

GREATER SHEDIAC
SEWERAGE
COMMISSION
DES ÉGOUTS
SHEDIAC ET BANLIEUES



2017 Annual General Meeting

THE GREATER SHEDIAC SEWERAGE COMMISSION

2017 ANNUAL GENERAL MEETING

MEETING NO. 630

DATE: WEDNESDAY, APRIL 5, 2017
LOCATION: COMMISSION'S BOARDROOM
HOUR: 6:00 P.M.

AGENDA

- 1. OFFICIAL OPENING**
- 2. APPROVAL OF THE AGENDA**
- 3. APPROVAL OF THE MINUTES OF THE 2016 ANNUAL GENERAL MEETING**
- 4. PRESENTATION OF THE 2016 AUDITED FINANCIAL STATEMENTS**
- 5. PRESENTION OF THE 2016 ANNUAL REPORT**
- 6. RATIFICATION OF MEMBERS' ACTIONS**
- 7. APPOINTMENT OF AUDITORS**
- 8. ELECTION AND APPOINTMENT OF OFFICERS**
- 9. ADJOURNMENT**

THE GREATER SHEDIAC SEWERAGE COMMISSION 2016 ANNUAL GENERAL MEETING

Meeting no. 617, held on Thursday, April 28, 2016

at 7:00 p.m., in Boudreau-Ouest

in the Commission's boardroom

Members present:	Roger Caissie, Harold McInroy, André Bourque, Richard Ratelle, Laura Gallant,	chairperson vice-chairperson secretary treasurer member
Members absent:	Léo Paul Bourgeois,	member
Also present:	Joey Frenette, Stephanie Bernard, Patricia Fougère,	general manager office manager administrative secretary
And:	Louis-Paul Savoie, Chris Gallant, Michel Cormier,	Boudreau Albert Savoie & Associates Crandall Engineering Ltd. Crandall Engineering Ltd.

MINUTES

1. OFFICIAL OPENING

The annual general meeting of the Commission is officially called to order by the Chairperson, Roger Caissie, at 7:00 p.m. He wishes a warm welcome to all who are present.

2. APPROVAL OF THE AGENDA

16-28 Moved by: Harold McInroy
Seconded by: Laura Gallant

That the agenda, of the annual general meeting, dated April 28, 2016, be approved with the following modification:

Add No. 2. (1): **QUESTION FROM A CITIZEN OF SHEDIAC**

Motion Carried

2. (1) QUESTION FROM A CITIZEN OF SHEDIAC

Mr. Mike LeBlanc, of 139 & 145 Pleasant Street, Shediac, inquired if the Commission had an update on the combination storm/lift station overflow pipes on his property. He mentioned that he asked the same question the previous year at our annual meeting. The chairperson answered that he was familiar with the subject, although he didn't recall this being mentioned at our previous AGM. He proceeded to explain that this is an ongoing issue with the Town of Shediac, as well as other storm pipes which seem to be without a registered easement. As for the Commission's overflow pipe connected into the town's storm pipe, this will be addressed when the Town addresses the storm pipe situation. Mr. LeBlanc thanked the board for allowing him to ask his question.

3. APPROVAL OF THE MINUTES OF THE 2015 ANNUAL GENERAL MEETING

16-29 Moved by: Richard Ratelle
Seconded by: André Bourque

That the minutes of the annual general meeting, meeting no. 602, held on Wednesday, April 15, 2015, be approved as submitted.

Motion Carried

4. PRESENTATION OF THE 2015 AUDITED FINANCIAL STATEMENTS

Mr. Louis-Paul Savoie, of Boudreau Albert Savoie & Associates, presented the audited financial statements for the year ended December 31, 2015. The chairperson added that the GSSC is in good financial shape, which is positive for the projected work in our 5 year plan. Louis-Paul agrees.

16-30 Moved by: Laura Gallant
Seconded by: Richard Ratelle

That we adopt the audited financial statements for the fiscal year ended December 31, 2015, as presented by the firm Boudreau Albert Savoie & Associates.

Motion Carried

5. PRESENTATION OF THE 2015 ANNUAL REPORT

The chairperson, Roger Caissie, thanks the board members, the general manager and the staff for their dedication to the GSSC. He read his report and then went through various items of the annual report.

16-31 Moved by: Richard Ratelle
Seconded by: André Bourque

That the 2015 annual report be approved with the following correction to the English version only of:

Members Activities: To replace “The Commission adopted a total of **one ninety four (94)** resolutions at these meetings.” with “The Commission adopted a total of **ninety four (94)** resolutions at these meetings.”

Motion Carried

6. RATIFICATION OF MEMBERS' ACTIONS

16-32 Moved by: Harold McInroy
Seconded by: Laura Gallant

That all actions, procedures, contracts, regulations, nominations, elections and past payments, undertaken or performed by the members since the last annual general meeting of the Greater Shediac Sewerage Commission, held on April 15, 2015, as they appear in the minutes of the regular meetings of the Commission, or in any other book or record of the Commission be approved, ratified and confirmed.

Motion Carried

7. APPOINTMENT OF AUDITORS

16-33 Moved by: Richard Ratelle
Seconded by: André Bourque

That the accounting firm of Boudreau Albert Savoie & Associates be appointed as auditors for the year 2016.

Motion Carried

8. ELECTION AND APPOINTMENT OF OFFICERS

Being that municipal elections are being held in a couple of weeks, the election and appointment of officers will be moved to a regular monthly meeting. It will be status quo until then.

9. AJOURNMENT

Laura Gallant moved that the meeting be adjourned at 7:30 p.m.

Chairperson

**THE GREATER SHEDIAC SEWERAGE
COMMISSION**

Financial Statements

**For the year ended
December 31, 2016**

THE GREATER SHEDIAC SEWERAGE COMMISSION

TABLE OF CONTENTS – FINANCIAL STATEMENTS

As at December 31, 2016

INDEPENDENT AUDITORS' REPORT	1
STATEMENT OF FINANCIAL POSITION	2
STATEMENT OF OPERATIONS AND ACCUMULATED SURPLUS	3
STATEMENT OF CHANGE IN NET DEBT	4
STATEMENT OF CASH FLOWS	5
NOTES TO FINANCIAL STATEMENTS	6 – 11
SCHEDULE OF REGULATORY REPORTING REQUIREMENTS	12 – 13

INDEPENDENT AUDITORS' REPORT

To the chairman and members of the Board of The Greater Shediac Sewerage Commission

We have audited the accompanying financial statements of The Greater Shediac Sewerage Commission which comprise the statement of financial position as at December 31, 2016, and the statements of operations and accumulated surplus, change in net debt and cash flows, for the year then ended, including, notes, and a summary 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 what 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 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 in our audit 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 Greater Shediac Sewerage Commission as at December 31, 2016 and the results of its operations and its cash flows for the year then ended in accordance with Canadian Public Sector Accounting Standards.

Boudreau Albert Savoie and Associates
Chartered Professional Accountants

Dieppe, New Brunswick
March 15, 2017

THE GREATER SHEDIAC SEWERAGE COMMISSION**STATEMENT OF FINANCIAL POSITION**As at December 31, 2016

	2016	2015
Financial assets		
Cash and term deposits	\$ 1,630,953	\$ 1,667,405
Restricted cash	211,086	220,017
Receivables		
Trade and other receivables (note 3)	137,062	149,038
Harmonized sales tax receivable	77,776	120,034
	\$ 2,056,877	\$ 2,156,494
Financial liabilities		
Accounts payable and accrued liabilities (note 5)	\$ 203,185	\$ 609,986
Debenture (note 6)	6,225,000	5,375,000
	5,428,185	5,984,986
Net debt (page 4)	(3,371,308)	(3,828,492)
Non-financial assets		
Tangible capital assets (note 7)	30,262,443	30,053,332
Accumulated amortization (note 7)	(11,336,776)	(10,636,815)
	18,925,667	19,416,517
Inventory of supplies	53,694	46,694
	18,979,361	19,463,211
Accumulated surplus	\$ 15,608,053	\$ 15,634,719

APPROVED BY

Director_____
Director

THE GREATER SHEDIAC SEWERAGE COMMISSION
STATEMENT OF OPERATIONS AND ACCUMULATED SURPLUS

For the year ended December 31, 2016

	Budget 2016 (Unaudited)	Actual 2016	Actual 2015
Revenues			
Sewerage fees	\$ 1,990,416	\$ 1,996,333	\$ 1,919,433
Interest on receivable	59,439	78,274	68,585
Interest on term deposits	6,000	17,915	24,806
Sewer certificate and hook-up fees	6,000	9,450	8,525
	2,061,855	2,101,972	2,021,149
Expenses			
Salaries and benefits	472,050	465,562	404,902
Salaries - Honorarium and expenses	28,000	19,184	19,761
Audit fees	8,800	8,819	8,782
Legal fees	20,000	24,845	24,377
Bad debts	20,000	19,487	22,717
Bank charges and credit card charges	25,740	22,692	21,225
Debt charges and short term interest	231,917	221,916	226,002
Electricity	164,100	154,051	152,726
Engineering and professional fees	35,500	40,920	66,699
Infiltration study	50,000	30,256	29,216
Flushing and video	21,000	15,993	21,160
Insurance	39,700	36,733	36,852
Office equipment	20,000	-	-
Property taxes	45,000	43,766	42,366
Purification treatment, grit removal and lab test	8,000	6,571	10,799
Vehicle	15,750	12,544	14,722
Repairs and maintenance - buildings and fences	23,200	8,166	8,155
Repairs and maintenance - Lines, manholes and laterals	42,000	39,639	31,813
Repairs and maintenance - machinery and equipment	43,050	44,224	37,916
Repairs and maintenance - lagoons	-	18,925	652
Seminar and courses	7,000	4,164	5,296
Small tools, safety and testing equipment	14,175	4,875	3,820
Office supplies, postage and telecommunications	33,200	36,383	31,703
Discount on sewerage fees	130,512	123,262	120,487
Amortization of tangible capital assets	-	720,556	711,721
Loss on replacement of tangible capital assets	-	6,405	3,394
	1,498,694	2,128,638	2,057,263
Annual deficit (page 13)	563,161	(26,666)	(36,114)
Accumulated surplus, beginning of year		15,634,719	15,670,833
Accumulated surplus, end of year		\$ 15,608,053	\$ 15,634,719

THE GREATER SHEDIAC SEWERAGE COMMISSION
STATEMENT OF CHANGE IN NET DEBT

For the year ended December 31, 2016

	2016	2015
Annual deficit	\$ (26,666)	\$ (36,114)
Loss on replacement of tangible capital assets	5,405	3,394
Acquisition of tangible capital assets	(235,111)	(986,318)
Amortization of tangible capital assets	720,556	711,721
	464,184	(307,317)
Acquisition of inventories	(53,694)	(46,694)
Consumption of inventories	46,694	58,191
Consumption of prepaid expenses	-	4,713
Increase (Decrease) in net debt	457,184	(291,107)
Net debt, beginning of the year	(3,828,492)	(3,537,385)
Net debt, end of the year	\$ (3,371,308)	\$ (3,828,492)

THE GREATER SHEDIAC SEWERAGE COMMISSION
STATEMENT OF CASH FLOWS

For the year ended December 31, 2016

	2016	2015
Operating		
Annual deficit	\$ (26,666)	\$ (36,114)
Loss on replacement of tangible capital assets	5,405	3,394
Amortization of tangible capital assets	720,556	711,721
	699,295	679,001
Change in non-cash working capital balances related to operations		
Trade receivables	11,976	(33,416)
Harmonized sales tax receivable	42,258	(44,712)
Accounts payable and accrued liabilities	(406,801)	430,599
	(352,567)	352,471
	346,728	1,031,472
Capital		
Acquisition of tangible capital assets	(235,111)	(986,318)
Inventory of supplies	(7,000)	11,497
Prepaid expenses	-	4,713
	(242,111)	(970,108)
Financing		
Repayment of debenture	(150,000)	(146,000)
	(150,000)	(146,000)
Net (decrease) increase in cash	(45,383)	(84,636)
Cash, beginning of year	1,887,422	1,972,058
Cash, end of year	\$ 1,842,039	\$ 1,887,422
Cash and equivalents consists of:		
Cash and term deposits	\$ 1,630,953	\$ 1,667,405
Restricted cash	211,086	220,017
	\$ 1,842,039	\$ 1,887,422

THE GREATER SHEDIAC SEWERAGE COMMISSION

NOTES TO THE FINANCIAL STATEMENTS

For the year ended December 31, 2016

1. PURPOSE OF THE ORGANIZATION

The Greater Shediac Sewerage Commission was incorporated as a Commission by the Province of New Brunswick Municipalities Act and was approved for a status as a Commission. As a Commission, it is exempt from income tax under section 149(1) (c) of the Canadian Income Tax Act.

The Commission operates waste water treatment plants in Boudreau-Ouest and Scoudouc LSD, New Brunswick and provides waste water treatment for the town of Shediac, Scoudouc LSD, Scoudouc Road LSD, Pointe-du-Chêne LSD, part of Shediac Cape LSD and the regions of Cap Bimet/Boudreau-Ouest.

2. SIGNIFICANT ACCOUNTING POLICIES

These financial statements are the representations of management prepared in accordance with Canadian generally accepted accounting principles for local governments, as recommended by the Public Sector Accounting Standards Board (PSAB) of CPA Canada.

The focus of PSA 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:

Reporting entity

The financial statements reflect the assets, liabilities, revenues, expenditures and changes in net debt cash flows of the Commission, the only reported entity. The reporting entity is comprised of the organisation accountable for the administration of their affairs and resources to the Commission and which are owned and controlled by the Commission.

Budget

The budget figures contained in these financial statements were approved by Council on December 2, 2015 and submitted to the Minister of Environment and Local Government, and have not been audited.

Revenue recognition

- (a) Unrestricted revenue, such as sewer fees, interest, and contribution from the province or private contributions are recorded on an accrual basis and are recognized when services are rendered, the price is fixed or determinable and collection is reasonably assured. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred.
 - (b) Other revenue is recorded when it is earned.
-

THE GREATER SHEDIAC SEWERAGE COMMISSION

NOTES TO THE FINANCIAL STATEMENTS

For the year ended December 31, 2016

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Use of estimates

The presentation of the financial statements in conformity with Canadian Public Sector Accounting Standards (PSA) requires management to make estimates that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. These estimates are reviewed periodically, as adjustments become necessary, they are reported as earnings in the period in which they become known. Actual results could differ from those estimates.

Financial instruments

The Commission's financial instruments consist of cash, short-term investments, accounts receivable, due from Province of New Brunswick, harmonized sales taxes, bank loan, payables and accruals, and debenture. The Commission's financial assets and liabilities are initially measured at fair value and subsequently carried at amortized cost with interest recorded in the statement of operations as earned. Unless otherwise noted, it is management's opinion that the Commission is not exposed to significant interest, currency or credit risk arising from these financial statements. The fair value of these financial instruments approximates their carrying values, due to their short-term maturities.

The Commission is subject to credit risk through accounts receivable. The Commission minimized credit risk through ongoing credit management.

Cash and restricted cash

Cash includes cash on hand and cash in banks not subject to other restriction. Some cash is internally restricted by the Board and management for specific projects and future purposes.

Tangible capital assets

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

Asset type	<u>Years</u>
Land improvements	10-60
Buildings and structures	20-50
Office equipment	5
Motor vehicles	8
Heavy equipment	15
Machinery, equipment and bidding forms	5-60
Sewer pipes	25-60
Manholes	40

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

THE GREATER SHEDIAC SEWERAGE COMMISSION**NOTES TO THE FINANCIAL STATEMENTS**

For the year ended December 31, 2016

2. SIGNIFICANT ACCOUNTING POLICIES (continued)**Inventory of supplies**

Inventory is valued at the lower of cost and net replacement cost with cost being determined on the first-in, first-out basis.

Accrued sick leave

The Commission provides for sick leave that accumulates at 1.50/day per month worked for full-time employees. The employees can accumulate up to a maximum of 185 days. On retirement or resignation after being employed, any employee having accrual sick leave will receive an allowance equal to 5% of accrued sick days for each year of work at a rate of 50% of the base salary at the date of termination.

The sick leave is a benefit. As such, there are no applicable assets. Benefits are paid out of general revenue as they come due. The liability as at December 31, 2016 of \$57,502 (2015 - \$88,911) is recorded in accounts payable and accrued liabilities.

3. TRADE AND OTHER RECEIVABLES

	2016	2015
Trade	\$ 276,977	\$ 284,739
Allowance for doubtful accounts	(139,915)	(135,701)
	\$ 137,062	\$ 149,038

4. BANK LOAN

The Commission has an authorized line of credit for the operations of \$300,000, bearing interest at prime rate, and renewable yearly. This line of credit was unused as at December 31, 2016 and 2015.

5. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2016	2015
Future employees benefits (note 8)	\$ 67,502	\$ 88,911
Trade and holdbacks	93,794	473,575
Vacation accrued	22,061	31,330
Deferred income	11,124	7,670
Accrued expenses	12,204	8,500
Deposit in trust	6,500	-
	\$ 203,185	\$ 609,986

THE GREATER SHEDIAC SEWERAGE COMMISSION**NOTES TO THE FINANCIAL STATEMENTS**For the year ended December 31, 2016

6. DEBENTURE

	2016	2015
Debenture AY42, interest varying from 3.3% to 4.85% maturing in 2018	\$ 1,007,000	\$ 1,035,000
Debenture BC43, interest varying from 1.5% to 4.55% maturing in 2020	291,000	299,000
Debenture BE38, interest varying from 1.65% to 4.25% maturing in 2021	2,227,000	2,291,000
Debenture BJ46, interest varying from 1.25% to 4.4% maturing in 2033	513,000	536,000
Debenture BK41, interest varying from 1.15% to 4.15% maturing in 2034	1,187,000	1,214,000
	\$ 5,225,000	\$ 5,375,000

In 2018, debenture AY42 will mature with a final amount due of \$948,000, which is expected to be refinanced in that year, for a period not to exceed 20 years.

In 2020, debenture BC43 will mature with a final amount due of \$257,000, which is expected to be refinanced in that year, for a period not to exceed 20 years.

In 2021, debenture BE38 will mature with a final amount due of \$2,532,000. \$197,000 is to be refinanced in that year for a period not to exceed 10 years and \$1,672,000 for a period not to exceed 20 years.

In 2034, debenture BK41 will mature with a final amount due of \$544,000, which is expected to be refinanced in that year, for a period not to exceed 10 years.

Approval of the Municipal Capital Borrowing Board has been obtained for the debenture reported on the Statement of Financial Position. Principal repayments required during the next five years are as follows:

2017	\$ 154,000
2018	1,106,000
2019	133,000
2020	394,000
2021	\$ 2,001,000

THE GREATER SHEDIAC SEWERAGE COMMISSION**NOTES TO THE FINANCIAL STATEMENTS**For the year ended December 31, 2016

7. TANGIBLE CAPITAL ASSETS

	Cost	Accumulated Amortization	2016 Net book value	2015 Net book value
Lands	\$ 54,651	\$ -	\$ 54,651	\$ 54,651
Art work	3,442	-	3,442	3,442
Land improvements	3,721,292	1,202,615	2,518,677	2,598,911
Buildings and structures	10,901,662	4,875,651	6,026,011	6,370,998
Office equipment	42,348	26,432	15,916	22,455
Motor vehicles	119,924	50,775	69,149	84,139
Heavy equipment	297,910	242,696	55,214	35,548
Machinery and equipment	2,115,092	835,077	1,280,015	1,300,344
Sewer pipes	10,439,729	3,061,886	7,377,843	7,388,582
Manholes	2,566,393	1,041,644	1,524,749	1,557,447
	\$ 30,262,443	\$ 11,336,776	\$ 18,925,667	\$ 19,416,517

8. FUTURE EMPLOYEE BENEFITS

Under the sick leave benefits plan, unused sick leave benefits can be accumulated and employees may become entitled to a cash payment upon leaving the Commission's employment.

The liability for the above, amounted to \$57,502 (2015 - \$88,911) and the full amount has been accrued for this liability as at December 31, 2016.

9. SEWER CAPITAL RESERVE FUND AND CAPITAL FUND

An amount of \$560,000 was transferred from the operating fund to the capital fund. The transfer was authorized based on authorizing motion 16-94, meeting no. 626, dated December 19, 2016.

There was also a transfer of \$25,000 for an operation reserve fund, with approval of the 2016 budget.

THE GREATER SHEDIAC SEWERAGE COMMISSION**NOTES TO THE FINANCIAL STATEMENTS**

For the year ended December 31, 2016

10. WATER AND SEWER FUND SURPLUS/DEFICIT

The municipalities Act requires Water and Sewer Fund surplus/deficit amounts to be absorbed into one or more of four Operating Budget commencing with the second next ensuing year: the balance of the surplus /deficit at the end of the year consists of:

	2016	2015
2016 Surplus	\$ 19,010	\$ -
2015 Deficit	(9,536)	(9,536)
2014 Surplus	1,866	1,866
2013 Surplus	57,240	57,240
2012 Surplus	-	6,507
	\$ 68,580	\$ 56,077

THE GREATER SHEDIAC SEWERAGE COMMISSION
SCHEDULE OF REGULATORY REPORTING REQUIREMENTS

For the year ended December 31, 2016

I. STATEMENT OF SEWER CAPITAL RESERVE

	2016	2015
Assets		
Cash and term deposits	\$ 77,713	\$ 75,411
Restricted cash	151,646	142,148
Due from operating	2,963	394,913
Accumulated surplus	232,222	612,472
Revenue		
Transfers from operating fund	9,397	434,397
Transfers to operating fund	(92,631)	-
Interest earned	3,605	14,208
Transfer to capital fund	(424,050)	(1,377,148)
Annual deficit	\$ (503,679)	\$ (928,543)

II. STATEMENT OF OPERATING RESERVE FUND

	2016	2015
Revenue		
Transfers from operating fund	\$ 28,000	\$ 100,000
Transfers to operating fund	(4,254)	(29,873)
Interest earned	-	1,147
Annual surplus	\$ 20,746	\$ 71,274

THE GREATER SHEDIAC SEWERAGE COMMISSION
SCHEDULE OF REGULATORY REPORTING REQUIREMENTS

For the year ended December 31, 2016

III. SCHEDULE OF ACCUMULATED SURPLUS (DEFICIT) RECONCILIATION TO PUBLIC SECTOR ACCOUNTING (PSA) REQUIREMENTS

	Capital Fund	Operating Fund	Sewer Capital Reserve Fund	Operation Reserve Fund	Total 2016	Total 2015
2016 Annual fund surplus (deficit)	\$ 1,252,309	\$ 19,011	\$ (603,679)	\$ 20,746	\$ 788,387	\$ 732,947
Adjustments to 2016 annual surplus for PSA requirements						
Second previous year's surplus	-	(1,666)	-	-	(1,666)	(57,240)
Transfers between funds						
Transfer elimination	-	34,397	(6,397)	(25,000)	-	-
Transfer elimination	(424,050)	-	424,050	-	-	-
Transfer elimination	(582,832)	582,832	-	-	-	-
Transfer elimination	-	(4,254)	-	4,254	-	-
Transfer elimination	(92,631)	-	-	-	(92,631)	-
Debtenture principal repayments	(150,000)	150,000	-	-	-	-
Amortization expense	(720,556)	-	-	-	(720,556)	(711,721)
Total adjustments to 2016 annual surplus (deficit)	(1,970,069)	761,109	414,653	(20,746)	(815,053)	(768,961)
2016 annual surplus (deficit) per PSA requirements	\$ (717,760)	\$ 780,120	\$ (68,026)	\$ -	\$ (28,666)	\$ (38,114)

**GREATER SHEDIAC
SEWERAGE
COMMISSION
DES ÉGOUTS
SHEDIAC ET BANLIEUES**

2016 Annual Report

THE GREATER SHEDIAC SEWERAGE COMMISSION

2016 ANNUAL REPORT

CONTENTS

Commission Members	3
Commission Committee	3
Employees	3
Chairperson's Report	4
Activities – 2016	6
Activities and investments of the past ten (10) years	7

Schedules

- Schedule A - Five-Year Plan**
- Schedule B - Distribution of units**
- Schedule C - Rates – Shediac area**
- Schedule D - Rates – Scoudouc area**
- Schedule E - Rates – CB/BO area**
- Schedule F - Rates – Scoudouc Road area**

Past Chairpersons

▪ Laurie Williams	1969 - 1972
▪ Alfred Léger	1972 - 1976
▪ James Bateman	1976 - 1981
▪ Jamie Storey	1981 - 1988
▪ Valmon Thibodeau	1988 - 1992
▪ Ernest Drapeau	1992 - 1997
▪ Jean-Guy Lirette	1997 - 2001
▪ Yvon Gautreau	2001 - 2007
▪ Maurice Cormier	2007 - 2008
▪ Roland Belliveau	2008 - 2014
▪ Roger Caissie	2014 - (present)

Members of the Commission

▪ Roger Caissie,	Chairperson
▪ Harold McInroy,	Vice-chairperson
▪ André Bourque,	Secretary
▪ Richard Ratelle,	Treasurer (January to June, then was not reappointed)
▪ Laura Gallant,	Member (January to June), Treasurer (July to December)
▪ Léo Paul Bourgeois,	Member (resigned August 2016)
▪ Michelle Gallant-Richards	Member (appointed July)
▪ Marie Ann Cormier	Member (appointed December)

General Committee

All members are part of the committee.

Employees

▪ Joey Frenette,	General Manager and Level II Wastewater Treatment and Collection Operator
▪ Stephanie Bernard,	Office Manager
▪ Patricia Fougère,	Executive Secretary (retired end of December)
▪ Janice Bernard,	Accounting Clerk
▪ Nicole LeBlanc,	Administrative Secretary (Start November 21)
▪ Gilles LeBlanc,	Level II Wastewater Treatment and Collection Operator
▪ Stéphane Desrosiers,	Level I Wastewater Treatment and Level II Wastewater Collection Operator

Chairperson's Report

During the past year, the Commission continued its activities to ensure the proper functioning of the sanitary sewer collection and treatment system in the "Greater Shediac" areas, including Shediac, Pointe-du-Chêne, Boudreau-Ouest, Cap-Bimet, Scoudouc and Scoudouc Road.

Investments - projects and equipment

Further to completing landscaping of the previous year's installation of a forcemain underneath the Scoudouc River at the Foch Bridge in Shediac, the Commission participated in a major upgrading project with the Town of Shediac on Chesley Street at a cost of \$125,935.

As for investing in equipment, we enhanced our electronic monitoring system with the addition of temperature sensors at several pumping stations as well as computerized our collection system master plan and also transferred it to a tablet. In addition, we replaced our medium size heavy duty maintenance tractor at a cost of \$33,335.

Studies

In addition to these infrastructure investments, the Commission has continued to study the state of the collection system in order to help determine its future investments.

Members

In 2016, with municipal elections being held, one of the members of the board of directors left the Commission, namely Mr. Richard Ratelle, former councilor of the Beaubassin-Est Rural Community. Further to their re-election, the members of the Town of Shediac, Roger Caissie and Laura Gallant, along with André Bourque of BERC, were reappointed. The Minister of the Environment and Local Government also reappointed Harold McInroy of Pointe-du-Chêne.

We also welcomed two new members, Councilor Michelle Gallant-Richards of BERC and as a result of the resignation of Léo-Paul Bourgeois of Scoudouc, the Minister appointed Marie Ann Cormier of Scoudouc Road.

As provided for in its By-Laws, the Executive of the Commission was chosen from its members for a two year period. The following members will act in their respective roles until 2018:

Roger Caissie - Chairperson
Harry McInroy - Vice Chairperson
André Bourque - Secretary
Laura Gallant – Treasurer

Water quality

As a result of media attention regarding water quality at Parlee Beach, the Commission attracted public and media attention during the past year. As we were aware of the importance of this issue, the Commission had several discussions on the performance of the collection and treatment system, as well as invited the Shediac Bay Watershed Association for a presentation of their report.

Moreover, although their study revealed unsatisfactory results, they advised that they do not believe that the Commission's system is a source of pollution. In addition, according to effluent laboratory results, the Commission's treatment system meets the requirements of the Department of Environment and Local Government as well as the new federal requirements for 2020.

Although the studies conducted for the Commission and laboratory results indicate that the system is working well, we met with the interdepartmental committee tasked to study water quality and offered them our full cooperation.

Anticipated activities in 2017

During 2017, as recently announced by the different levels of government, the Commission will participate in a major project in downtown Shediac where a section of approximately 150 meters of the sanitary sewer pipe will be replaced. The Commission's contribution to this project will be approximately \$ 150,000.

In addition, as a result of recent wider power outages that affect a large part of our system at a time, we plan to add permanent generators to several pumping stations. This will allow staff to maintain other stations with our mobile generator, as they have been doing for several years, often in harsh weather conditions.

As for sewage charges, the Commission modestly increased these fees in 2017 by 3.5%. Although our financial situation is stable, we believe that we must increase sewage charges to be able to act on our infrastructure needs.

In conclusion, I would like to thank all the members of the Commission for their participation during the past year as well as thank all the staff for their dedication, regardless of their role, for maintaining our system in good condition.

Thank you.

Roger Caissie
Chairperson

Activities in 2016

The Greater Shediac Sewerage Commission was created in 1969. In 2016, the Commission completed its 47th year of service to the citizens. The present report retraces the main events of the Commission in 2016 and summarizes the infrastructure projects and capital investments undertaken during the past ten (10) years. As you will notice in the report, the Greater Shediac Sewerage Commission invested a total amount of **\$19,741,614** during this period, representing an average investment of **\$1,974,161** per year.

Members Activities

The Greater Shediac Sewerage Commission held twelve (12) regular meetings, one (1) special meeting, and one (1) annual general meeting in 2016. The Commission adopted a total of ninety four (94) resolutions at these meetings. The General Committee held four (4) meetings. In total, eighteen (18) meetings were held in 2016.

Staff Activities

Operations and maintenance staff have had a busy year with the daily supervision and maintenance of our collection and treatment systems. They continue to face challenges with inflow and infiltration issues and the seemingly more frequent power outages. The addition of lift station temperature monitoring to the SCADA system is a valuable tool for the operators. They continue to work closely with our various partners to ensure the proper functioning of our collection and treatment systems. They also continue their education in the field of operation and maintenance and work safety.

At the end of the year 2016, after 43 years of service, Patricia Fougère took her well-deserved retirement from the Greater Shediac Sewerage Commission. Over the years, Patricia has been a huge asset to the Commission accumulating a wide range of knowledge. Her dedication to the Commission has been appreciated by many. She was a model employee. She will be greatly missed by the members, the employees and the users.

Consequently, the administration inherited the daunting task of finding a replacement for this position. In November, the Commission proceeded to the hiring of a new administrative secretary, Nicole LeBlanc. The transition went very well. Nicole is an excellent addition to the administrative team that is continuously dedicated to maintaining the proper functioning of the administrative services.

Activities and investments of the past ten (10) years

2007	Repair work on Beauport St. and Bayview Court	\$ 179,394.00
2007	Sewer extension - Cape Bimet/Boudreau-Ouest	\$ 4,132,212.00
2008	Acquisition of truck	\$ 35,421.00
2008	Land (3 lots in Scoudouc)	\$ 19,149.00
2009	Sewer extension - Scoudouc Road LSD	\$ 5,515,854.00
2009	Improvement of the main trunk sewer	\$ 3,847,531.00
2009	Ultraviolet disinfection facility	\$ 946,589.00
2009	Correctional Centre	\$ 753,452.00
2009	Standard Push Camera	\$ 9,961.00
2010	Acquisition of truck 1/2 ton	\$ 26,654.00
2010	Standard Specifications	\$ 30,706.00
2011	Screw pumps	\$ 336,831.00
2012	Forcemain - Gould Beach Road	\$ 223,515.00
2012	Head Office	\$ 975,058.00
2012	Flow meters	\$ 13,112.00
2012	SCADA System - Phase 1	\$ 184,104.00
2013	SCADA System - Phase 2	\$ 50,809.00
2013	Lift Station no. 6 & Forcemain re-alignment	\$ 1,007,548.00
2014	SCADA System - Phase 2	\$ 165,055.00
2014	Acquisition of truck 3/4 ton 4x4 diesel with plow	\$ 49,533.00
2014	Acquisition of truck 3/4 ton 4x4 with plow	\$ 39,431.00
2015	West Shediac Improvements - Sewer main (South of lift station no. 2) et forcemain (Foch Bridge)	\$ 599,390.87
2015	Manhole infiltration reduction	\$ 321,027.22
2015	Replacement of sewer mains - Main Street (Sainte-Anne Street to Sackville Street)	\$ 34,119.09
2015	Baffles -Lift stations' wet wells	\$ 20,479.63
2015	Land acquisition in Scoudouc	\$ 9,256.20
2015	Computerize collection system master plan	\$ 46,574.31
2016	Acquisition of tractor	\$ 30,512.59
2016	Replacement of sanitary sewer - Chesley Street	\$ 125,935.74
2016	Install electronic temperature monitoring equipment	\$ 12,399.19
	Total for the period of 2007 to 2016	\$ 19,741,613.84

Summary of future infrastructure projects:

See Schedule A - Five-year plan 2017-2021

The Greater Shediac Sewerage Commission
 Five-Year Plan 2017-2021
 Revised September 21, 2016

Schedule A

No.	Activities	2016	2017	2018	2019	2020	2021	Total for 2017-2021	
1	Improvement of Infrastructure								
	a. Lift station no. 11 - phase I - increase retention + generator		\$200,000					\$200,000	
	b. Lift station no. 11 - phase II - mechanical, electrical, building					\$350,000		\$350,000	
	c. Lift station no. 13 - new building				\$85,000			\$85,000	
	d. Lift station no. 7 - phase I - increase retention + renew section forcemain + gen		\$470,000					\$470,000	
	e. Lift station no. 7 - phase II - mechanical, electrical			\$70,000				\$70,000	
	f. Lift station no. 1 - Phase I - generator			\$70,000				\$70,000	
	g. Lift station no. 5 - Phase I - generator								
	h. Lift station no. 5 - Phase II - increase retention, mechanical, electrical			\$120,000				\$120,000	
	i. Lift station no. 12 - phase I - generator + forcemain						\$300,000	\$300,000	
	j. Lift station no. 12 - phase II - mechanical, electrical, increase retention						\$460,000	\$460,000	
	k. Lift station no. 9 - increase retention + generator						\$270,000	\$270,000	
	l. Sewer main renewal - Main Street (Home Hardware entrance to Vestiare Street)			\$180,000				\$180,000	
	m. Outfall optimization					\$3,000,000		\$3,000,000	
	n. West Shediac Improvements (Foch Bridge forcemain + gravity sewer through Parasol Camping)	\$120,000							\$120,000
	o. Scoudouc and Pointe-du-Chêne MH frame and cover replacement + sealing	\$17,000							\$17,000
	SUBTOTAL	\$137,000	\$850,000	\$260,000	\$85,000	\$3,350,000	\$1,430,000	\$5,975,000	
2	Extension of existing services								
a. Extension Scoudouc LSD - Highway 132 at Malakoff Road				\$2,900,000				\$2,900,000	
SUBTOTAL	\$0	\$0	\$0	\$2,900,000	\$0	\$0	\$0	\$2,900,000	
3	Elimination of Infiltration								
a. Inflow and Infiltration Study	\$50,000		\$10,000					\$130,000	
b. Sewer Main Renewal- Lift station no. 2 - forcemain		\$200,000	\$10,000			\$50,000		\$210,000	
c. Sewer Main Renewal- Dupuis Street		\$275,000	\$50,000					\$325,000	
d. Sewer Main Renewal- Inglis, Grand Pre and Main Street (Easement to Route 133)		\$825,000	\$150,000					\$975,000	
e. Sewer Main Renewal- Lift station no. 1 - forcemain		\$200,000						\$210,000	
f. Sewer Main Renewal- Gallagher Street			\$655,000					\$690,000	
g. Sewer Main Renewal- Centennial Drive			\$285,000					\$300,000	
h. Sewer Main Renewal- Belle Isle Street			\$285,000					\$300,000	
i. Sewer Main Renewal- Brown Street			\$470,000					\$550,000	
j. Sewer Main Renewal- Shore Drive						\$310,000	\$15,000	\$325,000	
k. Sewer Main Renewal- Hamilton Street						\$665,000	\$35,000	\$700,000	
l. Sewer Main Renewal- Calder Street						\$475,000	\$25,000	\$500,000	
m. Sewer Main Renewal- Comeau Street						\$570,000	\$30,000	\$600,000	
SUBTOTAL	\$50,000	\$1,510,000	\$1,925,000	\$155,000	\$2,070,000	\$155,000	\$155,000	\$5,815,000	
4	Equipment Replacement (trucks, tractors, flusher, etc.).								
a. New 3/4 ton Pickup Truck						\$40,000		\$80,000	
b. New 1/2 ton Pickup Truck								\$30,000	
c. New large tractor with snowblower and lawn mower							\$125,000	\$125,000	
SUBTOTAL	\$0	\$0	\$30,000	\$0	\$0	\$40,000	\$125,000	\$235,000	
YEARLY ESTIMATES	\$427,000	\$2,360,000	\$2,319,000	\$3,140,000	\$5,460,000	\$1,790,000	\$14,975,000		

* Project to proceed should government subsidies become available
 * timeline to be determined with DELGNB
 * timeline may vary with availability of subsidies and/or our financial position

Signed by Chairperson:

Date:

LA COMMISSION DES ÉGOUTS SHEDIAC ET BANLIEUES /											Schedule/Annexe B		
THE GREATER SHEDIAC SEWERAGE COMMISSION													
DISTRIBUTION DES UNITÉS / DISTRIBUTION OF UNITS													
31 DECEMBRE 2016 / DECEMBER 31, 2016													
RÉGIONS / AREAS	(1,2,4) Shediac	(3,6) Pointe du Chene DSL / LSD	(7.) Shediac Cape DSL / LSD	(5.) CRBE (original)	(81.) CRBE (nouveau / new)	(9.) Scoudouc DSL / LSD	(95.) Scoudouc Rd. DSL / LSD	Total					
								1,788	351	76	40	144	144
Établissements / Establishments													
Résidences unifamiliales / Single family dwellings	1,788	351	76	40	144	144	144	86	2,629				
Résidences bi-familiales / Duplex dwellings	236	31		8	6	16		8	305				
Appartements / Apartments	864	13	16		70				963				
Chalets / Cottages	89	598	15	99	98	1			900				
Commercial / Commercial	474	4	4		1	1		6	490				
Commercial (Saisonnier) / Commercial (Seasonal)	279	361			5				645				
Industriel / Industrial	49												
Institutionnel / Institutional	767	8	29		-	6			810				
Résidentiel et Commercial / Residential and Commercial	94	4	2		11	5		4	120				
Total	4,689	1,370	142	147	335	175	104	6,962					

The Greater Shediac Sewerage Commission / La Commission des Égouts Shediac et Banlieues					
Historical Sewerage Rate Structure / Structure Historique du Taux d'Égout					
Past 30 Years / 30 Dernières Années					
Shediac and Pointe-du-Chêne Area / Région de Shediac et Pointe-du-Chêne					
	Units /	Increase of units /	Gross Rate /	Discounts /	Net Rate/
Year / Année	Unités	Augmentation d'unités	Taux Brut	Escomptes	Taux Net
1986	3,425	1.09%	\$137.50	\$12.50	\$125.00
1987	3,483	1.69%	\$141.90	\$12.90	\$129.00
1988	3,590	3.07%	\$145.20	\$13.20	\$132.00
1989	3,682	2.56%	\$151.80	\$13.80	\$138.00
1990	3,775	2.53%	\$158.40	\$14.40	\$144.00
1991	3,830	1.46%	\$162.80	\$14.80	\$148.00
1992	3,871	1.07%	\$166.10	\$15.10	\$151.00
1993	3,972	2.61%	\$170.50	\$15.50	\$155.00
1994	4,000	0.70%	\$173.80	\$15.80	\$158.00
1995	4,125	3.13%	\$176.00	\$16.00	\$160.00
1996	4,160	0.85%	\$181.50	\$16.50	\$165.00
1997	4,250	2.16%	\$187.00	\$17.00	\$170.00
1998	4,340	2.12%	\$187.00	\$17.00	\$170.00
1999	4,475	3.11%	\$190.30	\$17.30	\$173.00
2000	4,525	1.12%	\$193.60	\$17.60	\$176.00
2001	4,535	0.22%	\$198.00	\$18.00	\$180.00
2002	4,610	1.65%	\$209.00	\$19.00	\$190.00
2003	4,725	2.49%	\$214.50	\$19.50	\$195.00
2004	4,775	1.06%	\$220.00	\$20.00	\$200.00
2005	4,940	3.46%	\$225.50	\$20.50	\$205.00
2006	5,075	2.73%	\$231.00	\$21.00	\$210.00
2007	5,175	1.97%	\$236.50	\$21.50	\$215.00
2008	5,340	3.19%	\$242.00	\$22.00	\$220.00
2009	5,400	1.12%	\$242.00	\$22.00	\$220.00
2010	5,475	1.39%	\$242.00	\$22.00	\$220.00
2011	5,805	6.03%	\$253.00	\$23.00	\$230.00
2012	5,893	1.52%	\$264.00	\$24.00	\$240.00
2013	5,922	0.49%	\$264.00	\$24.00	\$240.00
2014	6,125	3.31%	\$264.00	\$24.00	\$240.00
2015	6,156	0.50%	\$269.00	\$24.00	\$245.00
2016	6,299	2.27%	\$279.00	\$25.00	\$254.00

The Greater Shediac Sewerage Commission / La Commission des Égouts Shediac et Banlieues					
History of Sewerage Rates Structure / Structure Historique du Taux d'Égout					
Scoudouc Area / Région Scoudouc					
	Units /	Increase of units /	Gross Rate /	Discounts /	Net Rate/
Year / Année	Unités	Augmentation d'unités	Taux Brut	Escomptes	Taux Net
1997	155		\$375.00	\$0.00	\$375.00
1998	152	-1.94%	\$375.00	\$0.00	\$375.00
1999	152	0.00%	\$375.00	\$0.00	\$375.00
2000	152	0.00%	\$375.00	\$0.00	\$375.00
2001	152	0.00%	\$375.00	\$0.00	\$375.00
2002	153	0.66%	\$375.00	\$0.00	\$375.00
2003	153	0.00%	\$375.00	\$0.00	\$375.00
2004	153	0.00%	\$375.00	\$0.00	\$375.00
2005	154	0.65%	\$375.00	\$0.00	\$375.00
2006	158	2.60%	\$375.00	\$0.00	\$375.00
2007	160	1.27%	\$375.00	\$0.00	\$375.00
2008	164	2.50%	\$375.00	\$0.00	\$375.00
2009	170	3.66%	\$375.00	\$0.00	\$375.00
2010	163	-4.12%	\$375.00	\$0.00	\$375.00
2011	172	5.52%	\$375.00	\$0.00	\$375.00
2012	173	0.58%	\$264.00	\$0.00	\$264.00
2013	174	0.57%	\$264.00	\$0.00	\$264.00
2014	174	0.00%	\$264.00	\$0.00	\$264.00
2015	173	-0.58%	\$269.00	\$24.00	\$245.00
2016	174	0.57%	\$279.00	\$24.00	\$264.00

The Greater Shediac Sewerage Commission / La Commission des Égouts Shediac et Banlieues					
History of Sewerage Rates Structure / Structure Historique du Taux d'Égout					
Cap-Bimet/Boudreau-Ouest Area / Région Cap-Bimet/Boudreau-Ouest					
	Units /	Increase of units /	Gross Rate /	Discounts /	Net Rate/
Year / Année	Unités	Augmentation d'unités	Taux Brut	Escomptes	Taux Net
2008	275		\$475.00	\$0.00	\$475.00
2009	272	-1.09%	\$475.00	\$0.00	\$475.00
2010	326	19.85%	\$475.00	\$0.00	\$475.00
2011	330	1.23%	\$475.00	\$0.00	\$475.00
2012	330	0.00%	\$483.00	\$0.00	\$483.00
2013	330	0.00%	\$483.00	\$0.00	\$483.00
2014	331	0.30%	\$483.00	\$0.00	\$483.00
2015	331	0.00%	\$486.00	\$17.00	\$469.00
2016	332	0.30%	\$493.00	\$18.00	\$475.00

The Greater Shediac Sewerage Commission / La Commission des Égouts Shediac et Banlieues					
History of Sewerage Rates Structure / Structure Historique du Taux d'Égout					
Scoudouc Road Area / Région de Scoudouc Road					
	Units /	Increase of units /	Gross Rate /	Discounts /	Net Rate/
Year / Année	Unités	Augmentation d'unités	Taux Brut	Escomptes	Taux Net
2010	92	Beginning	\$375.00	\$0.00	\$375.00
2011	95	3.26%	\$375.00	\$0.00	\$375.00
2012	97	2.11%	\$384.00	\$0.00	\$384.00
2013	99	2.06%	\$384.00	\$0.00	\$384.00
2014	98	-1.01%	\$384.00	\$0.00	\$384.00
2015	101	3.06%	\$387.00	\$17.00	\$370.00
2016	103	1.98%	\$394.00	\$18.00	\$376.00