

**Northwest Regional Service
Commission**

**Financial Statements
December 31, 2015**

Independent Auditor's Report	2 - 3
Financial Statements	
Statement of Operations	4
Statement of Change in Net Financial Assets	5
Statement of Cash Flows	6
Statement of Financial Position	7
Notes to Financial Statements	8 - 21
Schedules	22 - 28



Raymond Chabot Grant Thornton

Independent Auditor's Report

Raymond Chabot Grant Thornton
507 Victoria Street
Edmundston (New Brunswick)
E3V 2K9

To the members of the board of directors of
Northwest Regional Service Commission

Phone: (506) 739-1144
Fax: (506) 739-1145
www.rcgt.com

We have audited the accompanying financial statements of Northwest Regional Service Commission, which comprise the statement of financial position as at December 31, 2015 and the statements of operations, statement of change in net financial assets and statement of 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.

Auditor's responsibility

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

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

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

Basis for qualified opinion

The Northwest Regional Service Commission, discloses in its liabilities an amount of \$186,650 as accrued sick leave which have not been subject to an actuarial valuation as prescribed by PS 3255. This constitutes a departure from Canadian public sector accounting standards. This has also led us to express a qualified opinion on the financial statements for the year ended December 31, 2014. The effects of this departure have not been determined. Consequently, we were unable to determine whether any adjustments to the financial position, the statement of operations, the change in net financial assets and to cash flows were necessary.

Qualified opinion

In our opinion, except for the effects of the matter described in the basis for qualified opinion paragraph, the financial statements present fairly, in all material respects, the financial position of Northwest Regional Service Commission as at December 31, 2015 and the results of its operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Raymond Chelant Grant Thornton LLP

Chartered Professional Accountants

Edmundston
April 27, 2016

Northwest Regional Service Commission

Statement of operations

Year ended December 31, 2015

		2015	2014
	Budget (unaudited) (note 17)	Total	Total
	\$	\$	\$
Revenue			
Member charges (Page 22)	983,787	999,103	1,395,821
Sale of services (Page 22)	241,500	251,670	233,419
Tipping fees (Page 22)	2,991,000	2,849,953	3,032,251
Government transfers		34,349	36,381
Reflection day		7,274	
Interest		34,564	43,802
Investment income		217,693	97,645
Gain on disposal of investments		307,253	228,660
Gain on disposal of tangible capital assets		11,085	4,536
Other		15,172	18,346
	4,216,287	4,728,116	5,090,861
Expenses			
General services (Page 23)	379,443	374,152	363,796
Collaborative services and regional planning (Page 24)	80,660	85,393	
Local planning services (Page 24-25)	798,149	738,581	1,045,870
Solide waste services (Page 26-27)	2,992,570	2,575,496	2,955,040
Generation facility (Page 28)	302,116	305,413	275,020
	4,552,938	4,079,035	4,639,726
Annual surplus (deficit) (note 15)	(336,651)	649,081	451,135
Accumulated surplus, beginning of year		8,033,861	7,582,726
Accumulated surplus, end of year		8,682,942	8,033,861

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

Northwest Regional Service Commission

Statement of Change in Net Financial Assets

Year ended December 31, 2015

		2015	2014
	Budget (unaudited)	Actual	Actual
	\$	\$	\$
Annual surplus (deficit)	(336,651)	649,081	451,135
Acquisition of tangible capital assets	(525,000)	(414,228)	(78,847)
Proceeds on disposal of tangible capital assets		11,085	4,536
Amortization of tangible capital assets	858,315	557,393	868,541
Gain on disposal of tangible capital assets		(11,085)	(4,536)
	333,315	143,165	789,694
Acquisition of prepaid expenses	(14,152)	(15,435)	(14,152)
Use of prepaid expenses	14,152	14,152	13,663
	-	(1,283)	(489)
Increase in net financial assets	333,315	790,963	1,240,340
Net financial assets (net debt), beginning of year	793,480	793,480	(446,860)
Net financial assets, end of year	1,126,795	1,584,443	793,480

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

Northwest Regional Service Commission

Statement of Cash Flows

Year ended December 31, 2015

	2015	2014
	\$	\$
OPERATING ACTIVITIES		
Annual surplus	649,081	451,135
Non-cash items		
Amortization of tangible capital assets	557,393	868,541
Gain on disposal of investments	(307,253)	(228,660)
Gain on disposal of tangible capital assets	(11,085)	(4,536)
Changes in working capital items		
Trade and other receivables	8,581	(13,237)
Trade payables and other operating liabilities	(15,215)	(102,934)
Deferred revenues	(25,629)	(103,742)
Accrued sick leave	19,057	(49,918)
Accrued closure and post-closure costs	136,933	140,185
Prepaid expenses	(1,283)	(489)
Cash flows from operating activities (a)	<u>1,010,580</u>	<u>956,345</u>
CAPITAL ACTIVITIES		
Tangible capital assets	(414,228)	(78,847)
Disposal of tangible capital assets	11,085	4,536
Cash flows from tangible capital activities	<u>(403,143)</u>	<u>(74,311)</u>
FINANCING ACTIVITIES		
Net change in bank loan	82,666	(106,936)
Repayment of long-term debt	(393,000)	(386,000)
Cash flows from financing activities	<u>(310,334)</u>	<u>(492,936)</u>
Increase in cash before investment activities	<u>297,103</u>	<u>389,098</u>
INVESTMENT ACTIVITIES		
Term deposits	(52,977)	(50,477)
Purchase of investment funds	(1,108,432)	(1,086,178)
Proceeds from investment funds	867,203	1,045,508
Cash flows from investing activities	<u>(294,206)</u>	<u>(91,147)</u>
Increase in cash and cash equivalents	<u>2,897</u>	<u>297,951</u>
Cash, beginning of year	<u>1,045,595</u>	<u>747,644</u>
Cash, end of year	<u><u>1,048,492</u></u>	<u><u>1,045,595</u></u>

(a) Interest received during the year amounts to \$34,564 (\$43,802 as at December 31, 2014). Interest paid during the year amounts to \$57,485 (\$30,511 as at December 31, 2014).

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

Northwest Regional Service Commission

Statement of Financial Position

December 31, 2015

	2015	2014
	\$	\$
FINANCIAL ASSETS		
Cash (Note 3)	1,048,492	1,045,595
Trade and other receivables		
Receivables	568,126	593,408
Sales tax receivable	56,376	29,983
Province of New-Brunswick	25,000	34,690
Accrued interest	12,801	12,801
Accounts receivable from employees, government's prescribed rate	743	745
Note receivable (Note 4)	25,000	25,000
Investments (Note 5)	3,761,091	3,159,632
	<u>5,497,629</u>	<u>4,901,854</u>
LIABILITIES		
Bank loan (Note 6)	82,666	
Trade payables and other operating liabilities (Note 7)	323,227	338,442
Deferred revenues	60,534	86,163
Accrued sick leave (Note 8)	186,650	167,593
Long-term debt (Note 9)	401,000	794,000
Accrued closure and post-closure costs (Note 10)	2,859,109	2,722,176
	<u>3,913,186</u>	<u>4,108,374</u>
NET FINANCIAL ASSETS	<u>1,584,443</u>	<u>793,480</u>
NON-FINANCIAL ASSETS		
Tangible capital assets (Note 13)	23,865,411	23,649,993
Accumulated amortization	16,782,347	16,423,764
	<u>7,083,064</u>	<u>7,226,229</u>
Prepaid expenses	15,435	14,152
	<u>7,098,499</u>	<u>7,240,381</u>
ACCUMULATED SURPLUS	<u>8,682,942</u>	<u>8,033,861</u>

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

On behalf of the Board,

Director

Director

Northwest Regional Service Commission

Notes to Financial Statements

December 31, 2015

1 - GOVERNING STATUTES AND PURPOSE OF THE ORGANIZATION

The Northwest Regional Service Commission mandate is to provide or facilitate the provision of regional planning services and solid waste disposal services to all its members and to provide a land use planning service to its members of the local service districts. The Commission also serves as a forum where its members can take cooperative actions regarding efficiency and effectiveness of police services; coordination and pooling of resources to provide emergency interventions; planning, financing and implementing regional initiatives; and facilitating shared administrative, financial or other services.

2 - SIGNIFICANT ACCOUNTING POLICIES

The Commission's financial statements are based on the administration's observations, disclosed in accordance with Generally Accepted Accounting Principles for local administrations, as recommended by the CPA Canada Public Sector Accounting handbook.

The financial statements presented on a PSAB basis pertain mainly to the financial situation of the Commission and to its changes. The statement of financial position includes all assets and liabilities of the Commission.

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

Reporting entity

The financial statements reflect the assets, liabilities, revenues, expenses and changes in net financial assets and cash flows of the reporting entity. The reporting entity is comprised of all organizations and enterprises accountable for the administration of their affairs and resources to the Commission and which are owned by the Commission.

All interdepartments transactions and balances have been eliminated.

Budget

The budget figures contained in these financial statements were approved by the Board on December 11, 2014.

Use of estimates

The preparation of the financial statements in accordance with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the amounts recorded in the financial statements, the accompanying notes and the schedules. These estimates are based on management's best knowledge of current events and actions that the Commission may undertake in the future. Actual results may differ from these estimates.

Government transfers

Government transfers are recognized in the financial statements as revenues in the period in which events giving rise to the transfer occur, providing the transfers are authorized, any eligibility criteria have been met, and reasonable estimates of the amounts can be made. Transfers received for which expenses are not incurred are included in deferred revenues.

Northwest Regional Service Commission

Notes to Financial Statements

December 31, 2015

2 - SIGNIFICANT ACCOUNTING POLICIES (Continued)

Revenue recognition

Unrestricted revenues are recorded on an accrual basis and are recognized when collection is reasonably assured. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred.

Other revenues are recognized when they are realized.

Cash and cash equivalents

The Commission's policy is to present in cash and cash equivalents bank balances and investments with original maturities of three months or less.

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 normal course of operations. The change in non-financial assets during the year, together with the annual surplus, provides the change in net financial assets for the year.

Tangible capital assets

Tangible capital assets acquired are recorded at cost which includes all amounts that are directly attributable to acquisition, construction, development or improvement of the asset. The cost of the tangible capital asset is amortized on a straight line basis over the estimated useful life as follows.

Tangible capital assets contribution

Tangible capital assets received as contributions are recognized at their fair value at the reception date and also recognized as revenues.

	Methods	Rates and periods
Land improvements	Straight-line	40-50 years
Leasehold improvements	Straight-line	10 years
Generation facility	Straight-line	40 years
Buildings	Straight-line	40 years
Landfill cells	Straight-line	2 years
Equipment	Straight-line and diminishing balance	5-20 years and 30%
Generation equipment	Straight-line	8-12 years
Vehicles	Straight-line	6 years
Hardware	Diminishing balance	50%
Software	Diminishing balance	50%

Post employment benefits

The Commission has a sick leave benefit as documented in note 8.

Northwest Regional Service Commission

Notes to Financial Statements

December 31, 2015

2 - SIGNIFICANT ACCOUNTING POLICIES (Continued)

Segment disclosures

The Commission is a diversified commission that provides 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. The services are provided by departments as follows:

General services

This department is responsible for the Commission's management. This includes governance, general and financial management as well as legal matters.

Collaborative services and regional planning

This department is responsible for preparing a regional plan aiming to better coordinate and manage planning and land use in each region. More specifically, the regional plan will focus on strategies that foster sustainable development practices, that encourage planning coordination between communities, that influence and guide the location of significant infrastructure (major roadways, facilities, trails), and that enhance coordination of commercial / industrial development. The regional plan will also serve as an important tool in better managing, protecting and harmonizing urban and rural landscapes and resources.

Solid waste services

This department is responsible for providing solid waste disposal services to the Municipalities, Rural Communities and Local Service Districts within the Commission's territory. This includes the operation of the landfills and transfer stations, as well the coordination of various recycling programs, the handling of hazardous waste and the promotion of composting.

Local planning services

This department is responsible for providing land use planning services to all Municipalities and Local Service Districts within the Commission's territory. This function includes the development of rural plans, the administration and enforcement of the plans, the issuance of building permits, conducting building inspections and the approval of subdivisions. The Commission encourages Local Service Districts to develop common integrated plans, where possible and appropriate. Municipalities, Communities and Rural Community obtain their local planning services from the Commission except for the City of Edmundston, the Town of Grand Falls and the Village of Drummond.

Generation facility

This department is responsible for generation of electricity.

Northwest Regional Service Commission

Notes to Financial Statements

December 31, 2015

2 - SIGNIFICANT ACCOUNTING POLICIES (Continued)

Foreign currency translation

The Commission uses the temporal method to translate transactions denominated in a foreign currency. Under this method, monetary assets and liabilities are translated at the exchange rate in effect at the balance sheet date. Non-monetary assets and liabilities are translated at historical exchange rates, except those recognized at fair value, which are translated at the exchange rate in effect at the balance sheet date. Revenues and expenses are translated at the exchange rate in effect on the date they are recognized. The related exchange gains and losses are recognized in earnings for the year.

3 - CASH

	2015	2014
	\$	\$
Cash - restricted	1,004,028	662,512
Cash - unrestricted	44,464	383,083
	<u>1,048,492</u>	<u>1,045,595</u>

4 - NOTE RECEIVABLE

The Northwest Regional Service Commission has lent \$25,000 to Coopérative d'Énergie Renouvelable du Nord-Ouest Inc. ("CERNO"). This advance will be redeemable under the following terms:

CERNO will make payments when it declares, in an annual general meeting, dividends to its members. The payment will amount to no less than 25% of the dividends declared at the annual general meeting.

In lieu of interest, the Northwest Regional Service Commission will receive the same percentage declared by CERNO as dividend at its annual general meetings.

5 - INVESTMENTS

	2015	2014
	\$	\$
Fixed term deposit, 4.95%, maturing in September 2018	1,123,216	1,070,239
Investment funds (market value of \$3,100,922; \$2,723,597 as at December 31, 2014)	2,637,875	2,089,393
	<u>3,761,091</u>	<u>3,159,632</u>

Northwest Regional Service Commission

Notes to Financial Statements

December 31, 2015

6 - SHORT TERM BORROWING 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. The Commission has ministerial authority for short term borrowing of a maximum amount of \$800,000 that bears interest at prime plus 1% (4%). In 2015, the Commission has complied with these restrictions.

7 - TRADE PAYABLES AND OTHER OPERATING LIABILITIES

	2015	2014
	\$	\$
Accounts payable and accrued liabilities	113,043	147,677
Salaries and vacation payable	114,164	112,859
Accrued interest	1,227	1,227
Amounts payable to Local Service Districts and municipalities	94,793	76,679
	<u>323,227</u>	<u>338,442</u>

8 - ACCRUED SICK LEAVE

The Northwest Regional Service Commission offers to certain employees sick leave that accumulates at 1 day per month. There is no limit to the number of days that can be accumulated. An employee is not entitled to his accumulated leave if he is dismissed, laid off or resigns.

The Northwest Regional Service Commission offers to other employees sick leave that accumulates at 1.25 day per month for full-time administrative and non-administrative employees. Some employees covered by this benefit may accumulate a maximum of 80 days while others can accumulate a maximum of 120 days. An employee can take a leave with pay for a duration equal to his accumulated sick leave.

Sick leave is recognized on an accrual basis according to the employees' accumulated hours and their respective hourly rate. As at December 31, 2015, the total of hours payable to employees by the Commission was 6,167. The recognized liability as at December 31, 2015 amounts to \$186,650 (\$167,593 as at December 31, 2014).

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. As this benefit has not been valued by an actuary, the liability has been valued according to the actual days accumulated by the employees.

Northwest Regional Service Commission
Notes to Financial Statements
December 31, 2015

9 - LONG TERM DEBT

New-Brunswick Municipal Finance Corporation

	<u>2015</u>	<u>2014</u>
	\$	\$
BI51 1.35% - 1.70%, due 2016, OIC 12-0046	254,000	504,000
BE37 2.1% - 3.15%, due 2016, OIC 10-0093	147,000	290,000
	<u>401,000</u>	<u>794,000</u>

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

10 - ACCRUED CLOSURE AND POST-CLOSURE COSTS

A liability has been recognized in the financial statement for closure and post-closure costs on a capacity used basis. Expenses that will be incurred may include final cover and vegetation; completing facilities for: drainage control features; leachate, water quality and gas monitoring as well as recovery of gas. Post-closure care activities include all activities related to monitoring the site once it can no longer accept waste and may include: treatment of leachate; monitoring leachate, gas, ground and surface water; recovery of gas and ongoing maintenance of various control systems, drainage systems, and final cover.

The current value of the future cash flows for closure and post-closure activities amounts to \$45,680,751 and \$2,859,109 is recognized in the financial statements as at December 31, 2015. The Commission estimates the total landfill capacity at 2,500,000 tons of which 950,734 tons have been used. The discount rate used is 5%, the average rate on the Province of New-Brunswick long-term investments. The estimated duration of the post-closure activities is 50 years. A cash amount of \$3,761,091 has been restricted for this purpose. The activities relating to this account are as follows:

	<u>2015</u>	<u>2014</u>
	\$	\$
Balance at the beginning	3,159,632	2,841,926
Interest received	52,977	50,478
Reinvested investment income	498,482	217,228
Contribution from Solide waste services	50,000	50,000
	<u>3,761,091</u>	<u>3,159,632</u>

This liability is funded with a term deposit and investment funds as described below:

	<u>2015</u>	<u>2014</u>
	\$	\$
Fixed term deposit, 4.95%, maturing in September 2018	1,123,216	1,070,239
Investment funds (market value of \$3,100,922; \$2,723,597 as at December 31, 2014)	2,637,875	2,089,393
	<u>3,761,091</u>	<u>3,159,632</u>

Northwest Regional Service Commission

Notes to Financial Statements

December 31, 2015

11 - COMMITMENT

The Commission entered into long-term lease agreements which call for lease payments of \$237,842 for the rental of premises, office equipment and vehicles. Minimum lease payments for the next five years are \$64,134 in 2016, \$51,090 in 2017, \$50,558 in 2018, \$53,527 in 2019 and \$9,004 in 2020.

Subject to Regulation 84-21 under the Municipal Capital Borrowing Act, the Commission shall obtain authorization prior to entering a leasing arrangement exceeding \$20,000. As at December 31, 2015, the Commission contravenes this stipulation.

12 - REPORTING TO THE PROVINCE OF NEW-BRUNSWICK

The Northwest Regional Service Commission complies with PSAB accounting standards. The Commission is also required to comply with Municipal Financial Reporting Manual prescribed by the Province of New-Brunswick ("PNB").

Note 15 presents a reconciliation between fund reporting required by PNB and current year PSAB.

Northwest Regional Service Commission

Notes to Financial Statements

December 31, 2015

13 - CAPITAL TANGIBLE ASSETS

	Land	Land improvements	Land	Generation facility	Buildings	Cells	Equipments	Equipment for generation	Vehicles	Hardware	Software	Total 2015	Total 2014
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Cost													
Balance, beginning of year	76,916	5,272,935	1,384,745	1,263,088	7,954,090	2,455,071	1,708,715	3,262,660	20,659	63,389	23,462,268	23,575,663	
Add:													
Net additions during the year			185,412			98,753	125,464			4,599	414,228	78,846	
Less:													
Disposals during the year						10,000	885	200			11,085	4,536	
Balance, end of year	76,916	5,272,935	1,570,157	1,263,088	8,042,843	2,579,650	1,708,715	3,262,460	25,258	63,389	23,865,411	23,649,993	
Accumulated amortization													
Balance, beginning of year		1,872,009	101,359	508,939	7,852,321	2,403,885	484,733	2,929,985	19,727	63,081	16,236,039	15,559,759	
Add:													
Amortization during the year		109,743	36,937	31,577	40,748	23,496	163,343	149,778	1,615	156	557,393	868,541	
Less:													
Accumulated amortization on disposals		1,981,752	138,296	540,516	7,883,069	2,426,496	648,076	3,079,563	21,342	63,237	16,782,347	16,423,764	
Balance, end of year													
Net book value capital tangible assets	76,916	3,291,183	1,431,861	722,572	159,774	153,154	1,060,639	182,897	3,916	152	7,083,064	7,226,229	
Consists of:													
Collaborative services and regional planning							146,670			3,916	150,738	33,920	
Solid waste services	76,916	3,291,183	1,431,861	722,572	159,774	6,484	1,060,639	182,897			4,439,826	4,684,941	
Generation facility											2,492,500	2,507,368	
	76,916	3,291,183	1,431,861	722,572	159,774	153,154	1,060,639	182,897	3,916	152	7,083,064	7,226,229	

Northwest Regional Service Commission Notes to Financial Statements

December 31, 2015

14 - SCHEDULE OF SEGMENT DISCLOSURE

	General services	Collaborative services and regional development	Solid waste services	Local planning services	Generation facility	Total 2015	Total 2014
	\$	\$	\$	\$	\$	\$	\$
Revenue							
Member charges		138,294		860,809		999,103	1,395,821
Sales of services			35,776	10,924	204,970	251,670	233,419
Tipping fees			2,849,953			2,849,953	3,032,251
Governmental transfers	1,360		30,310	2,679		34,349	36,381
Reflexion day	7,274					7,274	
Interest			34,564			34,564	43,802
Investment income			217,693			217,693	97,645
Gain on disposal of investments			307,253			307,253	228,660
Gain on disposal of tangible capital assets			10,200	885		11,085	4,536
Others			10,998	4,119	55	15,172	18,346
	8,634	138,294	3,496,747	879,416	205,025	4,728,116	5,090,861
Expenses							
Salaries and benefits	263,541	51,904	953,735	513,129	33,468	1,815,777	1,954,206
Goods and services	110,611	23,823	1,220,409	212,205	71,665	1,638,713	1,785,888
Amortization of tangible capital assets			343,867	13,247	200,280	557,394	868,539
Interest			57,485			57,485	30,511
Others		9,666				9,666	582
	374,152	85,393	2,575,496	738,581	305,413	4,079,035	4,639,726
Annual surplus (deficit)	(365,518)	52,901	921,251	140,835	(100,388)	649,081	451,135

Northwest Regional Service Commission

Notes to Financial Statements

December 31, 2015

15 - RECONCILIATION OF ANNUAL SURPLUS (DEFICIT)

	Collaborative services operating fund	Solid waste service operating fund	Solid waste service capital fund	Local planning operating fund	Local planning capital fund	Generation facility operating fund	Generation facility capital fund	Solid waste service capital assets reserve	Local planning capital assets reserve	Local planning operating reserve	Generation facility capital assets reserve	Total
Annual surplus (deficit)	\$ (4,396)	\$ 1,061,035	\$ (343,867)	\$ 108,135	\$ (13,247)	\$ 40,167	\$ (200,280)	\$ 1,384	\$ 20	\$ 48	\$ 54	\$ 648,081
Adjustments to annual surplus (deficit) for funding requirements												
Second previous year's surplus (deficit)	4,680	155,849		(28,127)		45,119						
Transfers between funds												
Solid waste service operating fund to solid waste service capital fund		(213,078)	213,078									
Generation facility operating fund to generation facility capital fund							185,412					177,601
Local planning operating fund to local planning capital fund				(15,734)	15,734							
Solid waste service operating fund to solid waste service capital assets reserve		(300,000)						300,000				
Local planning operating fund to local planning capital assets reserve				(10,000)					10,000			
Local planning operating fund to local planning reserve				(30,000)						30,000		
Principal payments on long-term debt		(393,000)	393,000				200,280					557,363
Amortization expense			343,866		13,247							
Total adjustments annual surplus (deficit)	4,680	(750,130)	848,845	(63,861)	28,961	(140,253)	385,692	300,000	10,000	30,000		724,854
Annual fund surplus (deficit)	264	310,905	606,078	24,274	15,734	(100,139)	185,412	301,394	10,020	30,048	54	1,384,875

Northwest Regional Service Commission

Notes to Financial Statements

December 31, 2015

16 - STATEMENT OF RESERVES

	Solid waste service capital assets reserves	Generation facility capital assets reserve	Local planning capital assets reserve	General local planning reserve	2015	2014
	\$	\$	\$	\$	\$	\$
Assets						
Cash	841,669	55,794	30,020	76,048	1,003,531	662,020
Fixed term deposit, 0.9 %, maturing on September 27, 2016	495				495	490
Amount receivable from general operating fund	16,251				16,251	16,251
Amount receivable from general capital fund	413,145				413,145	413,145
Accumulated surplus	1,271,560	55,794	30,020	76,048	1,433,422	1,091,906
Revenue						
Transfers from solid waste operating fund	300,000			30,000	340,000	150,000
Transfers from generation facility operating fund						66,000
Exchange gain	1,394	54	20	46	1,514	45,950
Interest	301,394	54	10,020	30,046	341,514	89
						262,039
Expenses						
Transfer from local planning fund						38,280
Annual surplus	301,394	54	10,020	30,046	341,514	223,759

Northwest Regional Service Commission Notes to Financial Statements

December 31, 2015

16 - STATEMENT OF RESERVES (Continued)

Board resolution regarding transfers to and from reserves:

Moved by Nicole Somers, seconded by M. Gérard Cyr adopted with 14 votes and 3 votes against it was resolved that since a surplus predicted in the solid waste services, the Commission adopt the transfer of \$300,000 from the NRSC account, account #29434 to the capital reserve fund at the Royal Bank of Canada, account # 005 00774-1006774. Work done according to reports of the directors of each sector.

I hereby certify that the above is an exact translation of a board resolution adopted at a Commission meeting on November 25, 2015.



Name



Date

General Manager,

Northwest Regional Service Commission

Northwest Regional Service Commission

Notes to Financial Statements

December 31, 2015

16 - STATEMENT OF RESERVES (Continued)

Board resolution regarding transfers to and from reserves:

Moved by Nicole Somers, seconded by Gérard Cyr adopted with 14 votes and 3 votes against it was resolved that since a surplus predicted in the local planning service, the Commission authorized future transfers of the current account 29434 in existing reserve funds. The maximum allowed to the segment's operating current budget allocated:

- Operations reserve, 10254ES-1 account	\$10,000
- Capital reserve, 10254 ES-2 account	\$10,000
- Legal reserve, 10254 ES-3 account	\$10,000
- Special projects reserve 10254 ES-4	<u>\$10,000</u>

For the total sum	\$40,000
-------------------	----------

Work done according to reports of the directors of each sector.

I hereby certify that the above is an exact translation of a board resolution adopted at a Commission meeting on November 25, 2015.



29/04/2016

Name

Date

General Manager,

Northwest Regional Service Commission

Northwest Regional Service Commission

Notes to Financial Statements

December 31, 2015

17 - OPERATING BUDGET TO PSAB BUDGET

	General services	Collaborative services and regional development	Solid waste services	Local planning services	Generation facility	Amortization of tangible capital assets	Transfers	Total
	\$	\$	\$	\$	\$	\$	\$	\$
Revenue								
Member charges								983,787
Sale of services		138,293	40,000	845,494	201,500			241,500
Tipping fees			2,991,000					2,991,000
Transfers	374,783						(374,783)	
Other revenues	4,660		155,949		45,119		(205,728)	
	379,443	138,293	3,186,949	845,494	246,619		(580,511)	4,216,287
Expenses								
Governance	34,639							34,639
Administration	344,804	57,633	203,881	53,240	60,029		(374,783)	344,804
Regional development		80,660						80,660
Solid waste services			2,289,941			627,330	75,299	2,992,570
Local planning services				764,127		34,022		798,149
Generation facility					105,153	196,963		302,116
Interest							(12,799)	
Other financial expense			12,799					
Repayment of long-term debt			12,500				(12,500)	
Transfer from solid waste services to capital assets reserve			393,000				(393,000)	
Transfer from generation facility to general reserve fund			224,828				(224,828)	
Closure fund					81,437		(81,437)	
Previous year's deficit			50,000				(50,000)	
				28,127			(28,127)	
	379,443	138,293	3,186,949	845,494	246,619	858,315	(1,102,175)	4,552,938
						(858,315)	521,664	(336,651)

Northwest Regional Service Commission Schedules

Year ended December 31, 2015

		2015	2014
	Budget (unaudited)	Actual	Actual
	\$	\$	\$
MEMBERS CHARGES			
Collaborative services and regional development	138,293	138,294	46,701
Local planning services	845,494	860,809	1,349,120
	<u>983,787</u>	<u>999,103</u>	<u>1,395,821</u>
SALES OF SERVICES			
Local planning services		10,924	24,669
Solid waste services	40,000	35,776	40,665
Generation facility	201,500	204,970	168,085
	<u>241,500</u>	<u>251,670</u>	<u>233,419</u>
TIPPING FEES			
User charges	2,846,000	2,662,578	2,878,606
Collection	120,000	164,990	138,578
Construction and demolition	25,000	22,385	15,067
	<u>2,991,000</u>	<u>2,849,953</u>	<u>3,032,251</u>

Northwest Regional Service Commission

Schedules

Year ended December 31, 2015

		2015	2014
	Budget (unaudited)	Actual	Actual
	\$	\$	\$
GENERAL SERVICES			
Governance			
Board members			
Fees	18,200	14,300	17,929
Travels	8,939	8,241	7,973
Training	1,500		
Other	6,000	1,600	1,200
	<u>34,639</u>	<u>24,141</u>	<u>27,102</u>
Administration			
Senior management			
Salaries and fringe benefits	271,459	263,541	264,886
Travels	12,000	8,735	8,796
Training	1,000		469
	<u>284,459</u>	<u>272,276</u>	<u>274,151</u>
Other administrative services			
Advertising	2,000	7,463	93
Miscellaneous consumables and supplies	3,000	6,903	4,430
Telecommunications	9,000	5,477	5,904
Insurance		18,200	14,775
Printing and photocopies	2,000	4,949	3,708
Professional fees	26,345	20,957	21,059
Hardware and software	6,000	2,801	1,589
Rent	12,000	10,985	10,985
	<u>60,345</u>	<u>77,735</u>	<u>62,543</u>
	<u>379,443</u>	<u>374,152</u>	<u>363,796</u>

Northwest Regional Service Commission

Schedules

Year ended December 31, 2015

		2015	2014
	Budget (unaudited) \$	Actual \$	Actual \$
COLLABORATIVE SERVICES AND REGIONAL PLANNING			
Salaries and fringe benefits	51,989	51,904	
Administration	14,989	19,934	
Professional fees		3,175	
Travels		689	
Training		25	
Others	13,682	9,666	
	<u>80,660</u>	<u>85,393</u>	<u>-</u>
LOCAL PLANNING SERVICES			
Administration			
Insurances	62,092	64,928	76,773
Professional fees	1,822	174	1,367
Legal fees	450		1,570
Rent and building occupancy expenses	72,073	54,005	111,483
Miscellaneous consumables and supplies	14,144	3,449	18,221
Printing and photocopies	2,703	2,330	1,712
Telecommunications	16,401	14,102	24,627
Post	2,252	1,418	903
Parking	2,432	2,815	2,552
Equipment leasing	6,757	373	4,273
Maintenance and repair	1,126	931	1,218
Advertising	1,486	1,084	4,116
Association fees and subscription	3,454	1,520	3,350
	<u>187,192</u>	<u>147,129</u>	<u>252,165</u>
Planning services			
Salaries and fringe benefits	279,672	297,824	461,105
Travels	12,710	5,709	10,771
Training	699	151	3,209
Maps and documents	621		120
Planning advisory committee		3,125	2,702
Development review and adjustment committee	4,658	111	5,558
Conference and convention	4,658	1,567	2,529
Hardware and Software	2,795	760	3,125
External contract and service	1,282	21,658	12,100
Others	7,763	1,647	5,327
	<u>314,858</u>	<u>332,552</u>	<u>506,546</u>

Northwest Regional Service Commission

Schedules

Year ended December 31, 2015

		2015	2014
	Budget (unaudited)	Actual	Actual
	\$	\$	\$
<i>Inspection services</i>			
Salaries and fringe benefits	221,476	215,305	238,488
Travels	21,995	22,305	22,711
Training	10,000	5,003	3,051
Hardware and software	2,400	1,916	2,547
Maps and documents	800	913	664
Others	5,406	211	4,327
	<u>262,077</u>	<u>245,653</u>	<u>271,788</u>
<i>Financial services</i>			
Amortization of tangible capital assets	34,022	13,247	15,371
	<u>34,022</u>	<u>13,247</u>	<u>15,371</u>
	<u>798,149</u>	<u>738,581</u>	<u>1,045,870</u>

Northwest Regional Service Commission

Schedules

Year ended December 31, 2015

		2015	2014
	Budget (unaudited) \$	Actual \$	Actual \$
SOLID WASTE SERVICES			
Administration			
Salaries and fringe benefits	221,095	203,108	215,603
Travels	40,000	26,114	28,893
Training	5,000	2,203	1,630
Group insurance	99,231	88,988	78,723
Pension plan		12,342	12,841
Office supplies	17,500	5,195	7,545
Printing and photocopies	4,450	3,842	3,520
Telecommunications	20,000	17,843	20,000
Professional fees	72,500	71,581	55,106
Equipment	47,500	35,953	26,812
Advertising	18,000	14,729	12,229
Travels and accomodations		402	
Special projects		10,576	16,430
Water treatment		2,572	3,662
Maintenance		1,464	17,589
Others	1,250	3,405	4,132
	<u>546,526</u>	<u>500,317</u>	<u>504,715</u>
Operations			
Station and building			
Salaries and fringe benefits	133,760	138,275	147,462
Electricity	72,500	82,128	67,317
Insurance	55,000	27,897	27,642
Taxes	46,000	48,263	43,296
Heating	3,000		197
Maintenance	220,000	160,253	152,104
	<u>530,260</u>	<u>456,816</u>	<u>438,018</u>
Machinery and equipment			
Rental	5,000	15,078	8,652
Fuel	180,000	158,621	200,501
	<u>185,000</u>	<u>173,699</u>	<u>209,153</u>
Landfill operations			
Salaries and fringe benefits	479,426	470,399	476,127
Leachate and sloughing management	115,000	58,871	124,074
Technical services	65,000	10,350	8,242
	<u>659,426</u>	<u>539,620</u>	<u>608,443</u>

Northwest Regional Service Commission

Schedules

Year ended December 31, 2015

		2015	2014
	Budget (unaudited) \$	Actual \$	Actual \$
Scale house			
Salaries and fringe benefits	90,221	63,367	44,959
Waste diversion			
Salaries and fringe benefits	55,508	58,068	60,289
Recycling	175,000	174,538	171,738
	230,508	232,606	232,027
Composting program			
Composters	3,000	509	2,704
Hazardous household waste			
Special projects	45,000	111,560	64,819
	1,743,415	1,578,177	1,600,123
Financial services			
Interest on ongoing projects	12,500	44,686	10,951
Bad debt (recovery)		(869)	582
Bank fees		3,602	15,155
Closure fund	50,000	136,933	140,186
Amortization of tangible capital assets	627,330	343,867	671,053
Interest on long-term debt	12,799	12,799	19,560
Exchange gain		(44,016)	(7,285)
	702,629	497,002	850,202
	2,992,570	2,575,496	2,955,040

Northwest Regional Service Commission

Schedules

Year ended December 31, 2015

		2015	2014
	Budget	Actual	Actual
	(unaudited)		
	\$	\$	\$
GENERATION FACILITY			
<i>Operations</i>			
Salaries and fringe benefits	50,153	33,468	27,913
Maintenance and repair	55,000	53,869	38,440
Professional fees		5,871	15,734
Telecommunications		1,168	494
Insurance		5,930	2,547
Electricity		4,119	4,513
Office supplies		11	60
Equipment leasing		459	2,926
Travels		238	278
Amortization of tangible capital assets	196,963	200,280	182,115
	302,116	305,413	275,020