

**SOUTHEAST REGIONAL SERVICE  
COMMISSION**

**ANNUAL FINANCIAL REPORT**

Year ended December 31, 2015



Building a better  
working world

# ***SOUTHEAST REGIONAL SERVICE COMMISSION***

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Year ended December 31, 2015

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## INDEPENDENT AUDITORS' REPORT

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To the Board of directors,

We have audited the accompanying financial statements of the SOUTHEAST REGIONAL SERVICE COMMISSION, which comprise the statement of financial position as at December 31, 2015 and the statements of operations and accumulated surplus, change in net debt and cash flow for the year then ended, and a summary of significant accounting policies and other explanatory information.

### **Management's responsibility for the financial statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditors' responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### **Opinion**

In our opinion, the financial statements present fairly, in all material respects, the financial position of the SOUTHEAST REGIONAL SERVICE COMMISSION as at December 31, 2015 and the results of its operations, its change in net debt and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

*Ernst & Young LLP*

Dieppe, New Brunswick  
April 26, 2016

Chartered Professional Accountants

## SOUTHEAST REGIONAL SERVICE COMMISSION

### STATEMENT OF OPERATIONS AND ACCUMULATED SURPLUS

Year ended December 31,

		2015 Budget (note 3)	2015 Actual	2014 Actual
<b>REVENUE</b>				
	Schedule			
Solid waste	A	\$ 13,630,865	\$ 12,953,107	\$ 12,727,684
Local planning	B	1,677,575	1,687,405	1,569,177
Regional planning municipal contributions	C	89,633	153,530	82,427
Administration	D	-	6,681	16,817
Interest revenue from reserve funds		-	80,109	74,209
		15,398,073	14,880,832	14,470,314
<b>EXPENSES</b>				
Solid waste	A	10,225,691	9,334,783	8,859,468
Local planning	B	1,684,616	1,663,196	1,472,513
Regional planning	C	45,144	96,729	-
Administration	D	686,432	634,990	638,268
Electricity	E	-	41,474	-
Gain on disposal of tangible capital assets		-	(135,187)	(71,613)
Amortization		1,971,000	2,330,407	2,178,177
Provision for site post-closing costs (note 9)		-	(3,175,533)	409,306
		14,612,883	10,790,859	13,486,119
<b>ANNUAL SURPLUS (note 4)</b>		\$ 785,190	4,089,973	984,195
<b>ACCUMULATED SURPLUS, BEGINNING OF YEAR</b>		N/A	16,630,823	15,646,628
<b>ACCUMULATED SURPLUS, END OF YEAR</b>		N/A	\$ 20,720,796	\$ 16,630,823

The accompanying notes are an integral part of the financial statements.



**SOUTHEAST REGIONAL SERVICE COMMISSION**

**STATEMENT OF CHANGE IN NET DEBT**

Year ended December 31,

	2015 Budget	2015 Actual	2014 Actual
<b>SURPLUS</b>	\$ 785,190	\$ 4,089,973	\$ 984,195
<b>RELATING TO TANGIBLE CAPITAL ASSETS</b>			
Acquisition of tangible capital assets	(4,392,000)	(2,823,566)	(4,598,162)
Net (acquisition) capitalization of work in progress	-	(258,703)	321,279
Proceeds on disposal of tangible capital assets	-	162,092	193,260
Amortization of tangible capital assets	1,971,000	2,330,407	2,178,177
Gain on disposal of tangible capital assets	-	(135,187)	(71,613)
	(2,421,000)	(724,957)	(1,977,059)
<b>RELATING TO OTHER NON-FINANCIAL ASSETS</b>			
Decrease (increase) in prepaid expenditures	-	2,885	(2,885)
<b>CHANGE IN NET DEBT</b>	(1,635,810)	3,367,901	(995,749)
<b>NET DEBT, BEGINNING OF YEAR</b>	N/A	(3,704,992)	(2,709,243)
<b>NET DEBT, END OF YEAR</b>	N/A	\$ (337,091)	\$ (3,704,992)

The accompanying notes are an integral part of the financial statements.

**SOUTHEAST REGIONAL SERVICE COMMISSION**

**STATEMENT OF FINANCIAL POSITION**

As at December 31,

	2015	2014
<b>FINANCIAL ASSETS</b>		
Cash	\$ 7,433,410	\$ 3,437,888
Accounts receivable (note 5)	1,388,720	1,390,238
Term deposit (2.25%, maturing in July 2017) (note 1.1)	1,423,310	1,390,523
Inventory	87,336	87,005
	<u>10,332,776</u>	<u>6,305,654</u>
<b>LIABILITIES</b>		
Accounts payable (note 6)	1,522,326	1,449,571
Long-term debt (note 7)	7,262,000	3,500,000
Landfill post-closure liability (note 9)	1,885,541	5,061,075
	<u>10,669,867</u>	<u>10,010,646</u>
<b>NET DEBT</b>	<b>(337,091)</b>	<b>(3,704,992)</b>
<b>NON-FINANCIAL ASSETS</b>		
Tangible capital assets (note 10)	20,784,265	20,318,012
Work in progress	273,622	14,918
Prepaid expenditures	-	2,885
	<u>21,057,887</u>	<u>20,335,815</u>
<b>ACCUMULATED SURPLUS</b>	<b>\$ 20,720,796</b>	<b>\$ 16,630,823</b>
<b>COMMITMENTS (note 13)</b>		

The accompanying notes are an integral part of the financial statements.

APPROVED BY:

  
 ..... Director  
  
 ..... Director

## **SOUTHEAST REGIONAL SERVICE COMMISSION**

### **STATEMENT OF CASH FLOW**

Year ended December 31,

2015

2014

#### **OPERATING ACTIVITIES**

Annual surplus	\$ 4,089,973	\$ 984,195
Items not affecting cash:		
Gain on disposal of tangible capital assets	(135,187)	(71,613)
Amortization	2,330,407	2,178,177
Provision for site post-closing costs	(3,175,533)	409,306
	<u>3,109,660</u>	<u>3,500,065</u>
Changes in working capital items:		
Accounts receivable	1,518	512,610
Inventory	(331)	(1,277)
Accounts payable	72,755	(851,340)
Other items	2,885	(219,423)
	<u>3,186,487</u>	<u>2,940,635</u>

#### **CAPITAL ACTIVITIES**

Acquisition of tangible capital assets	(2,823,566)	(4,261,966)
Proceeds on disposal of tangible capital assets	162,092	193,260
Increase of work in progress	(258,704)	(14,918)
	<u>(2,920,178)</u>	<u>(4,083,624)</u>

#### **INVESTING ACTIVITIES**

Change in investments	(32,787)	(30,598)
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#### **FINANCING ACTIVITIES**

Additional financing	4,435,000	3,500,000
Repayment of long-term debt	(673,000)	(538,000)
	<u>3,762,000</u>	<u>2,962,000</u>

#### **NET CHANGE IN CASH**

#### **CASH, BEGINNING OF YEAR**

#### **CASH, END OF YEAR**

Additional information on the statement of cash flow (note 12)

The accompanying notes are an integral part of the financial statements.



## **SOUTHEAST REGIONAL SERVICE COMMISSION**

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### **NOTES TO FINANCIAL STATEMENTS**

December 31, 2015

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#### **1. STATUTES OF INCORPORATION AND NATURE OF ACTIVITIES**

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Southeast Regional Service Commission (The Commission) was incorporated in 2013 under Bill 61, the Regional Service Delivery Act. The Commission covers the Southeast Region of New Brunswick including 39 different municipalities and local service districts. The Commission is governed by a 19-member board including representatives from the incorporated municipalities as well as the local service districts. The Commission provides waste treatment and land planning services and is exempt from income tax under the Income Tax Act of Canada.

#### **2. SIGNIFICANT ACCOUNTING POLICIES**

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These financial statements are prepared by management in accordance with Canadian public sector accounting (PSA) standards as set out in the Public Sector Accounting Handbook of the Chartered Professional Accountants of Canada (CPA Canada), which constitute generally accepted accounting principles (GAAP) for local governments. The Commission also complies with the Municipal Financial Reporting Manual (MFRM) of the Province of New Brunswick (PNB). The MFRM does not conflict with the Handbook for the preparation of the financial statements but requires some additional disclosures and prescribes a different basis for the preparation of the Commission's budget.

##### **Reporting entity**

The financial statements reflect the assets, liabilities, revenues, expenditures and changes in net debt and accumulated surplus of the reporting entity. The reporting entity is comprised of all funds of the Commission's operations. Inter-fund balances and transactions have been eliminated.

##### **Budget**

The budget figures contained in the financial statements were approved by Council on October 28, 2014.

##### **Use of estimates**

The presentation of financial statements in accordance with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingencies at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

##### **Revenue recognition**

Revenue is recorded using the accrual basis of accounting. Revenue received prior to being earned is recorded as deferred revenue until it is earned.



## **SOUTHEAST REGIONAL SERVICE COMMISSION**

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### **NOTES TO FINANCIAL STATEMENTS**

December 31, 2015

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#### **2. SIGNIFICANT ACCOUNTING POLICIES (continued)**

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##### **Expense recognition**

Expenses are recorded using the accrual basis of accounting, as they are incurred and measurable based on receipt of goods or services and/or obligation to pay.

##### **Financial instruments**

All financial instruments are recorded at amortized cost.

##### **Non-financial assets**

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They are not intended for sale in the normal course of operations.

##### **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 tangible capital assets are amortized on a straight-line basis over their following estimated useful lives:

Land improvements	25 years
Buildings	50 years
Waste treatment equipment	2 to 40 years
Vehicles	5 to 10 years
Computer equipment	5 to 10 years
Roads	30 years

Assets under construction and work in progress are not amortized until they are available for productive use.

##### **Impairment**

Tangible capital assets subject to amortization are reviewed for impairment whenever events or changes in circumstances indicate that the carrying value of an asset may not be recoverable. Impairment is assessed by comparing the carrying amount of an asset to be held and used with the total of the undiscounted cash flows expected from its use and disposition. If the asset is impaired, the impairment loss to be recognized is measured as the amount by which the carrying amount of the asset exceeds its fair value, generally determined on a discounted cash flow basis. Any impairment results in a write-down of the asset and a charge to income during the year. An impairment loss is not reversed if the fair value of the related asset subsequently increases.

##### **Inventory**

Inventory is recorded at the lower of cost and net realizable value.

## ***SOUTHEAST REGIONAL SERVICE COMMISSION***

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### **NOTES TO FINANCIAL STATEMENTS**

December 31, 2015

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#### **2. SIGNIFICANT ACCOUNTING POLICIES (continued)**

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##### **Landfill post-closure liability**

The Commission accounts for a post-closure liability in the period during which a legal obligation is incurred and when a reasonable estimate of this amount can be made. The post-closure liability is initially measured at the best estimate of the expenditure required to settle the present obligation at the date of the statement of financial position, using a discount rate for maturity dates that coincides with the expected cash flows required to settle the obligation. Changes in the liability due to the passage of time are recognized as a provision for site post-closing cost in the statement of operations and accumulated surplus with a corresponding increase in the liability.

At each year-end, the post-closure liability is reviewed and adjusted to reflect the then current best estimate of the liability. Such adjustments may result from changes in the assumptions used to estimate the undiscounted cash flows required to settle the obligation, including changes in estimated probabilities, amounts and timing of settlement, as well as changes in the legal requirements of the obligation and in the discount rate. These changes are recognized as an increase or decrease in the carrying amount of the post-closure liability.

**SOUTHEAST REGIONAL SERVICE COMMISSION**

**NOTES TO FINANCIAL STATEMENTS**

December 31, 2015

**3. RECONCILIATION OF BUDGET**

The budgets for the general operating funds are prepared on the basis required by the MFRM of the PNB. The following is a reconciliation of these budgets with the budget prepared in accordance with the PSA Standards that is presented on the statement of operations and accumulated surplus.

	Operating budget	2nd previous year surplus/ deficit	Other	Inter-fund transfers	Transfers to/from reserve funds	Total per PSA Standards
<b>Revenue</b>						
Solid waste	\$ 13,630,865	\$ -	\$ -	\$ -	-	\$ 13,630,865
Local planning	1,753,259	(75,684)	-	-	-	1,677,575
Regional planning	113,787	(24,154)	-	-	-	89,633
Administration	686,432	-	-	(686,432)	-	-
	16,184,343	(99,838)	-	(686,432)	-	15,398,073
<b>Expenses</b>						
Solid waste	13,630,865	(120,488)	(1,541,000) <sup>1</sup>	(549,146)	(1,194,540)	10,225,691
Local planning	1,753,259	-	-	(68,643)	-	1,684,616
Regional planning	113,787	-	-	(68,643)	-	45,144
Administration	686,432	-	-	-	-	686,432
Amortization	-	-	1,971,000 <sup>2</sup>	-	-	1,971,000
	16,184,343	(120,488)	430,000	(686,432)	(1,194,540)	14,612,883
<b>Annual surplus</b>	\$ -	\$ 20,650	\$ (430,000)	\$ -	\$ 1,194,540	\$ 785,190

1 - This amount includes the \$670,000 of debt repayment and \$871,000 of contribution from operating to capital.

2 - Depreciation expense is budgeted for PSA purposes but is not budgeted under MFRM.



**SOUTHEAST REGIONAL SERVICE COMMISSION**

**NOTES TO FINANCIAL STATEMENTS**

December 31, 2015

**4. RECONCILIATION OF ANNUAL SURPLUS (DEFICIT)**

	Solid Waste Fund	Local Planning Fund	Regional Planning Fund	Corporate Operating Fund	Electricity Operating Fund	Capital Fund	Reserve Funds	Total
Annual fund surplus (deficit)	\$ 301,932	\$ 35,063	\$ 16,124	\$ -	\$ (41,474)	\$ 1,835,899	\$ 1,076,651	\$ 3,224,195
Adjustments to annual surplus (deficit) for PSA requirements								
Capital assets - amortization	-	-	-	-	-	(2,330,407)	-	(2,330,407)
Second prior year (surplus) deficit	120,489	(75,684)	(24,154)	-	-	-	-	20,651
Post-closure provision Inter-fund transfers	-	-	-	-	-	-	3,175,533	3,175,533
Capital expenditures	871,000	-	-	-	-	(871,000)	-	-
Long-term debt repayment	673,000	-	-	-	-	(673,000)	-	-
Reserve funds	1,133,255	-	-	20,000	-	(156,713)	(996,542)	-
Corporate expenditures	518,648	64,830	64,831	(648,308)	-	-	-	1
<b>Net adjustments to annual surplus (deficit)</b>	<b>3,316,392</b>	<b>(10,854)</b>	<b>40,677</b>	<b>(628,308)</b>	<b>-</b>	<b>(4,031,120)</b>	<b>2,178,991</b>	<b>865,778</b>
<b>Annual surplus (deficit) in accordance with PSA</b>	<b>\$ 3,618,324</b>	<b>\$ 24,209</b>	<b>\$ 56,801</b>	<b>\$ (628,308)</b>	<b>\$ (41,474)</b>	<b>\$ (2,195,221)</b>	<b>\$ 3,255,642</b>	<b>\$ 4,089,973</b>

**SOUTHEAST REGIONAL SERVICE COMMISSION**

**NOTES TO FINANCIAL STATEMENTS**  
December 31, 2015

5. ACCOUNTS RECEIVABLE	2015	2014
Trade receivable	\$ 867,409	\$ 926,569
Receivable from municipal and provincial government entities	138,869	175,784
Sales tax receivable	325,871	245,168
Accrued interest receivable	56,571	42,717
	\$ 1,388,720	\$ 1,390,238

6. ACCOUNTS PAYABLE	2015	2014
Trade payable	\$ 1,031,136	\$ 1,221,705
Payable to municipal and provincial government entities	322,398	119,106
Wages payable	34,611	59,888
Source deductions payable	13,988	32,137
Accrued sick leave benefits payable	-	10,941
Other accrued liabilities	120,193	5,794
	\$ 1,522,326	\$ 1,449,571

7. LONG-TERM DEBT	2015	2014
Debentures, New Brunswick Municipal Finance Corporation		
1.05% - 3.90%, maturing in 2035, OIC #14-0061	\$ 4,435,000	\$ -
1.20% - 3.70%, maturing in 2034, OIC #14-0008	2,827,000	3,500,000
	\$ 7,262,000	\$ 3,500,000

Approval of the Municipal Capital Borrowing Board has been obtained for the debentures. Principal payments required for the next five years are as follows:

2016 - \$1,364,000  
 2017 - \$ 870,000  
 2018 - \$ 550,000  
 2019 - \$ 558,000  
 2020 - \$ 464,000



## **SOUTHEAST REGIONAL SERVICE COMMISSION**

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### **NOTES TO FINANCIAL STATEMENTS**

December 31, 2015

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#### **8. BORROWINGS COMPLIANCE**

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##### **Operating borrowing**

As prescribed by the Regional Service Delivery Act, borrowing to finance operating fund operations is limited to 4% of the Commission's operating budget. In 2015, the Commission has complied with this restriction.

#### **9. ACCRUED POST-CLOSING COSTS**

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

The accrued liability for post-closing costs has been determined based on the estimated post-closing costs of a total of \$29,733,606 (2014 - \$49,975,481) for 30 years commencing after the landfill reaches full capacity in 2060 and ending in 2089 (2014 - full capacity in 2042 and ending in 2071). Post-closing costs were determined using an annual inflation of 2% (2014 - 2%) and are discounted at a rate of 3% (2014 - 4%).

At December 31, 2015, the total capacity of the landfill has been estimated at 1.2 million square meters, of which 426,000 square meters have been used, leaving 776,000 square meters available. At December 31, 2015 the landfill is estimated to be 35.44% full (2014 - 50.87%). The important decrease in the percentage is due to a Landfill Extension Project for which a certificate of determination to proceed was issued to the Commission by the Minister of Environment and Local Government.

The accrued liability has been decreased by \$3,175,533 in 2015 (2014 - increase of \$409,306) due to additional landfill capacity as well as changes in the assumptions used to calculate post-closing costs to reflect management's best estimate. This amount has been charged to income in the period. The balance of the accrued liability at December 31, 2015 is \$1,885,541 (2014 - \$5,061,075).

This liability will be settled by the assets listed in the post-closure reserve fund in note 11.



**SOUTHEAST REGIONAL SERVICE COMMISSION**

**NOTES TO FINANCIAL STATEMENTS**  
December 31, 2015

**10. TANGIBLE CAPITAL ASSETS**

	2015		2014					
	Land	Land improvements	Buildings	Waste treatment equipment	Vehicles	Computer equipment	Roads	Total
<b>Cost</b>								
Balance, beginning of year	\$ 3,267,600	\$ 779,902	\$ 9,684,669	\$ 30,168,893	\$ 463,634	\$ 59,953	\$ 2,514,605	\$ 46,939,256
Acquisitions	-	-	-	2,689,067	73,362	-	61,137	2,823,566
Dispositions	-	-	-	(224,031)	(18,008)	-	-	(242,039)
Balance, end of year	3,267,600	779,902	9,684,669	32,633,929	518,988	59,953	2,575,742	49,520,783
<b>Accumulated amortization</b>								
Balance, beginning of year	-	480,630	3,000,024	21,402,533	295,009	32,772	1,410,277	26,621,245
Amortization	-	31,196	193,693	1,958,369	52,429	7,843	86,877	2,330,407
Dispositions	-	-	-	(201,628)	(13,506)	-	-	(215,134)
Balance, end of year	-	511,826	3,193,717	23,159,274	333,932	40,615	1,497,154	28,736,518
<b>Net book value of tangible capital assets</b>	\$ 3,267,600	\$ 268,076	\$ 6,490,952	\$ 9,474,655	\$ 185,056	\$ 19,338	\$ 1,078,588	\$ 20,784,265
								\$ 20,318,012

Fully amortized landfill assets for a total cost of \$14,453,483 are included in waste treatment equipment because they are still in use.

**SOUTHEAST REGIONAL SERVICE COMMISSION**

**NOTES TO FINANCIAL STATEMENTS**

December 31, 2015

**11. RESERVE FUNDS**

**2015**                      **2014**

	<b>Operating Reserve Fund</b>	<b>Capital Reserve Fund</b>	<b>Post- Closure Reserve Fund</b>	<b>Total</b>	<b>Total</b>
<b>Assets</b>					
Cash	\$ -	\$ -	\$ -	\$ -	\$ 1,500
Accrued interest receivable	-	-	13,778	13,778	13,458
Term deposit	-	-	1,423,310	1,423,310	1,390,523
Due from Solid Waste Fund	682,492	630,899	2,927,706	4,241,097	3,196,053
	<b>\$ 682,492</b>	<b>\$ 630,899</b>	<b>\$ 4,364,794</b>	<b>\$ 5,678,185</b>	<b>\$ 4,601,534</b>
<b>Accumulated surplus</b>					
Balance at beginning of year (Note 1)	\$ 3,032	\$ 607,793	\$ 3,990,709	\$ 4,601,534	\$ 5,270,922
Investment income	2,460	7,224	70,425	80,109	74,209
Transfer from (to) Solid Waste Fund	657,000	172,595	303,660	1,133,255	(210,800)
Transfer from Corporate Operating Fund	20,000	-	-	20,000	-
Transfer to Capital Fund	-	(156,713)	-	(156,713)	(532,797)
	<b>\$ 682,492</b>	<b>\$ 630,899</b>	<b>\$ 4,364,794</b>	<b>\$ 5,678,185</b>	<b>\$ 4,601,534</b>

Note 1: The opening balance of the accumulated surplus of 2014 was decreased by \$664,646 following a reclassification of an amount due from the Solid Waste Fund.

The Operating Reserve Fund was established for the payment of general operating expenditures. The Capital Reserve Fund was established for the payment of general capital expenditures. The Post-Closure Reserve Fund was established for the payment of expenditures to be incurred after closure of the landfill. All transfers to and from these reserve funds must be made by a resolution of the Board.

**Transfers to/from reserve funds**

The transfers were authorized by the Board through resolutions dated October 27, 2015.



## **SOUTHEAST REGIONAL SERVICE COMMISSION**

### **NOTES TO FINANCIAL STATEMENTS**

December 31, 2015

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#### **12. ADDITIONAL INFORMATION ON THE STATEMENT OF CASH FLOW**

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Cash flows related to operating activities include the following elements:

	2015		2014
Interest received	\$ 54,237	\$	53,295
Interest paid	\$ 105,407	\$	50,469

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#### **13. COMMITMENTS**

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The Commission has contract commitments until 2025 for the rental of premises and until 2020 for the rental of equipment. The balance of the commitments under these contracts is \$848,571. Minimum payments under these commitments over the next five years are as follows:

2016 - \$ 129,001  
2017 - \$ 130,437  
2018 - \$ 128,287  
2019 - \$ 124,510  
2020 - \$ 73,425

#### **14. FINANCIAL INSTRUMENTS**

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Management considers that the Commission is not exposed to significant liquidity or other market risks on its financial instruments.

The Commission provides credit to its clients in the normal course of its operations. It carries out, on a continuing basis, credit evaluations of its clients and reviews the credit background of new clients. The Commission is not exposed to any significant risk with respect to a single client.

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Commission is exposed to interest rate risk on its fixed interest rate financial instruments. The long-term debt is subject to a fair value risk.



## SOUTHEAST REGIONAL SERVICE COMMISSION

### SCHEDULE A - OTHER INFORMATION

Year ended December 31,

	2015 Budget (note 3)	2015 Actual	2014 Actual
<b>A - SOLID WASTE</b>			
<b>REVENUE</b>			
Municipal waste	\$ 3,641,680	\$ 3,641,679	\$ 3,553,061
Municipal transport	164,046	164,046	162,746
Municipal education	164,046	164,046	162,746
Solid waste treatment	7,865,171	7,096,460	7,053,098
Construction & demolition waste treatment	392,337	370,188	411,488
Recycling	1,148,774	936,154	1,042,803
Rental income	123,453	121,159	146,858
Equipment rental income	25,000	32,530	32,215
Third party materials processing	96,358	63,511	121,310
Provincial government grants	-	89,581	18,000
Other income	5,000	285,771	15,330
Interest revenue	5,000	(12,018)	8,029
	13,630,865	12,953,107	12,727,684
<b>OPERATING EXPENSES</b>			
Accounting	5,000	20,686	-
Advertising	23,029	28,922	30,827
Bad debts	2,400	11,579	34,211
Computer maintenance	145,000	49,526	29,857
Education events	75,000	16,519	23,866
Electricity	418,734	351,666	391,596
Equipment rental and leasing	38,000	12,790	19,623
Equipment washing	20,000	33,083	25,806
Fuel	667,978	512,842	617,558
Insurance	98,019	107,212	95,164
Interest and bank charges	88,700	24,455	24,645
Legal fees	12,000	18,949	18,362
Maintenance	1,031,012	982,443	1,205,935
Meals and entertainment	6,700	4,378	6,152
Meetings	2,000	2,773	1,127
Memberships and subscriptions	8,960	3,374	2,462
Miscellaneous	5,000	18,459	4,767
Monitoring	76,757	63,908	43,137
Office supplies	35,000	36,187	62,278
Postage and courier	12,000	3,385	7,301
Professional services	3,800	62,400	4,305
Property taxes	176,959	181,353	171,768
	\$ 2,952,048	\$ 2,546,889	\$ 2,820,747

## SOUTHEAST REGIONAL SERVICE COMMISSION

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### SCHEDULE A - OTHER INFORMATION

Year ended December 31,

	2015 Budget (note 3)	2015 Actual	2014 Actual
<b>A - SOLID WASTE (continued)</b>			
<b>OPERATING EXPENSES (continued)</b>			
Carried forward	\$ 2,952,048	\$ 2,546,889	\$ 2,820,747
Purchases of fibre	144,000	16,291	12,284
Repair and maintenance - Routes	120,000	74,015	-
Scholarships	5,000	-	4,500
Supplies	373,158	385,574	250,211
Telephone	36,720	34,040	30,034
Training and development	31,112	32,115	28,285
Translation	4,500	396	2,610
Transport subsidy	128,008	128,008	127,723
Travel	6,000	-	585
Vehicle registration	14,000	16,660	14,998
Waste disposal costs	330,229	223,774	239,367
Waste without charge	3,600	1,759	1,552
Wages and fringe benefits	1,563,625	1,467,396	1,019,383
Contracted staffing	4,286,691	4,287,644	4,247,770
Interest on long-term debt	140,000	83,983	30,911
Discount on debenture	87,000	36,239	28,508
	10,225,691	9,334,783	8,859,468
Excess of revenues over expenses	\$ 3,405,174	\$ 3,618,324	\$ 3,868,216

**SOUTHEAST REGIONAL SERVICE COMMISSION**

**SCHEDULE B - OTHER INFORMATION**

Year ended December 31,

	2015 Budget (note 3)	2015 Actual	2014 Actual
<b>B - LOCAL PLANNING</b>			
<b>REVENUE</b>			
Local planning municipal contributions	\$ 1,677,575	\$ 1,677,576	\$ 1,541,718
Other income	-	9,829	27,459
	1,677,575	1,687,405	1,569,177
<b>OPERATING EXPENSES</b>			
Advertising	3,821	2,672	1,619
Computer maintenance	94,271	90,927	41,404
GIS Planet fees	6,209	1,442	3,375
Insurance	13,500	13,298	11,883
Leasing	12,770	12,727	12,642
Legal fees	-	3,837	4,887
Memberships and subscriptions	5,731	4,750	4,668
Miscellaneous	558	2,406	28,749
Office supplies	16,407	30,842	14,648
Per diem	13,000	7,899	9,218
Postage and courier	3,821	2,825	6,376
Rent	119,985	151,325	127,348
Telephone	22,500	18,616	19,865
Training	21,000	16,688	9,899
Translation and meeting expense	11,200	17,941	10,409
Travel	34,819	30,449	31,264
Wages and fringe benefits	1,305,024	1,254,552	1,134,259
	1,684,616	1,663,196	1,472,513
Excess of revenues over expenses	\$ (7,041)	\$ 24,209	\$ 96,664



**SOUTHEAST REGIONAL SERVICE COMMISSION**

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**SCHEDULE C - OTHER INFORMATION**

Year ended December 31,

2015  
Budget  
(note 3)

2015  
Actual

2014  
Actual

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**C - REGIONAL PLANNING**

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**REVENUE**

Regional planning municipal contributions	\$	89,633	\$	89,633	\$	82,427
Other income		-		63,897		-
		89,633		153,530		82,427

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**OPERATING EXPENSES**

Miscellaneous		6,000		784		-
Project Climate Change		3,000		25,129		-
Recreation Asset Mapping and Connectivity		3,000		51,567		-
Wages and fringe benefits		33,144		19,249		-
		45,144		96,729		-

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Excess of revenues over expenses	\$	44,489	\$	56,801	\$	82,427
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**SOUTHEAST REGIONAL SERVICE COMMISSION**

**SCHEDULE D - OTHER INFORMATION**

Year ended December 31,

2015  
Budget  
(note 3)

2015  
Actual

2014  
Actual

**D - ADMINISTRATION**

**REVENUE**

Other income	\$	-	\$	6,681	\$	16,817
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**EXPENSES**

Accounting	25,000		21,202		19,372
Advertising and publicity	4,000		-		417
Computer maintenance	20,000		19,252		6,817
Insurance	4,500		4,433		3,961
Legal fees	5,000		910		3,667
Office supplies	10,000		15,850		9,131
Per diem	70,000		44,513		51,690
Rent	12,000		12,000		8,000
Telephone	6,000		7,574		3,418
Training	23,000		10,691		20,076
Translation and meeting expenses	18,000		22,811		18,250
Travel	21,500		10,916		14,433
Wages and fringe benefits	467,432		464,838		479,036

	686,432		634,990		638,268
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Excess of expenses over revenues	\$	(686,432)	\$	(628,309)	\$	(621,451)
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**SOUTHEAST REGIONAL SERVICE COMMISSION**

**SCHEDULE E - OTHER INFORMATION**

Year ended December 31,

2015  
Budget  
(note 3)

2015  
Actual

2014  
Actual

**E - ELECTRICITY**

	2015 Budget (note 3)	2015 Actual	2014 Actual
<b>REVENUE</b>	\$ -	\$ -	\$ -
<b>EXPENSES</b>			
Electricity	-	6,332	-
Maintenance	-	23,506	-
Monitoring	-	3,596	-
Supplies	-	8,040	-
	-	41,474	-
Excess of expenses over revenues	\$ -	\$ (41,474)	\$ -



FUND ACCOUNTING

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**SOUTHEAST REGIONAL SERVICE COMMISSION**

**SCHEDULE F - OTHER INFORMATION**

Year ended December 31,

2015  
Budget  
(note 3)

2015  
Actual

2014  
Actual

**F - SOLID WASTE FUND**

**REVENUE**

Municipal waste	\$ 3,641,680	\$ 3,641,679	\$ 3,553,061
Municipal transport	164,046	164,046	162,746
Municipal education	164,046	164,046	162,746
Solid waste treatment	7,865,171	7,096,460	7,053,098
Construction & demolition waste treatment	392,337	370,188	411,488
Recycling	1,148,774	936,154	1,042,803
Rental income	123,453	121,159	146,858
Equipment rental income	25,000	32,530	32,215
Third party materials processing	96,358	63,511	121,310
Provincial government grants	-	89,581	18,000
Other income	5,000	285,771	15,330
Interest revenue	5,000	(12,018)	8,029
Transfer from operating reserve	-	-	500,000
	13,630,865	12,953,107	13,227,684

**OPERATING EXPENSES**

Accounting	5,000	20,686	-
Advertising	23,029	28,922	30,827
Bad debts	2,400	11,579	34,211
Computer maintenance	145,000	49,526	29,857
Education events	75,000	16,519	23,866
Electricity	418,734	351,666	391,596
Equipment rental and leasing	38,000	12,790	19,623
Equipment washing	20,000	33,083	25,806
Fuel	667,978	512,842	617,558
Insurance	98,019	107,212	95,164
Interest and bank charges	88,700	24,455	24,645
Legal fees	12,000	18,949	18,362
Maintenance	1,031,012	982,443	1,205,935
Meals and entertainment	6,700	4,378	6,152
Meetings	2,000	2,773	1,127
Memberships and subscriptions	8,960	3,374	2,462
Miscellaneous	5,000	18,459	4,767
Monitoring	76,757	63,908	43,137
Office supplies	35,000	36,187	62,278
Carry forward	\$ 2,759,289	\$ 2,299,751	\$ 2,637,373

**SOUTHEAST REGIONAL SERVICE COMMISSION**

**SCHEDULE F - OTHER INFORMATION**

Year ended December 31,

2015  
Budget  
(note 3)

2015  
Actual

2014  
Actual

**F - SOLID WASTE FUND (continued)**

**OPERATING EXPENSES (continued)**

Carried forward	\$ 2,759,289	\$ 2,299,751	\$ 2,637,373
Postage and courier	12,000	3,385	7,301
Professional services	3,800	62,400	4,305
Property taxes	176,959	181,353	171,768
Purchases of fibre	144,000	16,291	12,284
Repairs and maintenance - routes	120,000	74,015	-
Scholarships	5,000	-	4,500
Supplies	373,158	385,574	250,211
Telephone	36,720	34,040	30,034
Training and development	31,112	32,115	28,285
Translation	4,500	396	2,610
Transport subsidy	128,008	128,008	127,723
Travel	6,000	-	585
Vehicle registration	14,000	16,660	14,998
Waste disposal costs	330,229	223,774	239,367
Waste without charge	3,600	1,759	1,552
Wages and fringe benefits	1,563,625	1,467,396	1,019,383
Contracted staffing	4,286,691	4,287,644	4,247,770
Interest on long-term debt	140,000	83,983	30,911
Discount on debentures	87,000	36,239	28,508
Loan payment	670,000	673,000	538,000
Allocation of corporate services	549,146	518,648	497,161
Second prior year deficit	120,488	120,489	2,848,465
Capital from operating	871,000	871,000	20,359
Transfer to capital reserve	-	172,595	-
Transfer to operating reserve	890,880	657,000	-
Transfer to post-closure reserve	303,660	303,660	289,200
	13,630,865	12,651,175	13,052,653
Excess of revenues over expenses	\$ -	\$ 301,932	\$ 175,031



**SOUTHEAST REGIONAL SERVICE COMMISSION**

**SCHEDULE G - OTHER INFORMATION**

Year ended December 31,

2015  
Budget  
(note 3)

2015  
Actual

2014  
Actual

**G - LOCAL PLANNING FUND**

**REVENUE**

Local planning municipal contributions	\$ 1,677,575	\$ 1,677,576	\$ 1,541,718
Other income	-	9,829	59,459
Second prior year surplus	75,684	75,684	-
	1,753,259	1,763,089	1,601,177

**OPERATING EXPENSES**

Advertising	3,821	2,672	1,619
Computer maintenance	94,271	90,927	41,404
GIS Planet fees	6,209	1,442	3,375
Insurance	13,500	13,298	11,883
Leasing	12,770	12,727	12,642
Legal fees	-	3,837	4,887
Memberships and subscriptions	5,731	4,750	4,668
Miscellaneous	558	2,406	28,749
Office supplies	16,407	30,842	20,648
Per diem	13,000	7,899	9,218
Postage and courier	3,821	2,825	6,376
Rent	119,985	151,325	135,348
Telephone	22,500	18,616	22,865
Training	21,000	16,688	9,899
Translation and meeting expense	11,200	17,941	10,409
Travel	34,819	30,449	31,264
Wages and fringe benefits	1,305,024	1,254,552	1,149,259
Allocation of corporate services	68,643	64,830	62,145
	1,753,259	1,728,026	1,566,658

Excess of revenues over expenses	\$ -	\$ 35,063	\$ 34,519
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**SOUTHEAST REGIONAL SERVICE COMMISSION**

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**SCHEDULE H - OTHER INFORMATION**

Year ended December 31,

2015  
Budget  
(note 3)

2015  
Actual

2014  
Actual

**H - REGIONAL PLANNING FUND**

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**REVENUE**

Regional planning municipal contributions	\$	89,633	\$	89,633	\$	82,427
Other income		-		63,897		-
Second prior year surplus		24,154		24,154		-
		113,787		177,684		82,427

**OPERATING EXPENSES**

Allocation of corporate services		68,643		64,831		62,145
Miscellaneous		6,000		784		-
Project climate change		3,000		25,129		-
Recreation asset mapping and connectivity		3,000		51,567		-
Wages and fringe benefits		33,144		19,249		-
		113,787		161,560		62,145

Excess of revenues over expenses	\$	-	\$	16,124	\$	20,282
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**SOUTHEAST REGIONAL SERVICE COMMISSION**

**SCHEDULE I - OTHER INFORMATION**

Year ended December 31,

2015  
Budget  
(note 3)

2015  
Actual

2014  
Actual

**I - CORPORATE OPERATING FUND**

**REVENUE**

Contributions from other sectors	\$ 686,432	\$ 648,309	\$ 621,451
Other income	-	6,681	16,817
	686,432	654,990	638,268

**EXPENSES**

Accounting	25,000	21,202	19,372
Advertising and publicity	4,000	-	417
Computer maintenance	20,000	19,252	6,817
Insurance	4,500	4,433	3,961
Legal fees	5,000	910	3,667
Office supplies	10,000	15,850	9,131
Per diem	70,000	44,513	51,690
Rent	12,000	12,000	8,000
Telephone	6,000	7,574	3,418
Training	23,000	10,691	20,076
Translation and meeting expenses	18,000	22,811	18,250
Travel	21,500	10,916	14,433
Transfer to Operating Reserve Fund	-	20,000	-
Wages and fringe benefits	467,432	464,838	479,036
	686,432	654,990	638,268

Excess of revenues over expenses	\$ -	\$ -	\$ -
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**SOUTHEAST REGIONAL SERVICE COMMISSION**

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**SCHEDULE J - OTHER INFORMATION**

Year ended December 31,

2015  
Budget  
(note 3)

2015  
Actual

2014  
Actual

**J - ELECTRICITY OPERATING FUND**

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	2015 Budget (note 3)	2015 Actual	2014 Actual
<b>REVENUE</b>	\$ -	\$ -	-
<b>OPERATING EXPENSES</b>			
Electricity	-	6,332	-
Maintenance	-	23,506	-
Monitoring	-	3,596	-
Supplies	-	8,040	-
	-	41,474	-
<b>Excess of expenses over revenues</b>	<b>\$ -</b>	<b>\$ (41,474)</b>	<b>-</b>

