

FUNDY REGIONAL SERVICE COMMISSION

FINANCIAL STATEMENTS

DECEMBER 31, 2013

FUNDY REGIONAL SERVICE COMMISSION

DECEMBER 31, 2013

CONTENTS

	Page
INDEPENDENT AUDITORS' REPORT	1
FINANCIAL STATEMENTS	
Statement of Financial Position	2
Statement of Operations	3
Statement of Changes in Net Debt	4
Statement of Cash Flows	5
Notes to Financial Statements	6 - 21

INDEPENDENT AUDITORS' REPORT

To the Members of the Fundy Regional Service Commission

We have audited the statement of financial position of the Fundy Regional Service Commission as at December 31, 2013, and the statements of operations, changes in net debt and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

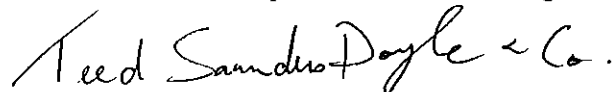
Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable 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, these financial statements present fairly, in all material respects, the financial position of the Commission as at December 31, 2013, and the results of its operations and changes in net debt for the year then ended in accordance with Canadian public sector accounting standards.



CHARTERED ACCOUNTANTS

Saint John, NB
April 8, 2014

FUNDY REGIONAL SERVICE COMMISSION

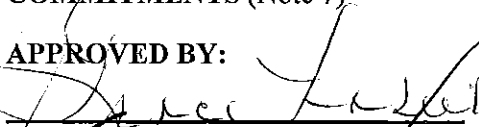
STATEMENT OF FINANCIAL POSITION

AS AT DECEMBER 31, 2013

	2013
FINANCIAL ASSETS	
Cash (Notes 2 and 3)	\$ 877,505
Accounts receivable (Notes 2 and 3)	623,830
HST receivable	160,296
Investments (Notes 2 and 3)	745,066
Investments restricted for future closure and post-closure costs (Notes 2, 3 and 6)	<u>1,009,847</u>
	<u>\$ 3,416,544</u>
LIABILITIES	
Accounts payable and accrued liabilities (Notes 2 and 3)	\$ 515,673
Security deposits	99,776
Long term debt (Notes 2, 3, 4 and 5)	2,649,000
Future closure and post-closure liability (Notes 2, 3 and 6)	<u>942,267</u>
	<u>4,206,716</u>
NET DEBT	<u>(790,172)</u>
NON-FINANCIAL ASSETS	
Tangible capital assets (Notes 2 and 8)	57,089,632
Accumulated amortization	<u>(37,379,720)</u>
	19,709,912
Deferred financing charges (Note 2)	<u>25,370</u>
	<u>19,735,282</u>
ACCUMULATED SURPLUS	<u>\$ 18,945,110</u>

COMMITMENTS (Note 7)

APPROVED BY:



Commission Member



Commission Member

FUNDY REGIONAL SERVICE COMMISSION

STATEMENT OF OPERATIONS

FOR THE YEAR ENDED DECEMBER 31, 2013

	<u>2013</u> Under (Over)	<u>2013</u> Budget	<u>2013</u> Actual
REVENUE (Note 2)			
Landfill fees	\$ 321,749	\$ 7,658,574	\$ 7,336,825
Member charges	-	351,805	351,805
Recycling commodity sales	106,805	250,000	143,195
Electrical generation	39,116	180,000	140,884
Investment income	(52,919)	-	52,919
Gain on disposal of tangible capital assets	(4,602)	-	4,602
Other	<u>(8,764)</u>	<u>40,000</u>	<u>48,764</u>
	<u>401,385</u>	<u>8,480,379</u>	<u>8,078,994</u>
EXPENDITURE (Notes 2 and 12)			
Landfill	88,181	6,901,055	6,812,874
Corporate services	48,610	301,200	252,590
Local planning services	63,989	326,535	262,546
Collaborative and regional planning services	10,000	10,000	-
Electrical generation	<u>67,802</u>	<u>517,975</u>	<u>450,173</u>
	<u>278,582</u>	<u>8,056,765</u>	<u>7,778,183</u>
ANNUAL SURPLUS BEFORE UNREALIZED GAINS ON INVESTMENTS	122,803	423,614	300,811
UNREALIZED GAINS ON INVESTMENTS	<u>(67,783)</u>	<u>-</u>	<u>67,783</u>
ANNUAL SURPLUS FOR THE YEAR (Note 9)	<u>\$ 55,020</u>	<u>\$ 423,614</u>	368,594
ACCUMULATED SURPLUS - BEGINNING OF YEAR (Note 1)			<u>18,576,516</u>
ACCUMULATED SURPLUS - END OF YEAR			<u>\$ 18,945,110</u>

FUNDY REGIONAL SERVICE COMMISSION

STATEMENT OF CHANGES IN NET DEBT

AS AT DECEMBER 31, 2013

	<u>2013</u>
Annual surplus	\$ 368,594
Acquisition of tangible capital assets	(151,532)
Proceeds on disposal of tangible capital assets	33,766
Amortization of tangible capital assets	1,985,452
Gain on disposal of tangible capital assets	<u>(4,602)</u>
	<u>2,231,678</u>
Use of deferred financing	11,961
Use of prepaid expenses	<u>126,230</u>
	<u>138,191</u>
Decrease in net debt	2,369,869
Net debt, beginning of year	<u>(3,160,041)</u>
Net debt, end of year	\$ <u><u>(790,172)</u></u>

APPROVED BY:

_____ Commission Member

_____ Commission Member

FUNDY REGIONAL SERVICE COMMISSION

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2013

2013

INCREASE (DECREASE) IN CASH

OPERATING TRANSACTIONS

Annual surplus	\$ 368,594
Gain on disposal of tangible capital assets	(4,602)
Unrealized gains on investments	(67,783)
Amortization of tangible capital assets	1,985,452
Accounts receivable	(171,141)
HST receivable	(41,769)
Accounts payable and accrued liabilities	(261,641)
Security deposits	6,304
Future closure and post-closure liability	93,958
Change in deferred financing charges/prepaid expenses	<u>138,191</u>

2,045,563

CAPITAL TRANSACTIONS

Acquisition of tangible capital assets	(151,532)
Proceeds on disposal of tangible capital assets	<u>33,766</u>

(117,766)

FINANCING TRANSACTION

Long term debt repayment	<u>(1,448,000)</u>
--------------------------	--------------------

INVESTING TRANSACTIONS

Purchase net of proceeds of investments	(1,989)
Proceeds net of purchases of investments restricted for future closure and post-closure costs	<u>479,637</u>

477,648

NET INCREASE IN CASH

957,445

CASH DEFICIENCY - BEGINNING OF YEAR

(79,940)

CASH - END OF YEAR

\$ 877,505

FUNDY REGIONAL SERVICE COMMISSION

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2013

1. COMMISSION MANDATE AND COMMENCEMENT OF OPERATIONS

The Fundy Regional Service Commission (the "Commission") began operations on January 1, 2013. The Commission, established under the Regional Service Delivery Act, is governed by a board comprised of representatives from surrounding Municipalities and Local Service Districts.

The Commission's mandate is as follows:

- To develop regional planning strategies that foster sustainable development practices, encourage a coordinated development between communities that influence and guide the placement of important infrastructure, while serving as a tool for better protection, management and harmonization of urban and rural landscapes and resources;
- To provide land use planning services to all Local Service Districts and any Municipality that does not currently have the service;
- To provide solid waste disposal services to Municipalities and Local Service Districts;
- To provide a forum through which regional policing services can be reviewed and evaluated in order to make services more cost effective and efficient. In addition, the Commission will identify issues and common concerns within their region and provide direction on priorities for policing services;
- The Commission will be a source for communities to plan, coordinate and pool resources on a regional basis to enable a more effective response to emergencies; and
- The Commission will be an entity through which Municipalities and Local Service Districts come together and identify the needs, scope and financing of recreational facilities, as well as providing services in the way of development of agreements and assist with securing provincial funding on a fully regional or on a sub-regional basis.

The Commission assumed operations of the Fundy Region Solid Waste Commission and took ownership of its assets and liabilities after it was dissolved on December 31, 2012.

The Provincial Government has issued to the Commission a Certificate of Approval to operate the landfill through to December 31, 2015.

FUNDY REGIONAL SERVICE COMMISSION

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2013

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Commission are the representations of management, prepared in accordance with Canadian generally accepted accounting principles for local government, as recommended by the Public Sector Accounting Board ("PSAB") of the Canadian Institute of Chartered Accountants.

The focus of Public Sector Accounting Standards ("PSAS") financial statements is on the financial position of the Commission and the changes thereto. The statement of financial position includes all of the assets and liabilities of the Commission.

Significant aspects of the accounting policies adopted by the Commission are as follows:

Budget

The budget figures contained in these financial statements were approved by the interim commission on November 20, 2012.

Financial Instruments

Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, equity instruments with actively traded markets are reported at fair value, with any unrealized gains or losses reported in annual surplus. All other financial instruments are reported at amortized costs, and tested for impairment at each reporting date. Transaction costs on the acquisition, sale, or issue of financial instruments are expensed when incurred.

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

Cash and Cash Equivalents

Cash and cash equivalents consist of cash on hand, balances with banks and GIC's having maturity dates of 90 days or less from the date of acquisition.

Deferred Financing Charges

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

Revenue Recognition

Tipping fees are recorded when waste is delivered to the landfill facility and when collection is reasonably assured. Recycling commodity sales are recognized upon the delivery of the recyclables to the customers and when collectability of proceeds is reasonably assured. Investment and other income are recorded on an accrual basis and when collection is reasonably assured.

Expenditure Recognition

Expenditures are recorded on an accrual basis.

Employee Future Benefits

The Commission does not have any employee future benefits.

FUNDY REGIONAL SERVICE COMMISSION

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2013

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Measurement Uncertainty

The preparation of the financial statements in conformity with Canadian public sector accounting standards requires management to make estimates that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenditures during the reporting period. 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 these estimates.

Examples of significant estimates include:

- the allowance for doubtful accounts;
- providing for amortization of tangible capital assets;
- the estimated useful lives of tangible capital assets;
- the recoverability of tangible capital assets;
- the recoverability of investments; and
- certain economic assumptions used in determining the provision for future closure and post-closure costs and the future closure and post-closure liability.

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, less any residual value when applicable, is amortized on a straight-line basis over the estimated useful lives as follows:

<u>Asset type</u>	<u>Estimated useful life</u>
Landfill site and roadways	Over the life of the landfill
Buildings - compost and material recycling facility	20 years
Buildings - other	Over the life of the landfill
Furniture and fixtures	10 years
Heavy equipment	5-20 years
Light equipment and vehicles	5-10 years
Containment cells	5 years

The Commission regularly reviews its capital assets to eliminate obsolete items

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

Future Closure and Post Closure Liability

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

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

FUNDY REGIONAL SERVICE COMMISSION

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2013

3. FINANCIAL INSTRUMENTS

The Commission is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks. The following analysis provides information about the Commission's risk exposure and concentration as of December 31, 2013.

Credit Risk

Credit risk arises from the potential that a counter party will fail to perform its obligations. The Commission is exposed to credit risk from customers. In order to reduce its credit risk, the Commission reviews a new customer's credit history before extending credit and conducts regular reviews of its existing customers' credit performance. The Commission manages its exposure to credit risk by requiring its customers to supply a security deposit or a letter of credit. The Commission has a significant number of customers which minimizes concentration of credit risk.

Liquidity Risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Commission is exposed to this risk mainly in respect of its receipt of funds from its customers and other related sources, long term debt, accounts payable and accrued liabilities and other obligations.

Currency Risk

Currency risk is the risk to the Commission's earnings that arise from fluctuations of foreign exchange rates and the degree of volatility of these rates. The Commission is not exposed to foreign currency risk as it does not hold foreign currencies.

Interest Rate Risk

Interest rate risk is the risk that the value of a financial instrument might be adversely affected by a change in the interest rates. In seeking to minimize the risks from interest rate fluctuations, the Commission manages exposure through its normal operating and financing activities. The Commission is not exposed to interest rate risk as its long term debt does not have a variable interest rate.

FUNDY REGIONAL SERVICE COMMISSION

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2013

4. LONG TERM DEBT

	<u>2013</u>
N.B. Municipal Finance Corporation serial debenture, yearly repayment of principal and semi-annual interest at 1%-3.35%, maturing November 6, 2014.	\$ 258,000
N.B. Municipal Finance Corporation serial debenture, yearly repayment of principal and semi-annual interest at 1.5%-3.5%, maturing June 2, 2015.	220,000
N.B. Municipal Finance Corporation serial debenture, yearly repayment of principal and semi-annual interest at 1.65%-2.45% maturing June 4, 2017.	1,528,000
N.B. Municipal Finance Corporation serial debenture, yearly repayment of principal and semi-annual interest at 2.75%-5.5%, maturing July 8, 2014 at which time a final payment of \$643,000 is due.	<u>643,000</u>
	<u>\$ 2,649,000</u>

The N.B. Municipal Finance Corporation has indicated that those debentures with balloon payments in their final year may be refinanced over a further 5 year term.

Aggregate principal payments required over the next five years excluding balloon payments are as follows:

2014	\$ 859,000
2015	581,000
2016	484,000
2017	498,000
2018	110,000

5. BORROWING AUTHORITY

Operating Borrowing

Section 6 of Regulation 96-11 of the Clean Environment Act states that borrowing for operations cannot exceed 25% of the Commission's operating budget. At December 31, 2013, there were no borrowings for operations.

Capital Borrowing

At December 31, 2013, there were no borrowings for capital.

Inter-fund Borrowing

The Municipal Financial Reporting Manual requires that short term inter-fund borrowings 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.

FUNDY REGIONAL SERVICE COMMISSION

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2013

6. FUTURE CLOSURE AND POST-CLOSURE LIABILITY

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

The accrued liability for post-closure costs have been determined based on estimated post-closure costs of \$270,000 per year, in future dollars, for a period of 30 years commencing in 2049.

Post-closure costs are discounted at a rate of 4.84% (7.34% nominal rate less 2.5% assumed inflation) for a current estimate of \$15,241,383 required by the end of 2048 to fund post closure expenses.

The landfill has a capacity estimated at 3,461,674 metric tonnes. At December 31, 2013, the landfill has 2,339,458 metric tonnes remaining.

At December 31, 2013, the estimated post closure liability is \$942,267 of which the Commission has funded with cash, bonds and equities with a cost of \$942,268 and a fair market value of \$1,006,212.

Investment details are as follows:

	<u>2013</u>	
	Amortized Cost	Fair Value
Cash	\$ (32,538)	\$ (32,538)
Canadian equities	214,898	282,477
Corporate and government bonds	<u>759,908</u>	<u>756,273</u>
	<u>\$ 942,268</u>	<u>\$ 1,006,212</u>

Fair values have been determined based on quoted market rates supplied by CIBC Wood Gundy.

The bonds held by the Commission consist of a mix of corporate and government bonds with coupon rates ranging from 1.405% to 8.000% with maturity dates ranging from 2014 to 2043. The bonds pay interest on a bi-annual basis and, regardless of interest rate fluctuations in the interim, the rate of interest is guaranteed as long as the bonds are held to maturity.

The maximum exposure to credit risk would be the fair value as indicated above.

FUNDY REGIONAL SERVICE COMMISSION

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2013

7. COMMITMENTS

Crane Mountain Enhancement Inc.

The Commission has committed to provide \$20,000 annually (adjusted for inflation) to Crane Mountain Enhancement Inc. ("CMEI") to fund operating expenditures for such time that the facilities are operated at the site. The annual payment is reduced accordingly if the cash or near cash assets of CMEI exceed \$60,000.

Host Community Enhancement Fund

In order to meet Provincial Government requirements, the Commission allocates a dedicated portion of the tipping fee to the Host Community Enhancement Fund for special projects designed to enhance the landfill and its surrounding communities. Since 2000, and as long as solid waste is received at the landfill site, the Commission has committed to provide \$75,000 per year (adjusted for inflation) to this Fund (Note 13). The Fund is administered by Crane Mountain Enhancement Inc. (formerly known as the Fundy Future Environment and Benefits Council) and the Commission.

Lease

The Commission entered into a lease for office premises in Place 400, Saint John, NB for a term of 3 years, expiring on December 31, 2015.

The future minimum annual lease payments over the two next years for the office premises are as follows:

2014	\$11,180
2015	11,758

FUNDY REGIONAL SERVICE COMMISSION

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2013

8. SCHEDULE OF TANGIBLE CAPITAL ASSETS

	<u>Land</u>	<u>Landfill Site and Roadways</u>	<u>Buildings</u>	<u>Furniture and Fixtures</u>	<u>Heavy Equipment</u>	<u>Light Equipment/ Vehicles</u>	<u>Containment Cells</u>	<u>2013 Total</u>
COST								
Balance - beginning of year	\$1,173,460	\$17,210,001	\$4,827,677	\$ 44,377	\$9,114,621	\$1,179,972	\$23,489,862	\$57,039,970
Add: Net additions during the year	-	-	-	-	90,756	60,776	-	151,532
Less: Disposals during the year	-	-	-	-	(58,327)	(43,543)	-	(101,870)
Balance - end of year	<u>1,173,460</u>	<u>17,210,001</u>	<u>4,827,677</u>	<u>44,377</u>	<u>9,147,050</u>	<u>1,197,205</u>	<u>23,489,862</u>	<u>57,089,632</u>
ACCUMULATED AMORTIZATION								
Balance - beginning of year	-	5,646,315	1,964,208	44,377	4,702,525	916,238	22,193,311	35,466,974
Add: Amortization during the year	-	315,040	135,770	-	757,901	83,899	692,842	1,985,452
Less: Accumulated amortization on disposals	-	-	-	-	(29,163)	(43,543)	-	(72,706)
Balance - end of year	-	<u>5,961,355</u>	<u>2,099,978</u>	<u>44,377</u>	<u>5,431,263</u>	<u>956,594</u>	<u>22,886,153</u>	<u>37,379,720</u>
NET BOOK VALUE OF TANGIBLE CAPITAL ASSETS	<u>\$1,173,460</u>	<u>\$11,248,646</u>	<u>\$2,727,699</u>	<u>\$ -</u>	<u>\$3,715,787</u>	<u>\$ 240,611</u>	<u>\$ 603,709</u>	<u>\$19,709,912</u>

FUNDY REGIONAL SERVICE COMMISSION

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2013

9. RECONCILIATION OF ANNUAL SURPLUS

	<u>Landfill Operating Fund</u>	<u>Electrical Generation Fund</u>	<u>Local Planning Services Fund</u>	<u>Collaborative & Regional Planning Services Fund</u>	<u>Corporate Services Fund</u>	<u>Capital Fund</u>	<u>Capital Reserve Fund</u>	<u>Total</u>
2013 annual surplus (deficit)	\$ <u>2,540,741</u>	\$ <u>(40,122)</u>	\$ <u>19,018</u>	\$ <u>70,240</u>	\$ <u>(252,590)</u>	\$ <u>(2,014,616)</u>	\$ <u>45,923</u>	\$ <u>368,594</u>
Adjustments to annual surplus (deficit) for funding requirements								
Second previous year's surplus	207,974	-	44,496	-	-	-	-	252,470
Transfers between funds								
Transfer elimination	(808,187)	-	-	-	-	-	808,187	-
Transfer elimination	-	-	-	-	-	27,458	(27,458)	-
Transfer elimination	(124,074)	-	-	-	-	124,074	-	-
Transfer elimination	(190,181)	-	(11,891)	(50,518)	252,590	-	-	-
Transfer elimination	(40,122)	40,122	-	-	-	-	-	-
Long term debt principal repayment	(1,448,000)	-	-	-	-	1,448,000	-	-
Accumulated amortization on disposal of tangible capital assets	-	-	-	-	-	(72,706)	-	(72,706)
Amortization expense	-	-	-	-	-	1,985,453	-	1,985,453
Unrealized gains on investments	(39,564)	-	-	-	-	-	(28,219)	(67,783)
Total adjustments to 2013 annual surplus (deficit)	<u>(2,442,154)</u>	<u>40,122</u>	<u>32,605</u>	<u>(50,518)</u>	<u>252,590</u>	<u>3,512,279</u>	<u>752,510</u>	<u>2,097,434</u>
Annual surplus for funding requirements	<u>\$ 98,587</u>	<u>\$ -</u>	<u>\$ 51,623</u>	<u>\$ 19,722</u>	<u>\$ -</u>	<u>\$ 1,497,663</u>	<u>\$ 798,433</u>	<u>\$ 2,466,028</u>

FUNDY REGIONAL SERVICE COMMISSION

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2013

10. STATEMENT OF RESERVES

	2013
ASSETS	
Cash	\$ 247,482
Investments	709,659
Due from Operating Fund	<u>897,724</u>
	<u>\$ 1,854,865</u>
ACCUMULATED SURPLUS	<u>\$ 1,854,864</u>
REVENUE	
Transfers from Operating Fund	\$ 808,187
Investment income	<u>17,704</u>
	<u>825,891</u>
EXPENDITURES	
Transfers to Capital Fund	<u>27,458</u>
ANNUAL SURPLUS	<u>\$ 798,433</u>
<u>Name of Investment</u>	<u>Amount</u>
Money Market Fund	\$ 163,998
Manulife Savings Account	31,081
Bond Portfolio	364,206
Canadian Equities	<u>150,374</u>
	<u>\$ 709,659</u>

FUNDY REGIONAL SERVICE COMMISSION

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2013

11. OPERATING BUDGET TO PSA BUDGET

	Operating Budget General	Amortization of Tangible Capital Assets	Principal Debt Repayments	Transfers	Total
REVENUE					
Landfill fees	\$ 7,658,574	\$ -	\$ -	\$ -	\$ 7,658,574
Member charges	351,805	-	-	-	351,805
Recycling commodity sales	250,000	-	-	-	250,000
Electrical generation	180,000	-	-	-	180,000
Other	40,000	-	-	-	40,000
Surplus of second previous year	<u>257,124</u>	<u>-</u>	<u>-</u>	<u>(257,124)</u>	<u>-</u>
	<u>8,737,503</u>	<u>-</u>	<u>-</u>	<u>(257,124)</u>	<u>8,480,379</u>
EXPENDITURES					
Landfill	8,077,740	1,716,285	(1,448,000)	(1,444,970)	6,901,055
Corporate services	-	-	-	301,200	301,200
Local planning services	340,715	-	-	(14,180)	326,535
Collaborative and regional planning services	70,240	-	-	(60,240)	10,000
Electrical generation	<u>248,808</u>	<u>269,167</u>	<u>-</u>	<u>-</u>	<u>517,975</u>
	<u>8,737,503</u>	<u>1,985,452</u>	<u>(1,448,000)</u>	<u>(1,218,190)</u>	<u>8,056,765</u>
Surplus (deficit)	<u>\$ -</u>	<u>\$(1,985,452)</u>	<u>\$ 1,448,000</u>	<u>\$ 961,066</u>	<u>\$ 423,614</u>

FUNDY REGIONAL SERVICE COMMISSION

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2013

10. STATEMENT OF RESERVES (cont'd)

Resolutions regarding transfers to and from reserves:

Moved by Director Norton, seconded by Director Seeley that \$8,360 plus taxes be transferred from the Capital Reserve Fund to the Capital Fund.

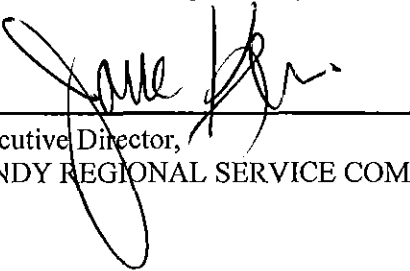
Moved by Director Norton, seconded by Director Seeley that \$19,398 plus taxes be transferred from the Capital Reserve Fund to the Capital Fund.

Moved by Director Bishop, seconded by Director Rogers that \$25,000 be transferred from the Landfill Operating Fund to the Capital Reserve Fund.

Moved by Director Norton, seconded by Director Rogers that \$663,187 be transferred from the Landfill Operating Fund to the Capital Reserve Fund.

Moved by Director Norton, seconded by Director Chatterton that \$120,000 be transferred from the Landfill Operating Fund to the Capital Reserve Fund.

I hereby certify that the above are true and exact copies of resolutions adopted at the regular Commission meetings on May 22, 2013 and December 11, 2013.



Executive Director,
FUNDY REGIONAL SERVICE COMMISSION

April 8, 2014

Date

FUNDY REGIONAL SERVICE COMMISSION

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2013

12. EXPENSE SUPPORT

	<u>2013</u>	<u>2013</u>	<u>2013</u>
	Under (Over)	Budget	Actual
LANDFILL			
Administration			
Office and administration	\$ 48,678	\$ 108,290	\$ 59,612
Professional services	15,073	119,000	103,927
Personnel	16,721	275,810	259,089
Insurance	21,737	155,150	133,413
Property taxes	11,804	253,015	241,211
Amortization	<u>-</u>	<u>24,870</u>	<u>24,870</u>
	<u>114,013</u>	<u>936,135</u>	<u>822,122</u>
Operations			
Daily cover	49,008	160,000	110,992
Site labour	(10,405)	671,789	682,194
Site non-labour operation	(19,845)	349,964	369,809
Site maintenance	(14,944)	15,860	30,804
Scalehouse	1,226	163,331	162,105
Leachate management	(34,891)	458,983	493,874
Special waste handling	4,287	7,700	3,413
Environmental health and safety	4,102	134,588	130,486
Household hazardous waste	5,009	35,875	30,866
Support to CMEI monitoring and education	-	23,356	23,356
Host Community Enhancement Fund	-	85,049	85,049
Provision for future closure and post-closure costs	7,443	101,401	93,958
Interest on interim financing and long term debentures	-	69,601	69,601
Amortization	<u>-</u>	<u>1,227,011</u>	<u>1,227,011</u>
	<u>(9,010)</u>	<u>3,504,508</u>	<u>3,513,518</u>
Waste Diversion - Recycling Program			
Drop-off depot system	(80,212)	661,715	741,927
Amortization	<u>-</u>	<u>86,866</u>	<u>86,866</u>
	<u>(80,212)</u>	<u>748,581</u>	<u>828,793</u>
Waste Diversion - Composting Program			
Processing	(36,487)	469,001	505,488
Interest on interim financing and long term debentures	-	63,686	63,686
Amortization	<u>-</u>	<u>345,911</u>	<u>345,911</u>
	<u>(36,487)</u>	<u>878,598</u>	<u>915,085</u>

FUNDY REGIONAL SERVICE COMMISSION

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2013

12. EXPENSE SUPPORT (cont'd)

	<u>2013</u> Under (Over)	<u>2013</u> Budget	<u>2013</u> Actual
Public Education			
Personnel	7,713	128,595	120,882
Advertising, tours and promotional material	102,411	225,300	122,889
Administration	<u>4,380</u>	<u>18,500</u>	<u>14,120</u>
	<u>114,504</u>	<u>372,395</u>	<u>257,891</u>
Material Recycling Facility			
Labour	(36,400)	292,161	328,561
Fuels, lubes and maintenance	4,965	41,050	36,085
Building maintenance	(6,286)	-	6,286
Processing	16,942	67,500	50,558
Miscellaneous	5,106	11,000	5,894
Electricity	1,046	17,500	16,454
Amortization	<u>-</u>	<u>31,627</u>	<u>31,627</u>
	<u>(14,627)</u>	<u>460,838</u>	<u>475,465</u>
	<u>\$ 88,181</u>	<u>\$ 6,901,055</u>	<u>\$ 6,812,874</u>
CORPORATE SERVICES			
Administration	\$ 47,709	\$ 236,755	\$ 189,046
Governance	<u>901</u>	<u>64,445</u>	<u>63,544</u>
	<u>\$ 48,610</u>	<u>\$ 301,200</u>	<u>\$ 252,590</u>
LOCAL PLANNING SERVICES			
Administration	\$ 23,671	\$ 89,060	\$ 65,389
Planning services	26,187	106,960	80,773
Inspection services	<u>14,131</u>	<u>130,515</u>	<u>116,384</u>
	<u>\$ 63,989</u>	<u>\$ 326,535</u>	<u>\$ 262,546</u>
COLLABORATIVE AND REGIONAL PLANNING SERVICES			
Regional planning	\$ 2,500	\$ 2,500	\$ -
Regional policing collaboration	2,500	2,500	-
Regional emergency measures planning	2,500	2,500	-
Regional sport, recreation and culture infrastructure planning and cost sharing	<u>2,500</u>	<u>2,500</u>	<u>-</u>
	<u>\$ 10,000</u>	<u>\$ 10,000</u>	<u>\$ -</u>

FUNDY REGIONAL SERVICE COMMISSION

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2013

12. EXPENSE SUPPORT (cont'd)

	<u>2013</u> Under (Over)	<u>2013</u> Budget	<u>2013</u> Actual
ELECTRICAL GENERATION			
Labour	\$ 9,111	\$ 115,308	\$ 106,197
Administration	5,248	25,100	19,852
Equipment repairs and fuel	50,443	105,400	54,957
Electricity	3,000	3,000	-
Amortization	<u>-</u>	<u>269,167</u>	<u>269,167</u>
	<u>\$ 67,802</u>	<u>\$ 517,975</u>	<u>\$ 450,173</u>

FUNDY REGIONAL SERVICE COMMISSION

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2013

13. HOST COMMUNITY ENHANCEMENT FUND EXPENSES

		<u>2013</u>
<u>Recipient</u>	<u>Project description</u>	
Inglewood School	Ipads with stylus	\$ 3,472
	Environmental projects	549
KBM Community Centre	Tables	5,454
Martinon Community Centre	Paving for parking lot/recreation area	11,894
RV Community Centre	Lighting	7,587
RV Volunteer Hunter Education	Sponsor young hunters	800
Grand Bay-Westfield Skateboard Park	Partial funding of equipment	10,343
Grand Bay Primary School	Ipads with stylus	3,472
	Environmental projects	554
Grand Bay-Westfield Scouts	Trailer and lighting for storage shed	507
Westfield Elementary	Grow labs	1,375
	Environmental projects	549
River Road Community Alliance	Walk and Talk	300
	Advertising	155
RV Food Bank	Freezer and delivery	745
RV Girls Softball	Equipment for teams	1,611
Morna Heights Home and School	Tablets and Razz Kids subscription	2,554
	Environmental projects	585
Ketepec Scouts	Equipment	992
Ketepec Beavers	Equipment	955
Martinon Community Centre	Tables and chairs	1,234
RV Soccer	Goal nets	4,137
	Equipment	783
Grand Bay-Westfield Volunteer Firefighters	Furniture	2,694
Friends of Blueberry Hill	Partial funding of overall project	19,651
RV Middle School	Environmental projects	579
	Health and fitness equipment	566
Westfield Scouts	Pay It Forward	<u>952</u>
		<u>\$ 85,049</u>