,231	$ 24,927	$ 2,373	$ 400,535
Adjustments to annual surplus (deficit) for funding requirements								
Second previous year's surplus (deficit)	435,753	-	-	-	-	-	-	435,753
Transfer between funds							-	
Transfer elimination	253,057	100,000	-	-	-	(253,057)	(100,000)	-
Transfer elimination - capital asset additions	(185,462)	185,462	-	-	-	-	-	-
Long-term debt principal repayment	(362,000)	362,000	-	-	-	-	-	-
Change in sick leave accrual	12,942	-	-	-	-	-	-	12,942
Amortization expense	1,557,550	391,951	-	-	-	-	-	1,949,501
Unrealized gain on marketable securities	(417,503)	-	-	-	-	-	-	(417,503)
Total adjustments to 2019 annual surplus (deficit)	$ 1,294,337	$ 1,039,413	$ -	$ -	$ -	$ (253,057)	$ (100,000)	$ 1,980,693
	$ 2,054,260	$ 647,462	$ 24	$ 8	$ 5,231	$ (228,130)	$ (97,627)	$ 2,381,228

Regional Service Commission 11

Schedule 3: Schedule of Segment Disclosure

Year ended December 31, 2020

	Co-operative and Regional Planning	Local Planning	Landfill	SWD Recycling	Power Generation	2020
Revenue						
Member charges	$ 78,030	$ 1,422,253	$ 3,240,744	$ -	$ -	$ 4,741,027
Sale of services	-	-	4,578,280	444,520	742,568	5,765,368
Other	99,071	5,558	452,902	-	-	557,531
Interest	-	-	43,686	-	477	44,163
	177,101	1,427,811	8,315,612	444,520	743,045	11,108,089
Expenditures						
Salaries and benefits	40,564	1,098,296	2,635,399	761,361	109,290	4,644,910
Operating expenses	35,838	276,674	3,207,699	280,337	493,550	4,294,098
Amortization	-	6,701	1,153,140	174,363	391,951	1,726,155
Interest	-	-	66,432	3,005	40,769	110,206
Other	99,045	-	-	-	-	99,045
	175,447	1,381,671	7,062,670	1,219,066	1,035,560	10,874,414
Unrealized gain on investments	-	-	239,178	-	-	239,178
Annual surplus (deficit)	$ 1,654	$ 46,140	$ 1,492,120	$ (774,546)	$ (292,515)	$ 472,853

Regional Service Commission 11

Schedule 3: Schedule of Segment Disclosure

Year ended December 31, 2019

	Co-operative and Regional Planning	Local Planning	Landfill	SWD Recycling	Power Generation	2019
Revenue						
Member charges	$ 85,536	$ 1,321,332	$ 2,922,030	$ -	$ -	$ 4,328,898
Sale of services	-	-	4,801,414	380,664	812,170	5,994,248
Other	5,000	16,657	202,267	-	-	223,924
Grants	-	-	-	18,384	-	18,384
Interest	-	2,028	69,925	-	3,109	75,062
	90,536	1,340,017	7,995,636	399,048	815,279	10,640,516
Expenditures						
Salaries and benefits	39,481	1,115,546	2,406,863	823,094	92,734	4,477,718
Operating expenses	39,804	290,519	3,074,331	493,319	224,482	4,122,455
Amortization	-	5,874	1,389,377	162,299	391,951	1,949,501
Interest	-	-	53,682	3,862	50,266	107,810
	79,285	1,411,939	6,924,253	1,482,574	759,433	10,657,484
Unrealized gain on investments	-	-	417,503	-	-	417,503
Annual surplus (deficit)	$ 11,251	$ (71,922)	$ 1,488,886	$(1,083,526)	$ 55,846	$ 400,535

Regional Service Commission 11

Schedule 4: Schedule of Statement of Reserves

Year ended December 31, 2020

	Local Planning Operating Reserve	Local Planning Capital Reserve	Solid Waste Operating Reserve	Solid Waste Capital Reserve	Generation Capital Reserve	2020 Total
Assets						
Cash	$ 25,024	$ 8,008	$ 401,579	$ 2,166,081	$ 69,615	$ 2,670,307
Interest receivable	-	-	263	990	-	1,253
	25,024	8,008	401,842	2,167,071	69,615	2,671,560
Accumulated surplus	$ 25,024	$ 8,008	$ 401,842	$ 2,167,071	$ 69,615	$ 2,671,560
Revenue						
Operating fund transfer	$ -	$ -	$ -	$ 145,000	$ -	$ 145,000
Interest	-	-	3,937	17,737	477	22,151
	-	-	3,937	162,737	477	167,151
Expenditures	-	-	-	-	-	-
Annual surplus	$ -	$ -	$ 3,937	$ 162,737	$ 477	$ 167,151

Resolutions regarding transfers to and from reserves:

Motion: Be it resolved that Regional Service Commission 11 transfer a total of $145,000 from the Solid Waste Operating Fund to the Solid Waste Capital Reserve Fund. Motion by Peter Morrison, seconded by Mike Chamberlain.

I hereby certify that the above are true and exact copies of resolutions adopted at a Commission meeting on December 17, 2020.

Original Signed by D. R. Fitzgerald

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

March 31, 2021

Date

Regional Service Commission 11

Schedule 4: Schedule of Statement of Reserves

Year ended December 31, 2019

	Local Planning Operating Reserve	Local Planning Capital Reserve	Solid Waste Operating Reserve	Solid Waste Capital Reserve	Generation Capital Reserve	2019 Total
Assets						
Cash	$ 25,024	$ 8,008	$ 398,153	$ 1,498,128	$ 69,137	$ 1,998,450
Interest receivable	-	-	-	6,241	-	6,241
Due from Solid Waste Operating Fund	-	-	-	500,000	-	500,000
	25,024	8,008	398,153	2,004,369	69,137	2,504,691
Accumulated surplus	$ 25,024	$ 8,008	$ 398,153	$ 2,004,369	$ 69,137	$ 2,504,691
Revenue						
Interest	$ 24	$ 8	$ 5,231	$ 24,927	$ 2,373	$ 32,563
	24	8	5,231	24,927	2,373	32,563
Expenditures	-	-	-	253,057	100,000	353,057
Annual surplus (deficit)	$ 24	$ 8	$ 5,231	$ (228,130)	$ (97,627)	$ (320,494)

Resolutions regarding transfers to and from reserves:

Motion: Be it resolved that Regional Service Commission 11 transfer a total of $253,057.12 from the Solid Waste Capital Reserve Fund to the Solid Waste Capital Fund to pay for the above budgeted costs of Tender 01-2019-DUMPTRUCK-012319 and 02-2019-COMPACTOR-012319. Motion by Peter Morrison, seconded by Debby Peck.

Motion: Be it resolved that Regional Service Commission 11 transfer a total of $100,000 from the Power Generation Capital Reserve Fund to the Power Generation Capital Fund. Motion by Peter Morrison, seconded by Mark Foreman.

I hereby certify that the above are true and exact copies of resolutions adopted at a Commission meeting on December 19, 2019.

Original Signed by D. R. Fitzgerald

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

March 31, 2021

Date

Regional Service Commission 11

Schedule 5: Schedule of Operating Budget to PSA Budget

Year ended December 31, 2020

	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	$ -	$ 78,030	$ 1,422,253	$ 3,045,600	$ -	$ -	$ -	$ -	$ 4,545,883
Sale of services	-	-	-	5,409,879	1,000,000	-	-	-	6,409,879
Transfer from own or other fund	603,594	-	-	161,600	214,329	-	-	(979,523)	-
Interest	-	-	3,000	10,200	1,000	-	-	-	14,200
Surplus (deficit) of second previous year	-	36,744	20,128	454,879	(384,919)	-	-	(126,832)	-
Other revenue	-	-	5,000	175,000	-	-	-	-	180,000
	603,594	114,774	1,450,381	9,257,158	830,410	-	-	(1,106,355)	11,149,962
Expenditures									
Governance	72,134	-	-	-	-	-	-	-	72,134
Administration	523,000	94,774	619,420	1,706,260	19,746	-	-	(603,594)	2,359,606
Regional planning	-	20,000	-	-	-	-	-	-	20,000
Regional policing collaboration	-	-	-	-	-	-	-	-	-
Regional sport, recreation and culture infrastructure planning and cost sharing	-	-	-	-	-	-	-	-	-
Planning & building inspection services	-	-	821,461	-	-	5,882	4,000	-	831,343
Solid waste services	-	-	-	6,043,175	395,469	1,668,470	8,500	(624,000)	7,491,614
Post-closing costs	-	-	-	240,550	-	-	-	-	240,550
Fiscal services									
Interest	-	-	-	74,936	40,355	-	-	-	115,291
Other financing charges	8,460	-	4,500	3,300	3,840	-	-	-	20,100
Other fiscal services	-	-	-	6,000	-	-	-	-	6,000
Transfer to Capital Fund	-	-	5,000	968,608	371,000	-	-	(1,344,608)	-
Transfer to Power Generation	-	-	-	214,329	-	-	-	(214,329)	-
Transfer to Capital Reserve Fund	-	-	-	-	-	-	-	-	-
	603,594	114,774	1,450,381	9,257,158	830,410	1,674,352	12,500	(2,786,531)	11,156,638
Surplus (deficit)	**$ -**	$ -	$ -	$ -	$ -	$ (1,674,352)	$ (12,500)	$ 1,680,176	$ (6,676)

Regional Service Commission 11

Schedule 5: Schedule of Operating Budget to PSA Budget

Year ended December 31, 2019

	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	$ -	$ 85,535	$ 1,321,332	$ 2,916,000	$ -	$ -	$ -	$ -	$ 4,322,867
Sale of services	-	-	-	5,244,465	1,000,000	-	-	-	6,244,465
Transfer from own or other fund	569,201	-	-	-	-	-	-	(569,201)	-
Interest	-	-	3,000	10,000	500	-	-	-	13,500
Surplus (deficit) of second previous year	-	25,866	68,415	200,746	140,726	-	-	(435,753)	-
Other revenue	-	-	5,000	170,000	-	-	-	-	175,000
	569,201	111,401	1,397,747	8,541,211	1,141,226	-	-	(1,004,954)	10,755,832
Expenditures									
Governance	71,031	-	-	-	-	-	-	-	71,031
Administration	489,345	93,901	601,907	1,487,541	20,661	-	-	(569,201)	2,124,154
Regional policing collaboration	-	7,500	-	-	-	-	-	-	7,500
Regional sport, recreation and culture infrastructure planning and cost sharing	-	10,000	-	-	-	-	-	-	10,000
Planning & building inspection services	-	-	776,740	-	-	3,638	5,400	-	785,778
Solid waste services	-	-	-	5,428,720	558,287	1,757,853	16,200	-	7,761,060
Post-closing costs	-	-	-	229,500	-	-	-	-	229,500
Fiscal services									
Interest	-	-	-	55,373	50,266	-	-	-	105,639
Other financing charges	8,825	-	4,500	3,500	3,840	-	-	-	20,665
Other fiscal services	-	-	9,600	6,000	-	-	-	-	15,600
Transfer to Capital Fund	-	-	5,000	1,330,577	362,000	-	-	(1,697,577)	-
Transfer to Capital Reserve Fund	-	-	-	-	146,172	-	-	(146,172)	-
	569,201	111,401	1,397,747	8,541,211	1,141,226	1,761,491	21,600	(2,412,950)	11,130,927
Surplus (deficit)	**$ -**	$ -	$ -	$ -	$ -	$ (1,761,491)	$ (21,600)	$ 1,407,996	$ (375,095)

Regional Service Commission 11

Schedule 6 - Schedule of Revenue and Expenditures

Year ended December 31, 2020

	(Unaudited) Budget 2020	Actual 2020	Actual 2019
Revenue			
Sale of services			
Industrial/Commercial/Institutional tipping fees	$ 4,549,600	$ 4,263,574	$ 4,423,551
Construction and demolition	255,000	250,696	262,769
Recycling materials	535,829	444,520	380,664
Power generation	1,000,000	742,569	812,170
Other	69,450	64,009	115,094
	$ 6,409,879	$ 5,765,368	$ 5,994,248
Member charges			
Cooperative and regional planning fees	$ 78,030	$ 78,030	$ 85,536
Local planning and inspection services fees	1,422,253	1,422,253	1,321,332
Tipping fees	3,045,600	3,240,744	2,922,030
	$ 4,545,883	$ 4,741,027	$ 4,328,898
Other			
Gain on disposal of capital assets	$ 135,000	$ 163,682	$ 140,650
Other (Regional sport, recreation and culture)	-	99,071	5,000
Other (Planning and Development)	5,000	5,558	16,007
Other (Solid Waste)	40,000	289,220	62,267
	$ 180,000	$ 557,531	$ 223,924
Grants			
ETF (Solid Waste)	$ -	$ -	$ 18,384
Expenditures			
Administration			
Executive Director's office	$ 257,307	$ 250,952	$ 245,413
Financial management			
External audit	21,522	22,500	24,380
Personnel	127,762	146,018	15,761
Professional services - Sub-contract personnel	-	7,500	90,000
	149,284	176,018	130,141
Other			
Liability insurance	46,700	29,835	44,964
Professional services	16,000	-	5,700
Public relations	2,500	2,917	1,004
Office expense	37,708	50,984	41,754
Legal services	6,000	-	-
Translation	7,500	574	6,141
	116,408	84,310	99,563

Regional Service Commission 11

Schedule 6 - Schedule of Revenue and Expenditures (Continued)

Year ended December 31, 2020

	(Unaudited) Budget 2020	Actual 2020	Actual 2019
Administration			
Local planning office	277,449	269,137	275,007
Liability insurance	1,200	1,092	1,092
Professional services	1,000	270	3,875
Public relations	1,000	2,540	627
Office expense	144,898	165,823	159,753
HST	9,565	8,711	9,140
Legal services	2,500	-	-
	437,612	447,573	449,494
Administration			
Solid waste office	677,495	651,585	635,030
Liability insurance	199,000	205,198	179,386
Professional services	108,000	179,500	153,232
Public relations and education	132,000	148,856	148,863
Environmental Trust Fund	-	-	20,556
Office expense	111,000	158,647	131,496
Legal services	25,000	3,310	913
HST	138,000	75,111	52,671
	1,390,495	1,422,207	1,322,147
Administration			
Generation facility	8,500	9,513	7,799
	$ 2,359,606	$ 2,390,573	$ 2,254,557
Governance			
Honorariums	$ 53,634	$ 37,851	$ 33,192
Travel	13,500	1,897	4,799
Meetings	5,000	11,449	2,784
	$ 72,134	$ 51,197	$ 40,775
Planning and Building Inspection Services			
Planning services			
Personnel	$ 467,131	$ 415,409	$ 444,563
Advertising	3,500	-	
Planning advisory committee	16,700	12,966	13,255
Amortization	2,941	3,351	2,937
Sick leave	4,000	(279)	4,674
Other	4,500	2,794	2,779
	498,772	434,241	468,208

Regional Service Commission 11

Schedule 6 - Schedule of Revenue and Expenditures (Continued)

Year ended December 31, 2020

	(Unaudited) Budget 2020	Actual 2020	Actual 2019
Inspection Services			
Personnel	327,830	311,476	317,959
Supplies	1,800	839	-
Amortization	2,941	3,350	2,937
	332,571	315,665	320,896
	$ 831,343	$ 749,906	$ 789,104
Solid Waste Services			
Station and building	$ 277,200	$ 269,499	$ 340,878
Machinery and equipment	1,016,248	558,633	733,339
Landfill operations	2,245,926	2,393,891	2,143,025
Scale house	302,935	302,354	305,853
Waste diversion	1,396,250	1,041,698	1,166,870
Hazardous household waste	180,616	188,784	160,794
Sick leave	8,500	(2,167)	8,268
Amortization	1,318,470	1,327,503	1,551,676
	6,746,145	6,080,195	6,410,703
Generation facility			
Personnel	104,469	100,666	84,127
Machinery and equipment	291,000	478,004	211,442
Amortization	350,000	391,951	391,951
	745,469	970,621	687,520
	$ 7,491,614	$ 7,050,816	$ 7,098,223