

BEAVER REGIONAL WASTE MANAGEMENT SERVICES COMMISSION

FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2018

AND

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS

INDEPENDENT AUDITOR'S REPORT

To the Members of Beaver Regional Waste Management Services Commission:

Opinion

We have audited the financial statements of **Beaver Regional Waste Management Services Commission** (the Commission), which consist of the statement of financial position at December 31, 2018, and statements of changes in net assets, operations and of cash flows for the year then ended, and notes to the financial statements including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Commission as at December 31, 2018, and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Commission in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information other than the Financial Statements and Auditor's Report Thereon

Management is responsible for the other information. The other information comprises the annual report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Commission's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Commission or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Commission's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Commission's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Commission's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Commission to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Edmonton, Alberta
February 21, 2019

Yaremchuk & Annicchiarico LLP
Chartered Professional Accountants

BEAVER REGIONAL WASTE MANAGEMENT SERVICES COMMISSION
STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2018

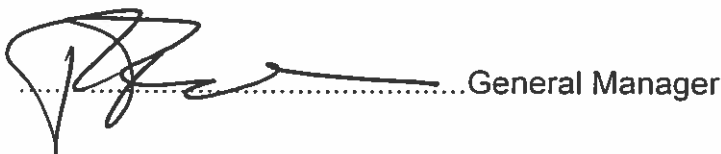
	<u>2018</u>	<u>2017</u>
<u>ASSETS</u>		
CURRENT ASSETS:		
Cash	\$ 6,561,205	\$ 6,700,357
Marketable securities.....	16,391,758	15,967,724
Accounts receivable	1,831,064	1,476,274
Inventory (Note 3).....	919,399	864,310
Prepaid expenses.....	<u>256,419</u>	<u>187,499</u>
Total current assets.....	25,959,845	25,196,164
DEPOSIT ON PROPERTY (Note 4).....	66,450	66,450
PROPERTY AND EQUIPMENT (Note 5).....	<u>25,001,993</u>	<u>18,377,431</u>
TOTAL.....	<u>\$51,028,288</u>	<u>\$43,640,045</u>

LIABILITIES AND NET ASSETS

CURRENT LIABILITY - accounts payable and accrued liabilities	\$ <u>3,678,289</u>	\$ <u>323,552</u>
LANDFILL CLOSURE AND POST CLOSURE OBLIGATION (Note 7).....	<u>6,248,959</u>	<u>5,523,485</u>
NET ASSETS:		
Invested in property and equipment.....	25,068,443	18,443,881
Internally restricted (Note 8)	12,680,226	13,202,612
Unrestricted	<u>3,352,371</u>	<u>6,146,515</u>
Total net assets.....	<u>41,101,040</u>	<u>37,793,008</u>
TOTAL.....	<u>\$51,028,288</u>	<u>\$43,640,045</u>

Approved by the Commission:

.....Chairman

.....General Manager

BEAVER REGIONAL WASTE MANAGEMENT SERVICES COMMISSION
STATEMENT OF CHANGES IN NET ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2018

	Invested In Property and Equipment	Internally Restricted	Unrestricted	2018 Total	2017 Total
Balance at the beginning of the year	\$18,443,881	\$13,202,612	\$ 6,146,515	\$37,793,008	\$34,780,185
Excess of revenue (expenses) for the year.....	(3,648,737)	-	8,956,769	5,308,032	5,012,823
Purchase of property and equipment.....	10,792,298	(1,587,245)	(9,205,053)	-	-
Proceeds on sale of property and equipment....	(518,999)	-	518,999	-	-
Transfer from internally restricted.....	-	1,064,859	(1,064,859)	-	-
Distribution to members.....	-	-	<u>(2,000,000)</u>	<u>(2,000,000)</u>	<u>(2,000,000)</u>
Balance at end of the year	<u>\$25,068,443</u>	<u>\$12,680,226</u>	<u>\$ 3,352,371</u>	<u>\$41,101,040</u>	<u>\$37,793,008</u>

BEAVER REGIONAL WASTE MANAGEMENT SERVICES COMMISSION
STATEMENT OF OPERATIONS
FOR THE YEAR ENDED DECEMBER 31, 2018

	<u>2018</u>	<u>2017</u>
REVENUE:		
Disposal fees, hauling and other	\$19,162,961	\$18,500,172
Collection system fees.....	515,687	506,826
Interest and rental	<u>443,173</u>	<u>256,750</u>
Total revenue	<u>20,121,821</u>	<u>19,263,748</u>
EXPENSES:		
Collection system (Schedule 1).....	926,865	821,272
Hauling (Schedule 2).....	2,172,908	1,575,754
Landfill (Schedule 3).....	3,500,902	3,266,439
General and administrative (Schedule 4)	3,571,979	3,690,455
Biosolids project - (Schedule 5).....	6,416	7,890
Grants.....	245,975	238,397
Amortization	3,951,607	3,845,966
Landfill closure and post closure	<u>739,884</u>	<u>824,422</u>
Total expenses	<u>15,116,536</u>	<u>14,270,595</u>
EXCESS OF REVENUE BEFORE THE UNDERNOTED..	<u>5,005,285</u>	<u>4,993,153</u>
OTHER INCOME (EXPENSE):		
Foreign exchange loss	(123)	(362)
Gain on disposal of property and equipment.....	<u>302,870</u>	<u>20,032</u>
Net other income	<u>302,747</u>	<u>19,670</u>
EXCESS OF REVENUE FOR THE YEAR.....	<u>\$ 5,308,032</u>	<u>\$ 5,012,823</u>

BEAVER REGIONAL WASTE MANAGEMENT SERVICES COMMISSION
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2018

	<u>2018</u>	<u>2017</u>
OPERATING ACTIVITIES:		
Cash from operations:		
Excess of revenue for the year	\$ 5,308,032	\$ 5,012,823
Items not involving cash from operations:		
Amortization	3,951,607	3,845,966
Landfill closure and post closure	739,884	824,422
Gain on sale of property and equipment	(302,870)	(20,032)
Marketable securities market value adjustment	<u>(1,592)</u>	<u>74,002</u>
	9,695,061	9,737,181
Net changes in non-cash working capital balances related to operations:		
Accounts receivable	(354,790)	184,070
Inventory	(55,089)	(110,784)
Prepaid expenses	(68,920)	(87,800)
Accounts payable and accrued liabilities	3,354,737	(268,333)
Landfill closure and post closure expenditures	<u>(14,410)</u>	<u>-</u>
Net cash from operating activities	<u>12,556,589</u>	<u>9,454,334</u>
FINANCING ACTIVITY - distribution to members	<u>(2,000,000)</u>	<u>(2,000,000)</u>
INVESTING ACTIVITIES:		
Purchase of marketable securities	(24,754,130)	(25,179,975)
Proceeds on sale of marketable securities	24,331,688	24,470,849
Purchase of property and equipment	(10,792,298)	(6,547,145)
Proceeds on sale of property and equipment	<u>518,999</u>	<u>30,106</u>
Net cash used in investing activities	<u>(10,695,741)</u>	<u>(7,226,165)</u>
(DECREASE) INCREASE IN CASH DURING THE YEAR	(139,152)	228,169
CASH AT BEGINNING OF THE YEAR	<u>6,700,357</u>	<u>6,472,188</u>
CASH AT END OF THE YEAR	<u>\$ 6,561,205</u>	<u>\$ 6,700,357</u>

BEAVER REGIONAL WASTE MANAGEMENT SERVICES COMMISSION
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2018

1. NATURE OF OPERATIONS:

Beaver Regional Waste Management Services Commission is constituted under the Municipal Government Act and was approved by the Minister of Municipal Affairs on February 20, 1992 to provide waste management services to the members of the Commission and others on a cost recovery basis. The members of the Commission include Beaver County, Village of Holden, Village of Ryley, Town of Tofield and Town of Viking.

The Commission is exempt from income tax under Section 149 of the Income Tax Act.

2. ACCOUNTING POLICIES:

The financial statements of Beaver Regional Waste Management Services Commission are the representation of management and are prepared in accordance with Canadian accounting standards for not-for-profit organizations. Significant accounting policies are as follows:

a) Revenue recognition:

Disposal, collection system and waste water treatment fees are recognized as revenue in the period in which the service is provided or in which the transactions or events occurred that gave rise to the revenue.

Rental revenue is recognized according to the lease. Interest revenue is recognized as it is earned.

b) Marketable securities:

Marketable securities consist of government bonds and bank bonds. Marketable securities are recorded at fair market value.

c) Inventory:

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

d) Property and equipment:

Property and equipment are stated at cost. Amortization is provided at the following annual rates:

Landfill site work	percentage of consumption
Facility buildings	3.3% straight line
Transfer station buildings and site work	3.3% straight line
Landfill and office equipment.....	10% - 33.3% straight line or percentage of useful life
Paving	5% straight line

BEAVER REGIONAL WASTE MANAGEMENT SERVICES COMMISSION
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2018

2. ACCOUNTING POLICIES (continued):

d) Property and equipment (continued):

The useful life of landfill and office equipment is based on management's assessment of total operating hours or operating kilometres.

Property and equipment under development represents capital projects under construction and are therefore not being amortized.

e) Landfill closure and post closure obligation:

As outlined in Note 7, the Commission is required to fund the closure and provide for post closure care of the facility. The requirement is being provided for over the estimated remaining life of the landfill based on usage.

f) Pension expenditures:

Contributions for current and past service pension benefits are recorded as expenditures in the year in which they became due.

g) Invested in property and equipment:

Invested in property and equipment represents the Commission's net investment in property and equipment, after deducting the portion financed by third parties through debt or other long-term capital borrowings.

h) Financial instruments:

The Commission initially measures its financial assets and liabilities at fair value.

The Commission's financial instruments measured at amortized cost consists of cash, accounts receivable and accounts payable and accrued liabilities.

Financial assets measured at amortized cost are tested for impairment when there are indicators of impairment. The amount of the write-down is recognized in net income. Any previously recognized impairment loss may be reversed to the extent of the improvement, directly or by adjusting the allowance account, provided it is no greater than the amount of impairment recognized previously. The amount of the reversal is recognized in net income.

i) Cash and cash equivalents:

Cash and cash equivalents consist of balances with banks and short-term investments that can be converted readily to cash.

BEAVER REGIONAL WASTE MANAGEMENT SERVICES COMMISSION
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2018

2. ACCOUNTING POLICIES (continued):

j) Use of estimates:

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions 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 revenue and expenses during the reporting period. Actual results could differ from those estimates.

Certain items recognized in the financial statements are subject to measurement uncertainty. The recognized amounts of such items are based on the Commission's best information and judgment. The liability for landfill closure and post closure obligation is such an item and the recognized liability depend on estimates of the magnitude and probability of future costs.

3. INVENTORY:

The major categories of inventory are as follows:

	<u>2018</u>	<u>2017</u>
Inventory for consumption.....	\$407,070	\$351,981
Inventory for future closure costs.....	<u>512,329</u>	<u>512,329</u>
	<u>\$919,399</u>	<u>\$864,310</u>

4. DEPOSIT ON PROPERTY:

Deposit on property consists of a deposit relating to a purchase and sale agreement dated August, 2003. The purchase and sale agreement was terminated effective October, 2014 and the deposit is to be repaid on the earlier of October, 2019 or the sale of land by the vendor. The deposit is non-interest bearing and secured by a first charge over land.

BEAVER REGIONAL WASTE MANAGEMENT SERVICES COMMISSION
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2018

5. PROPERTY AND EQUIPMENT:

The major categories of property and equipment and related accumulated amortization are as follows:

	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>Net Book Value</u>	
			<u>2018</u>	<u>2017</u>
Landfill site work.....	\$23,140,090	\$15,744,000	\$ 7,396,090	\$ 5,281,809
Facility buildings	6,894,086	1,531,806	5,362,280	4,526,108
Transfer station buildings and site work	905,545	474,601	430,944	201,855
Landfill and office equipment.....	18,300,559	10,213,540	8,087,019	7,247,860
Paving	1,073,593	4,472	1,069,121	-
Property and equipment under development.....	<u>1,914,231</u>	<u>-</u>	<u>1,914,231</u>	<u>377,491</u>
	52,228,104	27,968,419	24,259,685	17,635,123
Land	<u>742,308</u>	<u>-</u>	<u>742,308</u>	<u>742,308</u>
	<u>\$52,970,412</u>	<u>\$27,968,419</u>	<u>\$25,001,993</u>	<u>\$18,377,431</u>

6. BANK INDEBTEDNESS:

The Commission has negotiated a bank line of credit in the amount of \$600,000 which bears interest at the bank prime rate. The balance outstanding on the line of credit is NIL (2017 - NIL). The line of credit is secured by a promissory note and a municipal borrowing bylaw.

7. LANDFILL CLOSURE AND POST CLOSURE OBLIGATION:

Alberta environmental law requires closure and post closure care of landfill sites. The Commission is required to fund the closure of its landfill site and provide for post closure care of the facility. Closure and post closure activities includes final covering and landscaping, pumping of ground water and leachates from the site, and ongoing environmental monitoring, site inspections and maintenance. The obligation is being provided for over the estimated remaining life of the landfill site based on usage.

The estimated total liability is based on the sum of discounted future cash flows for closure and post closure activities for 25 years after closure using a discount rate of 3.3% (2017 - 3.1%) and assuming annual inflation of 2% (2017 - 2%).

BEAVER REGIONAL WASTE MANAGEMENT SERVICES COMMISSION
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2018

7. LANDFILL CLOSURE AND POST CLOSURE OBLIGATION (continued):

The accrued liability portion is based on the cumulative capacity used at year end compared to the estimated total landfill capacity. It is estimated that closure of the landfill will occur in 2033 and post closure care and maintenance would continue until 2058. The Commission received \$3,450,000 for post closure obligations from the private waste disposal company that operated the landfill site to December 31, 2005. Using independent engineering reports management has estimated the closure and post closure obligation of the landfill site at December 31, 2018 to be \$6,248,959 (2017 - \$5,523,485).

8. NET ASSETS - INTERNALLY RESTRICTED:

By resolution of the Board of Directors, funds have been internally restricted as follows:

	<u>2018</u>	<u>2017</u>
Capital expenditure reserve	\$ 6,431,267	\$ 7,679,127
Landfill closure and post closure reserve.....	<u>6,248,959</u>	<u>5,523,485</u>
	<u>\$12,680,226</u>	<u>\$13,202,612</u>

The funds can only be expended upon approval of the Commission.

9. DEBT LIMITS:

Section 602.29 of the Municipal Government Act requires that debt and debt limits as defined by Alberta Regulation 76/100 for the Beaver Regional Waste Management Services Commission be disclosed as follows:

	<u>2018</u>	<u>2017</u>
Total debt limit.....	\$40,849,382	\$38,567,560
Total debt	-	-
Amount total debt limit remaining	<u>\$40,849,382</u>	<u>\$38,567,560</u>
Debt servicing limit	\$ 7,148,642	\$ 6,749,323
Debt servicing.....	-	-
Amount total debt servicing remaining	<u>\$ 7,148,642</u>	<u>\$ 6,749,323</u>

The debt limit represents 2 times the eligible revenue of the Commission, and the debt servicing limit represents 0.35 times the eligible revenue.

BEAVER REGIONAL WASTE MANAGEMENT SERVICES COMMISSION
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2018

10. DIRECTOR REMUNERATION DISCLOSURE:

Disclosure of remuneration and other costs for directors is as follows:

	<u>2018</u>			<u>2017</u>	
	<u>Remuneration</u>	<u>Benefits and Allowances</u>	<u>Conferences and Courses</u>	<u>Total</u>	<u>Total</u>
Conquest, H. - Vice-Chairman	\$ 6,435	\$ 105	\$ -	\$ 6,540	\$ 9,260
Ducherer, B. - Chairman	17,587	958	5,349	23,894	10,138
Dueck, D. - Alternate	200	20	-	220	1,044
Giebelhaus, M. - Director	6,270	326	200	6,796	825
Hunter, R. - Alternate	-	-	-	-	203
Lee, N. - Alternate	-	-	-	-	206
Marko, B. - Former Director.....	-	-	-	-	6,431
Marusiak, S. - Alternate.....	-	-	-	-	206
Ritchie, J. - Director.....	6,800	361	19,900	27,061	7,906
Smook, K. - Director.....	7,935	429	800	9,164	2,712
Yarham, R. - Former Chairman...	-	-	-	-	15,568
Total	<u>\$45,227</u>	<u>\$2,199</u>	<u>\$26,249</u>	<u>\$73,675</u>	<u>\$54,499</u>

Remuneration includes regular base pay, gross honoraria and any other direct cash remuneration.

Benefits and allowances include the Commission's share of all benefits and contributions or payments made on behalf of directors.

Travel, meals and accommodations are considered to be reimbursements and have therefore been excluded from the above.

11. LOCAL AUTHORITIES PENSION PLAN:

Employees of the Commission participate in the Local Authorities Pension Plan (LAPP), which is covered by the Alberta Public Sector Pension Plans Act. It is financed by employer and employee contributions and investment earnings of the LAPP fund.

Contributions for current service are recorded as expenditures in the year in which they become due.

The Commission is required to make current service contributions to the plan of 10.39% of pensionable earnings up to the Canada Pension Plan Year's Maximum Pensionable Earnings and 14.84% for the excess.

At December 31, 2017, the Local Authorities Pension Plan disclosed an actuarial surplus of approximately \$4.84 billion. No asset has been recorded in these financial statements at December 31, 2018 related to this actuarial surplus.

BEAVER REGIONAL WASTE MANAGEMENT SERVICES COMMISSION
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 2018

12. COMMITMENTS:

The Commission has entered into the following commitments:

- a) Purchase of equipment for total cash consideration of.... \$1,714,000
- b) Purchase of equipment for cash consideration of..... 807,278 USD
and the trade in of equipment for a value of 185,000 USD
- c) Construction of a landfill cell for cash consideration of 6,379,422 for which
\$1,855,114 was paid or payable at December 31, 2018

13. FINANCIAL INSTRUMENTS:

The Commission is exposed to risk on certain financial instruments as follows:

Credit risk:

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Commission is exposed to credit risk on accounts receivable. Approximately 60% of the Commission's sales were to one customer in 2018 and \$709,834 from this customer is included in accounts receivable at December 31, 2018. In order to reduce its credit risk, the Commission has adopted credit policies which include the analysis of the financial position of debtors and the regular review of their credit limits. The Commission also provides for doubtful accounts based on the estimated realizable value of the accounts receivable.

Market risk:

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk. The Commission is mainly exposed to interest rate risk.

Interest rate risk:

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the market interest rates. The Commission is exposed to interest rate risk on bank line of credit. The fixed-rate instruments subject the Commission to a fair value risk while the floating-rate instruments subject it to a cash flow risk.

14. APPROVAL OF FINANCIAL STATEMENTS:

These financial statements were approved by the Commission and Management.

Schedule 1

BEAVER REGIONAL WASTE MANAGEMENT SERVICES COMMISSION
SCHEDULE OF COLLECTION SYSTEM EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2018

	<u>2018</u>	<u>2017</u>
Consulting and engineering	\$ -	\$ 623
Dues and fees	1,402	1,128
Fuel	123,662	102,317
Repairs and maintenance	53,530	72,983
Shop supplies	61,926	46,747
Subcontracts and equipment rental.....	2,947	2,205
Travel	7,091	7,354
Utilities	17,370	13,259
Wages and benefits	<u>658,937</u>	<u>574,656</u>
 Total collection system expenses.....	 <u>\$926,865</u>	 <u>\$821,272</u>

Schedule 2

BEAVER REGIONAL WASTE MANAGEMENT SERVICES COMMISSION
SCHEDULE OF HAULING EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2018

	<u>2018</u>	<u>2017</u>
Consulting and engineering	\$ -	\$ 943
Dues and fees	2,018	1,270
Fuel	646,065	415,450
Repairs and maintenance	168,746	73,620
Shop supplies	136,724	66,279
Subcontract and equipment rental.....	3,653	5,880
Travel	1,102	5,566
Utilities	3,207	4,275
Wages and benefits	<u>1,211,393</u>	<u>1,002,471</u>
 Total hauling expenses.....	 <u>\$2,172,908</u>	 <u>\$1,575,754</u>

BEAVER REGIONAL WASTE MANAGEMENT SERVICES COMMISSION
SCHEDULE OF LANDFILL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2018

	<u>2018</u>	<u>2017</u>
Consulting and engineering	\$ 85,792	\$ 174,068
Dues and fees	5,472	3,688
Fuel	651,126	508,316
Repairs and maintenance	465,122	398,132
Subcontracts and equipment rental.....	16,930	49,989
Supplies.....	164,459	171,188
Travel	5,656	10,013
Utilities	36,009	40,752
Wages and benefits	<u>2,070,336</u>	<u>1,910,293</u>
Total landfill expenses	<u>\$3,500,902</u>	<u>\$3,266,439</u>

BEAVER REGIONAL WASTE MANAGEMENT SERVICES COMMISSION
SCHEDULE OF GENERAL AND ADMINISTRATIVE EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2018

	<u>2018</u>	<u>2017</u>
Advertising and donations	\$ 108,254	\$ 112,921
Bad debts (recovered)	2,090	(57)
Computer.....	102,816	113,202
Consulting	66,345	183,676
Dues and fees	73,755	69,863
Fuel	23,504	20,248
Insurance.....	91,353	85,486
Interest and bank charges.....	52,191	81,688
Meetings	48,024	53,395
Professional fees.....	99,339	144,107
Repairs and maintenance	68,602	81,005
Salaries and benefits	2,347,026	2,364,272
Subcontract and equipment rental.....	15,069	11,541
Supplies, postage and other.....	142,258	119,374
Travel and promotion	238,893	181,151
Utilities.....	<u>92,460</u>	<u>68,583</u>
Total general and administrative expenses	<u>\$3,571,979</u>	<u>\$3,690,455</u>

BEAVER REGIONAL WASTE MANAGEMENT SERVICES COMMISSION
SCHEDULE OF BIOSOLIDS PROJECT EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2018

	<u>2018</u>	<u>2017</u>
Consulting and engineering.....	\$ -	\$1,500
Rent.....	<u>6,416</u>	<u>6,390</u>
Total biosolids project expenses	<u>\$6,416</u>	<u>\$7,890</u>