

2010 ANNUAL REPORT

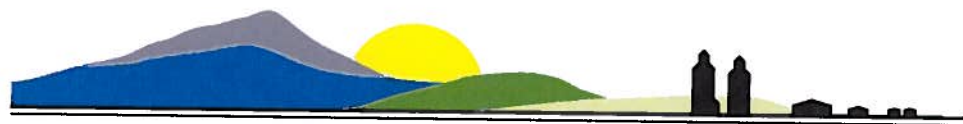
Oldman River Regional Services Commission

FINANCIAL STATEMENTS



**Year Ending
December 31, 2010**

<http://www.orrsc.com>



OLDMAN RIVER REGIONAL SERVICES COMMISSION

Dear Members of the Board:

When you need a land use bylaw prepared, a subdivision enacted, advice on a discretionary development permit, secretarial services for an appeal, GIS flood plain analysis, population projections for the year 2026 or a new land use district map, who do you turn to? You're probably worried about cost, timeliness and the quality of the advice and work performed. That's the beauty of the Oldman River Regional Services Commission! They're reliable, cost-effective, professional and respected. At ORRSC, behind all the plans, maps and advice is an intricate system of hardware and software coupled with a body of knowledge, skills and abilities which is the envy of many non-member municipalities across our province.

While my tenure as Chair for 2010 was short and follows on the heels of Paul Goldade, I have witnessed significant success in the execution of many new statutory plans, land use bylaws and subdivisions across our membership. In addition to regular operations, the commission has continued to follow, review and respond to the Province's Land-Use Framework, ALSA legislation, the Regional Advisory Committee's advice to the Province and to the impending roll-out of the South Saskatchewan Regional Plan. This is no small feat for an organization of 19 people who are still required to respond to the daily planning and mapping needs of over 40 municipalities. It is by far the largest undertaking since ORRSC's reincarnation in 1995 and I appreciate the leadership demonstrated by the Board in encouraging our staff to proceed in this task.

For our new board members, it is important to know that the ongoing consultative process represents an opportunity for both rural and urban municipalities to be heard and to shape the impending regional plan. While everyone understands that the staff is behind all of the quality work at the commission, I think it bears noting that the ORRSC team has done an outstanding job in 2010.

Another high profile undertaking in 2010 was the provision of GIS services to four new municipalities. This positive, constructive approach to sharing information is well received and I don't believe there are any organizations doing it better than ORRSC.

Supporting all of this activity is the revised and enhanced ORRSC website. Developed wholly in-house, the new site provides information, resources and services to support land use planning and GIS across our membership. I encourage you to have a look.

Lastly, I think it important for an organization to evolve and for its governing documents to reflect that. ORRSC has matured since its reincarnation in 1995 and I look forward to reviewing and updating our bylaws, our policies and our operations with the Executive and the Board into 2011.



Terry Michaelis, Chair
Oldman River Regional Services Commission

BOARD OF DIRECTORS

Membership as at December 31, 2010 consisted of the following 38 municipalities, all of which had appointed members to the Board of Directors. Four Board of Directors' meetings were held between January 1 and December 31, 2010. Representation from the municipalities is listed below:

MUNICIPALITY	CURRENT MEMBER	FORMER MEMBER (part of 2010)
ARROWWOOD – Village	Bill Graff	
BARNWELL – Village	Jane Jensen	Del Bodnarek
BARONS – Village	Alf Olsen	
CARDSTON – County	Roger Houghton	Neal Miller
CARDSTON – Town	Tim Court	
CARMANGAY – Village	Doug Smith	Art Cogdale
CHAMPION – Village	Dick Ellis	Trevor Wagenvoort
CLARESHOLM – Town	Doug MacPherson	
COALDALE – Town	Henry Pauls	Vic Mensch
COALHURST – Town	Marvin Slingerland	Dennis Cassie
COUTTS – Village	Tom Butler	
COWLEY – Village	Garry Hackler	
CROWNEST PASS – Municipality	Larry Mitchell / Jerry Lonsbury	Gary Taje / Ian MacLeod
FORT MACLEOD – Town	Gordon Wolstenholme	
GRANUM – Town	Walter Gripping	
HILL SPRING – Village	Monte Christensen	Robert Wiebe
LETHBRIDGE – County	Henry Doeve	Hans Rutz
LOMOND – Village	Brad Koch	
MAGRATH – Town	Dennis Quinton	
MILK RIVER – Town	Terry Michaelis	
MILO – Village	Laurie Duffield	Robert Phillips
NANTON – Town	Dick Fenton	
NEWELL – County No. 4	Anne Marie Philipsen	
NOBLEFORD – Village	Pete Pelley	Paul Goldade
PICTURE BUTTE – Town	Hank Hurkens	
PINCHER CREEK – M.D. No. 9	Terry Yagos	John Russell
PINCHER CREEK – Town	Don Anderberg	Doug Thornton
RANCLAND – M.D. No. 66	Ronald Davis	
RAYMOND – Town	Greg Robinson	Jim Steed
STAVELY – Town	Barry Johnson	
STIRLING – Village	Mike Selk	
TABER – Municipal District	Ben Elfring	Cecil Wiest
VAUXHALL – Town	Tony Dunphy	Lee Green / Peter Van Uden
VULCAN – County	Rod Ruark	
VULCAN – Town	Paul Taylor	Roy Elmer
WARNER – County No. 5	Phil Jensen	Keith Palmer
WARNER – Village	Dannie Lien	Vern Strain
WILLOW CREEK – M.D. No. 26	Henry Van Hierden	

CHAIR AND VICE-CHAIR

The Chair and Vice-Chair from January 1 to December 2, 2010 were:

- Chair** – Paul Goldade (Village of Nobleford)
Vice-Chair – Terry Michaelis (Town of Milk River)

At the December 2, 2010 Annual Organizational Board of Directors' meeting, the following were elected to these positions for the period December 2, 2010 to December 1, 2011:

- Chair** – Terry Michaelis (Town of Milk River)
Vice-Chair – Gordon Wolstenholme (Town of Fort Macleod)

EXECUTIVE COMMITTEE

The Executive Committee is responsible for financial and administrative concerns including budget preparation, approval of accounts, procedures and policies for hiring and dismissal of staff, and specific issues affecting administration or policy. Six meetings were held between January 1 and December 31, 2010.

The following served on the Executive Committee from January 1 to December 2, 2010:

- Paul Goldade – Village of Nobleford (**Chair**)
 Terry Michaelis – Town of Milk River (**Vice-Chair**)
 Henry Van Hierden – M.D. of Willow Creek No. 26
 Doug MacPherson – Town of Claresholm
 Gordon Wolstenholme – Town of Fort Macleod
 Dick Fenton – Town of Nanton
 Doug Thornton – Town of Pincher Creek

At the December 2, 2010 Annual Organizational Board of Directors' meeting, the following members were elected to serve on the Executive Committee from December 2, 2010 to December 1, 2011:

- Terry Michaelis – Town of Milk River (**Chair**)
 Gordon Wolstenholme – Town of Fort Macleod (**Vice-Chair**)
 Henry Doeve – County of Lethbridge
 Henry Van Hierden – M.D. of Willow Creek No. 26
 Doug MacPherson – Town of Claresholm
 Dick Fenton – Town of Nanton
 Mike Selk – Village of Stirling

STAFF**CURRENT STAFF (as at December 31, 2010)**

DIRECTOR	- Lenze Kuiper (permanent contract)
SENIOR PLANNER	- Mike Burla (permanent)
SENIOR PLANNER	- Steve Harty (permanent contract)
PLANNER	- Diane Horvath (permanent contract)
PLANNER	- Bonnie Brunner (permanent contract)
PLANNER	- Gavin Scott (permanent contract)
PLANNER	- Jonathan Schmidt (permanent contract)
PLANNER	- Perry Neufeld (permanent contract) – from May 3/10
ASSISTANT PLANNER	- Katherine Mertz (permanent part-time contract)
INTERN PLANNER	- Michelle Denis (contract)
INTERN PLANNER	- Breelyn Gray (contract) – from May 17/10
SR. GRAPHICS TECHNOLOGIST	- Cal Kembel (permanent)
CAD/GIS TECHNOLOGIST	- Mladen Kristic (permanent contract)
GIS TECHNOLOGIST	- Steven Ellert (permanent contract)
GIS ANALYST	- Jaime Thomas (permanent contract)
GIS ANALYST	- Jordan Thomas (permanent contract)
SUBDIVISION TECHNICIAN	- Gail Kirkman (permanent contract)
BOOKKEEPER	- Sherry Johnson (permanent)
EXECUTIVE SECRETARY	- Barb Johnson (permanent)

FORMER STAFF (part of 2010)

DEVELOPMENT OFFICER	- Rhonda Day (contract) – to June 30/10
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WORK PROGRAM

“The world is round and the place which may seem like the end may also be only the beginning.”

– Ivy Baker Priest

On behalf of the entire staff at the Oldman River Regional Services Commission I would like to thank you – our member municipalities, our Board, and our Executive who have supported us through thick and thin over the years. You’ve contributed to our strength and to our growing relationship. You’ve given us your vote of confidence by weighing our advice and adopting (sometimes with amendments) our recommendations. Our entire team is doing – and will do – everything in our power to see that our relationship with each of you continues to increase in value.

My words today are a story of continuity and change: continuity of the services and strategies that we’ve laid out for your communities since 1995 (and some may argue that continuity actually extends beyond our reincarnation) – and change that has brought us closer to our own goals and objectives. It’s a whole new world, a very different environment from what some of us experienced 15, 20 or 25 years ago. It’s a world in which the ground rules have been radically rewritten. It’s a world of much higher expectations . . . and much greater opportunity.

Today we are on the cusp of receiving a new ‘Regional Plan’; a plan in which we have invested considerable efforts through our submission of *Municipal Perspectives: A Position Paper on the South Saskatchewan Regional Plan* to both the Regional Advisory Council (RAC) and the Province of Alberta. From here we will continue to represent your voice and advocate your issues as the next round of consultative sessions occur surrounding the newly released RAC’s ‘*Advice to the Government of Alberta for the South Saskatchewan Regional Plan*’ and as the Draft Regional Plan gets unrolled.

With one eye on the future, we continue to focus on our core municipal services – land use planning, GIS, subdivision processing, statutory plan preparation and now Regional Assessment Review Board services. Our commission is sound, strong and operates both effectively and efficiently with a reputation the envy of many across our province. We are well positioned to offer exceptional service and we are exceedingly optimistic about the future.

One of the greatest advantages of this job is the fine people I have the pleasure of serving, some of whom are the sharpest politicians and most capable administrators going . . . and, of course there are the people working in our commission, who impress me with their outstanding adaptability, creativity and hard work. They show plenty of grace under pressure and I can’t thank or praise them enough.

If I were to sum it all up in a very few words, I’d say that I’ve spent six years in a wonderful job. It’s been a great honour for me to help guide this commission through some of the most exciting times our province has ever known. It’s been frustrating at times, challenging *all* the time and enormously gratifying, because when you really work at something, you can see the changes taking place.

– Lenze Kuiper, Director

MUNICIPAL PROJECTS

Rural:

- **Cardston County** – Municipal Development Plan Review (ongoing); Land Use Bylaw (2nd reading); Intermunicipal Development Plan with Town of Magrath (commenced)
- **County of Lethbridge** – Intermunicipal Development Plan with Town of Coaldale (adopted); Subdivision Policy Review (completed); Land Use Bylaw Review (commenced)
- **County of Newell No. 4** – Municipal Development Plan (adopted as Bylaw 1705-10); Expenditure & Revenue Sharing Agreement Project (commenced)

- **Vulcan County** – CPR Lands Project (completed); Intermunicipal Development Plan with Town of Vulcan (ongoing); Municipal Development Plan Review/Update (commenced)
- **M.D. of Pincher Creek No. 9** – M.D. of Pincher Creek and Town of Pincher Creek Intermunicipal Development Plan (completed)
- **M.D. of Ranchland No. 66** – Tower Policy (completed)
- **M.D. of Taber** – East Vauxhall Area Structure Plan (ongoing); Land Use Bylaw and Municipal Development Plan Updates (ongoing); Intermunicipal Development Plan with Town of Vauxhall (adopted)
- **M.D. of Willow Creek No. 26** – Land Use Bylaw (adopted); Intermunicipal Development Plan with Town of Nanton (completed)

Towns:

- **Claresholm** – Southwest Area Structure Plan (completed); Municipal Development Plan Update (completed)
- **Coaldale** – Annexation Study (ongoing); Intermunicipal Development Plan with County of Lethbridge (adopted); Land Use Bylaw Review/Update (commenced)
- **Municipality of Crowsnest Pass** – Land Use Bylaw Review (commenced)
- **Fort Macleod** – Municipal Development Plan (commenced)
- **Granum** – Land Use Bylaw (commenced)
- **Magrath** – Intermunicipal Development Plan with Cardston County (commenced)
- **Nanton** – Intermunicipal Development Plan with M.D. of Willow Creek (completed); Parks and Recreation Master Plan (Phase 1 - commenced)
- **Picture Butte** – South Area Structure Plan (ongoing)
- **Pincher Creek** – M.D. of Pincher Creek and Town of Pincher Creek Intermunicipal Development Plan (adopted), Municipal Development Plan (commenced)
- **Raymond** – New Land Use Bylaw (ongoing)
- **Stavelly** – Growth Study (completed)
- **Vauxhall** – Intermunicipal Development Plan with M.D. of Taber (adopted)
- **Vulcan** – Intermunicipal Development Plan with Vulcan County (ongoing)

Villages:

- **Carmangay** – Land Use Bylaw Review (commenced)
- **Champion** – Industrial Subdivision (ongoing); Land Use Bylaw Review (commenced)
- **Coutts** – New Land Use Bylaw (ongoing)
- **Nobleford** – Land Use Bylaw Review (completed); Annexation (completed); Municipal Development Plan Update (commenced)
- **Stirling** – Land Use Bylaw Amendments (adopted)

Other Projects and Services:

- Subdivision and Development Appeal Board Secretarial Assistance
- Orientations on Planning for Municipal Councils
- Development Officer Service for Towns of Coalhurst and Magrath
- Ongoing South Saskatchewan Regional Plan Document Review
- Preparation of Regional Assessment Review Board

GIS:

- Four new participants – Village of Glenwood and Towns of Innisfail, Penhold and Rocky Mountain House (bringing total municipalities to 37)
- GPS data collection continued over the summer – with collection of location as well as photos of playground equipment and infrastructure components
- Conducted GIS training in member municipalities for new employees/participants as well as in-house training in new ORRSC conference room facility
- In January, the Urban GIS Project received a SouthGrow Award of Recognition
- Authored a “GIS and Mapping Services” brochure
- The GIS team presented at GeoAlberta Conference in May
- The GIS team co-sponsored GIS Day at the University of Lethbridge and set up our GIS display at Lethbridge College’s Career Fair

SUBDIVISION**SUMMARY OF APPLICATIONS PROCESSED**

A total of 300 subdivision applications were processed during the 2010 calendar year. The status of these applications as at December 31, 2010:

271	–	Approved or Approved on Condition
6	–	Refused
5	–	Withdrawn or Expired
18	–	Pending

In 2010, a total of 7 subdivisions were appealed based on the following decisions:

3	–	Refused or Deemed Refused
4	–	Approved on Condition

The outcome of the 7 appeals:

2	–	Withdrawn
2	–	Upheld or (Upheld in Part)
3	–	Denied

The following table shows a detailed breakdown of the subdivision applications for 2010.

DETAILS OF SUBDIVISION APPLICATIONS PROCESSED – 2010

ABBREVIATIONS:
A – Approved
A/C – Approved with conditions
R – Refused
W – Withdrawn
E – Expired
P – Pending
Res – Residential
Com – Commercial
Ind – Industrial
CR – Country Residential
Ag – Agricultural
Inst – Institutional
Rec – Recreational
Misc – Miscellaneous

MEMBER MUNICIPALITY	SUBDIVISION APPLICATIONS	DECISION					NEWLY CREATED LOTS (By Use)							TOTAL					
		A / A/C	R	W/E	P	Res	Com	Ind	CR	Ag	Inst	Rec	Misc						
Arrowwood – Village	—																		
Barnwell – Village	4	4				12													12
Barons – Village	—																		
Cardston – County	28	25	1		2	3	1		17	18	1								40
Cardston – Town	4	4				14													16
Carmangay – Village	1	1					2												2
Champion – Village	2	2				1					1								2
Claresholm – Town	1	1				1													1
Coaldale – Town	1	1				55													55
Coalhurst – Town	2	2				33													33
Coutts – Village	—																		
Cowley – Village	—																		
Crowsnest Pass – Municipality	17	14	1		2	19			3					2					24
Fort Macleod – Town	6	6				26				1				1					28
Granum – Town	—																		
Hill Spring – Village	—																		
Lethbridge – County	51	44	1		6	10	2	4	48	8									72

MEMBER MUNICIPALITY	SUBDIVISION APPLICATIONS	DECISION				NEWLY CREATED LOTS (By Use)								TOTAL							
		A / A/C	R	W / E	P	Res	Com	Ind	CR	Ag	Inst	Rec	Misc								
Lomond – Village	—																				
Magrath – Town	7	7				11															12
Milk River – Town	—																				
Milo – Village	—																				
Nanton – Town	2	2								2	1										3
Newell – County No. 4	29	27	2							1	6	26	20	1							54
Nobleford – Village	1	1								1											1
Picture Butte – Town	—																				
Pincher Creek – M.D. No. 9	21	19	2							13	1	16	5								37
Pincher Creek – Town	2	2												2							2
Ranchland – M.D. No. 66	—																				
Raymond – Town	5	4								1											54
Stavely – Town	1	1									1										1
Stirling – Village	5	5								7											7
Taber – M.D.	36	31	2	1	2					3	1	4	27	3	1						39
Vauxhall – Town	—																				
Vulcan – County	23	22									1	20			2						23
Vulcan – Town	1	1									1										1
Warner – County No. 5	21	17	1		3						1	34	11								46
Warner – Village	—																				
Willow Creek – M.D. No. 26	29	28									1	28	4								33
TOTAL	300	271	6	5	18	262	12	23	219	70	10	2	0								598

NOTE: Lot count includes Pending Decisions as at December 31, 2010

**OLDMAN RIVER
REGIONAL SERVICES COMMISSION**

**FINANCIAL STATEMENTS
DECEMBER 31, 2010**

OLDMAN RIVER REGIONAL SERVICES COMMISSION

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2010**

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Lethbridge AB T1J 0G9 Canada

INDEPENDENT AUDITOR'S REPORT

To the Members of the Oldman River Regional Services Commission

We have audited the accompanying financial statements of the Oldman River Regional Services Commission, which comprise the statement of financial position as at December 31, 2010 and the statements of operations, changes in net assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian generally accepted accounting principles, 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 audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Oldman River Regional Services Commission as at December 31, 2010 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

BDO Canada LLP

Chartered Accountants

Lethbridge, Alberta

May 2, 2011

OLDMAN RIVER REGIONAL SERVICES COMMISSION

STATEMENT OF FINANCIAL POSITION AS AT DECEMBER 31, 2010

	<u>2010</u>	<u>2009</u>
ASSETS		
Current assets		
Cash and term deposits (note 3)	\$ 417,557	\$ 778,775
Prepaid expenses	2,715	-
Accounts receivable	<u>62,120</u>	<u>81,715</u>
	482,392	860,490
Property, plant and equipment		
Capital assets (note 4)	<u>793,049</u>	<u>733,007</u>
Total assets	<u><u>\$ 1,275,441</u></u>	<u><u>\$ 1,593,497</u></u>
LIABILITIES AND NET ASSETS		
Current liabilities		
Accounts payable and accrued liabilities	\$ 182,155	\$ 158,700
Deferred revenue (note 5)	<u>5,084</u>	<u>28,869</u>
Total liabilities	<u>187,239</u>	<u>187,569</u>
Net assets		
Invested in capital assets	793,049	733,007
Internally restricted (note 6)	517,508	538,825
Unrestricted	<u>(222,355)</u>	<u>134,096</u>
	<u>1,088,202</u>	<u>1,405,928</u>
Total liabilities and net assets	<u><u>\$ 1,275,441</u></u>	<u><u>\$ 1,593,497</u></u>

APPROVED BY THE COMMISSION:

CHAIRMAN

VICE-CHAIRMAN

The accompanying notes and supporting schedules to which the financial statements are cross-referenced are an integral part of these financial statements.

OLDMAN RIVER REGIONAL SERVICES COMMISSION

STATEMENT OF OPERATIONS YEAR ENDED DECEMBER 31, 2010

	Budget (Unaudited)	2010 Actual	2009 Actual
REVENUE			
Municipal contributions	\$ 442,374	\$ 444,087	\$ 421,309
Subdivision fees	400,000	372,800	432,503
Service fees	135,000	201,085	154,786
GIS member fees	-	314,384	241,292
GIS service fees	-	53,141	29,190
GIS project revenue	-	22,881	477,774
Other grant revenue	60,000	62,905	37,011
Interest income	24,000	14,966	23,129
Other revenue	11,000	17,694	24,455
	1,072,374	1,503,943	1,841,449
EXPENDITURES			
Advertising	11,500	10,724	11,960
Amortization	10,000	59,396	53,174
Bad debt expense	-	14,032	-
Equipment	5,000	27,135	15,875
Equipment repairs and maintenance	12,000	6,669	15,467
GIS project expenses	-	22,881	477,774
Janitorial	5,500	5,600	5,210
Land titles office	5,000	5,879	7,090
Members' fees	18,000	12,827	12,950
Members' travel	14,500	17,640	15,975
Miscellaneous	3,000	924	2,656
Occupancy costs	73,000	40,214	35,330
Office supplies	3,200	6,864	4,035
Postage	5,500	9,193	8,133
Printing and duplicating	3,500	11,998	9,283
Professional fees	16,500	36,893	23,082
Public relations	7,500	7,324	10,111
Salaries and benefits	1,021,770	1,467,597	1,245,638
Staff training and conferences	18,000	21,898	10,117
Staff travel	12,500	17,217	13,857
Telephone	11,000	18,764	13,452
	1,256,970	1,821,669	1,991,169
DEFICIENCY OF REVENUES OVER EXPENDITURES	\$ (184,596)	\$ (317,726)	\$ (149,720)

The accompanying notes and supporting schedules to which the financial statements are cross-referenced are an integral part of these financial statements.

OLDMAN RIVER REGIONAL SERVICES COMMISSION

**STATEMENT OF CHANGES IN NET ASSETS
YEAR ENDED DECEMBER 31, 2010**

	2010			2009
	Invested in Capital Assets	Internally Restricted	Unrestricted	Total
NET ASSETS AT BEGINNING OF YEAR	\$ 733,007	\$ 538,825	\$ 134,096	\$ 1,405,928
Excess (deficiency) of revenue over expenses	(59,396)	-	(258,330)	(317,726)
Purchase of capital assets	119,438	-	(119,438)	-
Transfer from reserve (note 6)	-	(21,317)	21,317	-
NET ASSETS AT END OF YEAR	\$ 793,049	\$ 517,508	\$ (222,355)	\$ 1,088,202
				\$ 1,405,928

The accompanying notes and supporting schedules to which the financial statements are cross-referenced are an integral part of these financial statements.

OLDMAN RIVER REGIONAL SERVICES COMMISSION

**STATEMENT OF CASH FLOWS
YEAR ENDED DECEMBER 31, 2010**

	<u>2010</u>	<u>2009</u>
CASH PROVIDED BY (USED FOR):		
CASH FLOWS FROM OPERATING ACTIVITIES		
Excess of revenues over expenditures	\$ (317,726)	\$ (149,720)
Items which do not affect cash:		
Amortization of capital assets	59,396	53,174
Loss on disposal of capital assets	-	232
	<u>(258,330)</u>	<u>(96,314)</u>
Change in non-cash working capital balances:		
Accounts receivable	19,595	466,369
Prepaid expenses	(2,715)	-
Accounts payable and accrued liabilities	23,455	60,737
Deferred revenue	<u>(23,785)</u>	<u>(471,786)</u>
	<u>(241,780)</u>	<u>(40,994)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property plant and equipment	<u>(119,438)</u>	<u>(242,817)</u>
INCREASE (DECREASE) IN CASH	(361,218)	(283,811)
CASH POSITION AT BEGINNING OF YEAR	<u>778,775</u>	<u>1,062,586</u>
CASH POSITION AT END OF YEAR	<u>\$ 417,557</u>	<u>\$ 778,775</u>
OTHER ITEMS:		
Interest received	<u>\$ 14,966</u>	<u>\$ 23,129</u>

The accompanying notes and supporting schedules to which the financial statements are cross-referenced are an integral part of these financial statements.

OLDMAN RIVER REGIONAL SERVICES COMMISSION

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2010

1. NATURE OF THE ORGANIZATION

The Oldman River Regional Services Commission is registered with the Municipal Government Act whose primary role and responsibility is to provide planning assistance to its member municipalities.

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

2. SUMMARY OF ACCOUNTING POLICIES

The Commission uses a basis of reporting consistent with the not-for-profit organizations as defined in the Canadian Institute of Chartered Accountants Handbook section 4400.

Significant aspects of these accounting principles are:

a) Basis of Presentation

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles.

b) Budget Amounts

The budget amounts presented on the statement of operations are taken from the Commission's annual budget. Certain budget amounts have been reclassified to conform with the current year's financial statement presentation.

c) Capital Assets

Capital assets are recorded at cost. Amortization is provided using the following annual rates and basis and reduces the Commission's equity in capital assets accordingly:

Building	4%	declining balance
General contents	20%	straight line, net of estimated salvage value
Other equipment	20%	straight line, net of estimated salvage value
Computer equipment	25%	straight line, net of estimated salvage value
Automotive	30%	declining balance

OLDMAN RIVER REGIONAL SERVICES COMMISSION

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2010

2. SUMMARY OF ACCOUNTING POLICIES (continued)

d) Revenue Recognition

The Commission follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amounts to be received can be reasonably estimated and collection is reasonably assured.

Restricted investment income is recognized as revenue in the year in which the related expenses are incurred. Unrestricted investment income is recognized as revenue when earned.

Approval fees and sales of maps are recognized as revenue in the period in which the service is delivered or in which the transactions or events occurred that gave rise to the revenue.

Fee for service revenue is recognized as revenue in the period in which the service is delivered or in which the transactions or events that gave rise to the revenue occurred.

e) Financial Instruments

The Commission has classified its cash and cash equivalents as held-for-trading, which are measured at fair value. Accounts receivable are classified as loans and receivables, which are measured at amortized cost. Accounts payable and accrued charges are classified as other financial liabilities which are measured at amortized cost.

Unless otherwise noted, it is management's opinion that the Commission is not exposed to significant interest, currency or credit risks arising from these financial instruments. Unless otherwise noted, the fair value of these financial instruments represents their carrying values.

f) Use of Estimates

The preparation of financial statements in conformity with the Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenditure during the period. Where measurement uncertainty exists, the financial statements have been prepared within reasonable limits of materiality. Actual results could differ from those estimates.

g) Pension Expenditure

The Commission participates in a multi-employer defined benefit pension plan. This plan is accounted for as a defined contribution plan.

OLDMAN RIVER REGIONAL SERVICES COMMISSION

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2010

3. CASH AND TERM DEPOSITS

	<u>2010</u>	<u>2009</u>
Cash	\$ -	\$ 239,950
Restricted operating cash	<u>417,557</u>	<u>538,825</u>
 Total cash and term deposits	 <u>\$ 417,557</u>	 <u>\$ 778,775</u>

Restricted operating cash consists of guaranteed investment certificates of \$300,000 (2009 - \$400,000) bearing interest at rates between 1.90% and 3.75% (2009 - between 1.90% and 3.75%) with maturity dates commencing September 27, 2011 to November 14, 2011.

4. CAPITAL ASSETS

	<u>2010</u>			<u>2009</u>
	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>Net</u>	<u>Net</u>
Land	\$ 80,000	\$ -	\$ 80,000	\$ 80,000
Building	773,397	151,037	622,360	559,583
Leasehold improvements	20,380	20,380	-	-
General contents	251,056	207,599	43,457	52,119
Other equipment	15,844	15,844	-	-
Computer equipment	79,684	62,056	17,628	20,330
Automotive	74,283	44,679	29,604	20,975
	<u>\$ 1,294,644</u>	<u>\$ 501,595</u>	<u>\$ 793,049</u>	<u>\$ 733,007</u>

5. DEFERRED REVENUE

	<u>2010</u>	<u>2009</u>
Deferred provincial grant	\$ 5,084	\$ 5,989
Deferred GIS grant revenue	<u>-</u>	<u>22,880</u>
	<u>\$ 5,084</u>	<u>\$ 28,869</u>

Deferred provincial grant revenue relates to \$62,000 (2009 - \$43,000) of funding received that remains unspent as of the year-end in regards to expenditures relating to the Municipal Internship Program for Land Use Planners.

OLDMAN RIVER REGIONAL SERVICES COMMISSION

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2010

6. INTERNALLY RESTRICTED NET ASSETS

The Commission has established the following funds for future expenditures:

	<u>2010</u>	<u>2009</u>
a) Computer Reserve	\$ 99,795	\$ 99,795
b) Vehicle Reserve	8,145	29,462
c) Operating Reserve	366,005	366,005
d) Photocopier Reserve	32,340	32,340
e) Telephone Reserve	11,223	11,223
	<u>\$ 517,508</u>	<u>\$ 538,825</u>

During the year the Board authorized a transfer of \$21,317 from vehicle reserve to fund the purchase of a new automobile for the commission.

7. LOCAL AUTHORITIES PENSION PLAN

Employees of Oldman River Regional Services Commission participate in the Local Authorities Pension Plan, which is one of the plans covered by the Public Sector Pension Plans Act. The Plan covers approximately 133,000 employees of approximately 500 non-government employer organizations such as municipalities, hospitals, and schools (non-teachers).

Oldman River Regional Services Commission is required to make current service contributions to the Plan of 9.06% of pensionable payroll up to the year's maximum pensionable earnings under the Canada Pension Plan, and 12.53% on pensionable earnings above this amount.

Employees of Oldman River Regional Services Commission are required to make current service contributions of 8.06% of pensionable salary up to the year's maximum pensionable earnings under the Canada Pension Plan, and 11.53% on pensionable salary above this amount.

Total current and past service contributions by Oldman River Regional Services Commission to the Local Authorities Pension Plan in 2010 were \$107,964 (2009 - \$80,224). Total current and past service contributions by the employees of Oldman River Regional Services Commission to the Local Authorities Pension Plan in 2010 were \$97,392 (2009 - \$71,702).

At December 31, 2010, the Plan disclosed an actuarial deficit of \$3.99 million.

OLDMAN RIVER REGIONAL SERVICES COMMISSION

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2010

8. DEBT LIMITS

Section 276(2) of the Municipal Government Act requires that debt and debt limits as defined by Alberta Regulation 255/00 for the Oldman River Regional Services Commission be disclosed as follows:

	2010	2009
Total debt limit	\$ 3,007,886	\$ 3,682,898
Total debt	-	-
Amount below prescribed debt limit	\$ 3,007,886	\$ 3,682,898
Service on debt limit	\$ 526,380	\$ 644,507
Service on debt	-	-
Amount below prescribed debt servicing limit	\$ 526,380	\$ 644,507

The debt limit is calculated at 2.0 times revenue of the Commission (as defined in Alberta Regulation 255/00) and the debt service limit is calculated at 0.35 times such revenue. Incurring debt beyond limitations requires approval by the Minister of Municipal Affairs. These thresholds are guidelines used by Alberta Municipal Affairs to identify municipalities that could be at financial risk if further debt is acquired. The calculations taken alone do not represent the financial stability of the Commission. Rather, the financial statements must be interpreted as a whole.

9. COMMITMENTS

Equipment lease

The Commission entered into a lease agreement for office equipment that expires in June, 2013. The lease is payable in quarterly instalments of \$1,246 net of GST and any other charges. Future lease payments are as follows:

2011	4,984
2012	4,984
2013	1,246
	\$ 11,214

OLDMAN RIVER REGIONAL SERVICES COMMISSION

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2010

10. CAPITAL DISCLOSURES

The Commission considers its capital to be its net assets, restricted and unrestricted. The Commission's objectives when managing its capital are to provide sufficient funds to cover both the annual overhead expenses as well as provide long-term maintenance and replacement for the organization's capital assets. Annual budgets are developed and monitored to ensure the Commission's capital is maintained at an appropriate level.

11. CHANGE IN ACCOUNTING STANDARDS

Effective January 1, 2012, the Organization will be required to adopt Public Sector Accounting Standards as defined in the CICA Handbook, without sections PS 4200 to PS 4270. Management considers the effects of this transition to be minimal, but has not determined this effect at this time.

12. APPROVAL OF FINANCIAL STATEMENTS

The Board and Management have approved these financial statements