

Northern Peninsula Regional Service Board

2010 Annual Report



Message from the Chairperson

The Northern Peninsula Regional Service Board is pleased to submit its first annual report under the Province's *Transparency and Accountability Act* for the year ending December 31, 2010. The role of this Board is guided by its Vision: a healthy and safe environment for the present and the future, ensured by conservation and protection through solid waste management; and fire protection services.

I am pleased to report that the Board continues to move forward on both of its business plan issues: Provincial Waste Management Strategy and Fire Services. To evaluate The Board's waste management operations, a waste audit was conducted for sub-regions 1, 2, & 3. Through a prescribed process, the waste audit report documented existing waste management practices, and reviewed their effectiveness. Based upon the information in the report, the Board undertook enhancements to the organization's operating activities in order to achieve even more favourable outcomes.

In compliance with the *Transparency and Accountability Act*, audited financial statements, which I have reviewed, are included in this annual report. Under the *Regional Service Boards Act* these statements must be signed by the chairperson and the treasurer. As Board members are currently being appointed and a treasurer is not in place, the Board will fulfill its obligations under the *Regional Service Boards Act* at a later date when the treasurer is in place.

As Chair, my signature indicates that all members of the Northern Peninsula Regional Service Board are accountable for the results reported in this document. I am very pleased with the Board's accomplishments over the past year. I look forward to continued progress on addressing issues of importance to the people of the Northern Peninsula in the next fiscal year.



Doug Mills
Chairperson, Northern Peninsula Regional Service Board

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1.0 Overview

The Northern Peninsula Regional Service Board (the Board) is the product of the successful actions of a concerned group of community volunteers: The Northern Peninsula Waste Management Committee. In January, 2002 an in-depth waste management engineering study, Nordic Region Solid Waste Management Study, recommended the creation of a committee that would work towards implementing the Provincial Waste Management Strategy. The Northern Peninsula Waste Management Committee had eleven volunteer members and one coordinator. The members represented the communities of Castors River South to Goose Cove East. In November, 2003 the committee became an incorporated body.

In 2004 the Minister of Municipal and Provincial Affairs announced that authority status as defined by the *Regional Service Boards Act (Act)* was given to the former Northern Peninsula Waste Management Committee. Renamed the Northern Peninsula Regional Service Board, the Board now operates under the authority of the *Act* and associated regulations to provide waste management services to a defined region. The Board comprises local government representatives and has the ability to impose fees as necessary to finance its operation. The boundaries for the Board on the Northern Peninsula are from Cook's Harbour to Goose Cove (sub-region 1) and from Main Brook to Englee (sub-region 2). On April 10, 2008 the provincial Government announced that authority status was also extended from Eddies Cove East to Castors River (sub-region 3) with the possibility of extending as far as River of Ponds (sub-region 4).

The Board consists of 10 members including Doug Mills who serves as Chairperson. The current board members are as follows:

Sub-region 1:

Mrs. Iris Decker
Mr. Richard May

Sub-region 2:

Mr. Edgar Fillier, Vice Chair
Mr. Tennis Cassell

Sub-region 3

Ms. Jayne Caine
Mr. Cecil Hughes

During the past year, the term of appointment ended for all members of Sub-regions 1, 2 and 3. Activities are underway to replace these members, as well as appoint members for Sub-region 4 where the Board will be expanding waste management services.

In addition to providing waste management services, the Board also provides fire service to a portion of the Straits from Anchor Point to Eddies Cove East, inclusive. The Department of Municipal Affairs has supported this initiative by investing \$232,000 in capital equipment and has provided operational and seed funding for a three year period.

A subcommittee has been set up to oversee the daily management of fire services, under the umbrella of the Northern Peninsula Regional Service Board. The 6-member Straits Volunteer Regional Fire Department Committee has representation from the Board and the regional fire department, including: Cecil Hughes, Chairperson; Keith Billard, Hank Diamond, Wallace Genge, Richard May, Norman Parrill and Jayne Caines.

The Northern Peninsula Regional Service Board is staffed by 12 employees (including one Coordinator position). The Board receives funding from the Multi-Materials Stewardship Board (MMSB) to support the Coordinator's salary, office expenses and both Board and Coordinator travel expenses. MMSB funds the public education programs developed by the Board such as school presentations, regular newsletters, brochures, and other regional or community discussions regarding solid waste management.

The Department of Municipal Affairs has financially supported initiatives of the Northern Peninsula Regional Service Board by providing 80% of the capital cost needed to develop the two consolidated landfill sites. The remaining 20% was funded by the towns of Englee and St. Anthony with the Board repaying these towns on a monthly basis.

The Provincial Government has also provided 100% of the funding necessary to decommission and to close out the dumpsites that will be replaced by the two regional consolidated landfill sites. On April 10, 2008, the Board received \$600,000 to decommission the Castors River site, clean-up the original St. Barbe and Straits sites, and then re-develop the St. Barbe/Straits site into one consolidated landfill site for sub-region 3. The success of the Board would not have been possible without the guidance and financial support of the Provincial Government.

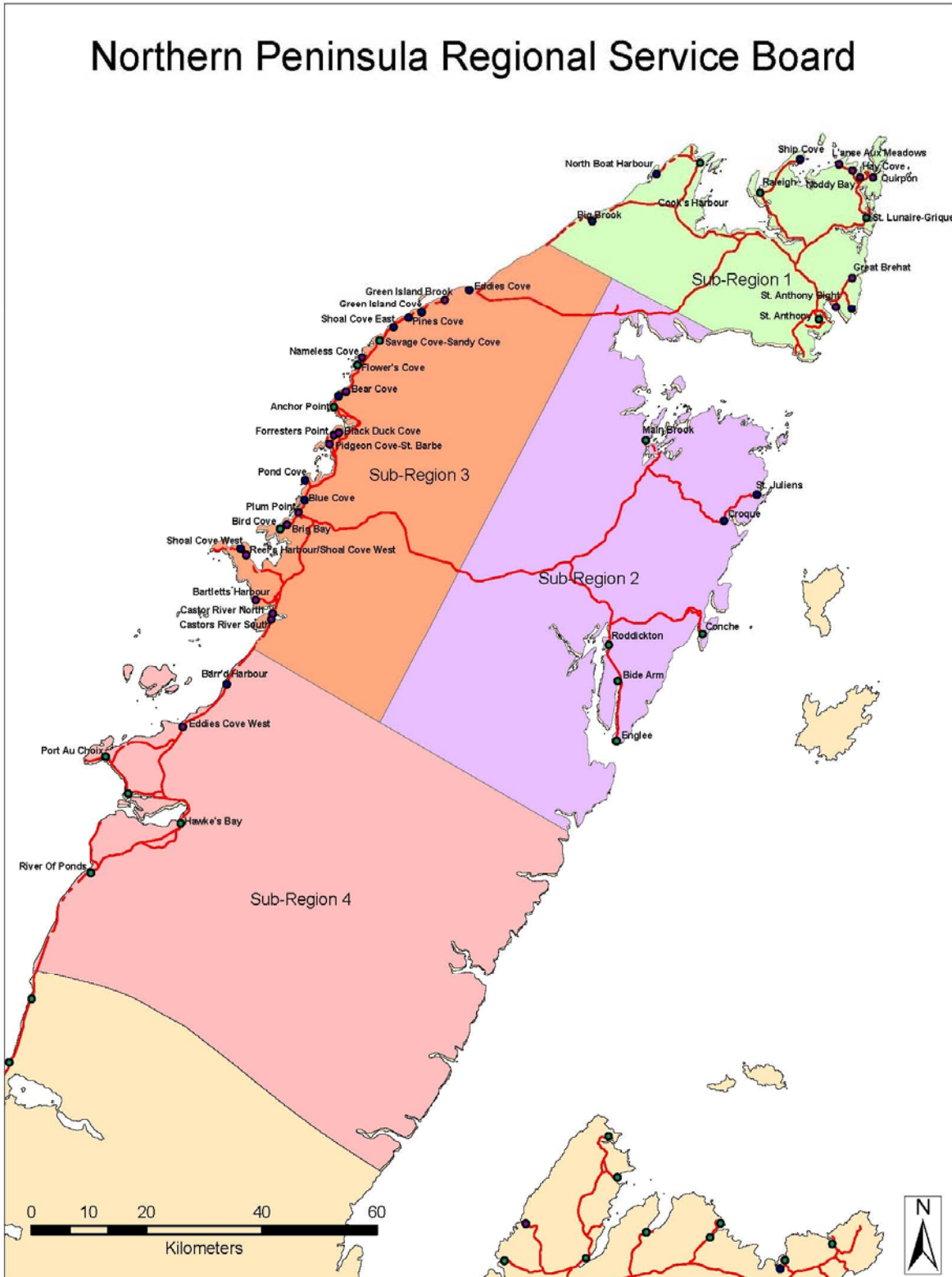
The Board is accountable for the funds it receives from government and through user fees. Each year it has audited financial statements prepared and sends these to all municipalities in the region.

Budget and Expenditures

The Board's total budget for 2010 was \$677,939. Total expenditure was \$677,939. For further details see Appendix B – Budget and Appendix C – Financial Statements.

Contact Information

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2.0 Mandate

In accordance with section 3 of the *Northern Peninsula Regional Service Board Regulations* the following mandate has been set out for the Northern Peninsula Regional Service Board:

Prescribed services:

- The board has the power to construct, acquire, maintain and operate waste disposal systems and sites.
- The board has the power to provide fire protection services to the portion of the Northern Peninsula Region defined as the towns, local service districts and unincorporated areas from Eddies Cove in the north to Anchor Point in the south.

To view the regulations in their entirety from which the Board derives its mandate, please see Appendix A (*Northern Peninsula Regional Service Board Regulations*).

The *Regional Service Board Act* may be accessed through the House of Assembly website at www.assembly.nl.ca/legislation.

3.0 Lines of Business

1. Waste Management

a) Waste Collection:

The Board operates a once-weekly waste collection system for residents, non-profit organizations, and some businesses. The Board has three compactor trucks, and three operators to carry out this service. It also responds to special collection requests, where possible. The Board sets and collects fees for its waste collection services.

b) Operation and Management of Landfill Sites:

The Board operates three landfill sites, which includes maintaining the sites by pushing off and covering waste once per week. It establishes and collects tipping fees for businesses using these sites.

c) Waste Diversion:

The Board establishes mechanisms to divert selected materials from landfills, through recycling or other measures. Hazardous wastes are also diverted from landfills through special collections and proper disposition.

2. Public Education

The Board undertakes public education activities regarding waste management including newsletters, a variety of presentations/promotions for interest groups, e.g. schools, presentations at municipal meetings, conventions; and information provided to media. School children are a very important interest group, with presentations being tailored to each grade level, to complement their lesson plans.

3. Fire Protection Services

The Board operates the Straits Volunteer Fire Department, serving communities from Anchor Point to Eddies Cove East. This includes the fire hall, fire truck and equipment based in Flower's Cove. The Board is also responsible for collection of fees to support the service.

4.0 Values

The Northern Peninsula Regional Service Board feels that the following values will assist in the proper operation of the Board in carrying out its business.

Professionalism

Each individual will abide by those regulations and conditions set out by the Northern Peninsula Regional Service Board.

Respect for the environment

Each individual will carry out day to day activities keeping in view at all times the conservation and preservation of the environment.

Integrity

Each individual will ensure their words and actions align with Board guidelines.

Each individual will build and demonstrate trustworthiness among staff, fellow Board members and communities.

Respect

Each individual will respond in a courteous, caring, thoughtful, tolerant and considerate manner

Each individual will communicate in an open, honest, sensitive and intelligent manner

Honesty

Each individual will be a good steward of public money, and be forthright in giving information

5.0 Primary Clients

The Northern Peninsula Regional Service Board identifies its primary clients as those individuals, groups, or organizations who are the principal users and/or beneficiaries of the Board's lines of business, and include the following:

- Households
- ICI's (Industrial/Commercial/Institutional), including fish plants and hospitals
- Local governments (municipalities and local service districts)
- Not for Profit Organizations
- Schools and school-age children

6.0 Vision

The vision of the Northern Peninsula Regional Service Board is of a healthy and safe environment for the present and the future, ensured by conservation and protection through solid waste management; and fire protection services.

7.0 Mission

Given the Board tabled a one-year plan and the mission for a government entity is for 6 years the Board did not develop a mission for its 2010 plan. The Board determined that we could contribute to the mission of the Department of Municipal Affairs, as stated in their 2008-11 Strategic Plan. Below is the Municipal Affairs' mission and the indicators to which the Board contributed:

By March 31, 2011, the Department of Municipal Affairs will have improved the efficiency of municipal service delivery.

Measure: Improved efficiency of municipal service delivery

Indicators:

- Increased investment in regional service delivery

The Board actioned Government's increased investment by delivering efficient regional service within the Northern Peninsula region including waste management and fire services. Of particular note, this past year the Board conducted a waste audit to evaluate effectiveness of service delivery and, based on recommendations from the audit, made enhancements to its operations to improve outcomes. The Board also conducted a financial review of its fire service operations and adjusted its fee structure to ensure a balanced budget.

8.0 Shared Commitments

Over the past number of years the Multi Materials Stewardship Board (MMSB), a Government of Newfoundland and Labrador Crown agency, has provided funding to the Board to carry out a variety of initiatives to advance the Provincial Solid Waste Management Strategy on the Northern Peninsula. In particular, MMSB has provided funding for the Board's comprehensive public education and awareness program which has generated a high degree of public support for the new regional waste management practices.

This year the Northern Peninsula Regional Service Board and the MMSB partnered to offer an innovative new opportunity to residents. MMSB provided funding to enable the Board to offer backyard compost bins at a reduced rate, along with an opportunity for residents to participate in an educational session on successful composting. This initiative has contributed to diverting waste destined for our landfills. MMSB has been a critical partner in enabling the Board to advance the Provincial Solid Waste Management Strategy on the Northern Peninsula, and to become a driving force in regional service delivery.

9.0 Highlights and Accomplishments

Fire Protection Equipment

The Northern Peninsula Regional Service Board received a special grant in the amount of \$20,340 from Fire and Emergency Services - NL. This funding was used to purchase four self-contained breathing apparatuses for the Straits Volunteer Regional Fire Department. The supplier provided training on the equipment's use. It is through investments like these that the safety of fire fighters is improved, as well as the quality of fire protection services offered to residents.

10.0 Report on Performance

In consideration of Government's strategic directions and the mandate and financial resources of the Board, the following issues were identified as the key priorities of the Board for the period January 01, 2010 to December 31, 2010. The objectives identified for each issue reflect the results expected in the one-year timeframe of our plan.

Issue 1: Provincial Waste Management Strategy:

The Government of Newfoundland and Labrador's Provincial Solid Waste Management Strategy (the Strategy) is designed to ensure effective and efficient management of solid waste in Newfoundland and Labrador. The Strategy is founded on five guiding principles:

- Diversion of 50% of waste going for disposal
- Establishment of waste management regions and regional management
- Development of modern standards and technology
- Maximization of economic and employment opportunities
- Public education.

In keeping with these principles the Northern Peninsula Waste Management Committee was formed in 2002 to work towards implementation of the Strategy. During 2010 the Board continued this implementation through exploring options for waste diversion, as well as prevention and remediation of illegal dumping. It also undertook activities in preparation for expanding its geographic range in which services are provided.

In developing its Business Plan for 2010, the Board took into consideration the strategic directions of the Department of Municipal Affairs, as designated in the Department's 2008-11 Strategic Plan. The Board's work on various aspects of the Provincial Waste Management Strategy contributed to the Department's strategic direction of *Increased Regional Sustainability*. In particular, the Board contributed to two components: *regional service delivery* and *waste management*.

Objective 1: By December 31, 2010 the Northern Peninsula Regional Service Board will have continued the implementation of the Provincial Solid Waste Management Strategy within the Northern Peninsula region.

Measure: Continued the implementation of the Provincial Waste Management Strategy within the Northern Peninsula region.

Indicators:

➤ **Expanded operations into sub-region 4 (River of Ponds)**

The Board has expanded its boundaries to include sub-region 4, Eddies Cove West to River of Ponds, however the Board could not commence operations in this

region by Dec. 31, 2010, because Government advised that further investigation was required to determine an adequate source of fill for the Hawkes Bay landfill site. The Department of Municipal affairs is conducting this investigation.

➤ **Put into operation the landfill site in sub-region 4**

An investigation was conducted to determine whether or not the local Hawkes Bay landfill site could be used as a regional waste management site. Based on this study the site was determined as being a suitable location and accepted by Government. However, Government advised that further investigation was required to determine an adequate source of fill for the landfill site, therefore operations could not commence prior to December 31, 2010. Operations will commence at the Hawkes Bay landfill site once the issues regarding sources of fill are resolved.

➤ **Explored options for waste diversion within the Northern Peninsula**

The Board partnered with MMSB to offer backyard compost bins at a reduced rate along with an opportunity for residents to participate in an educational training session on successful backyard composting. This will help divert waste from the landfill sites.

A written proposal was submitted to Multi-Material Stewardship Board for funding to conduct a feasibility study relating to waste diversion/transitional strategy. We are awaiting a response from MMSB.

➤ **Investigated options for prevention and remediation of illegal dumping**

The Board participated in a Province-wide Indiscriminate Dumping and Litter Abatement Working Group developed by the Multi-Material Stewardship Board. Working Group members consist of representatives of different levels of government, regional waste management authorities, Municipalities Newfoundland and Labrador, the Newfoundland and Labrador Environmental Industry Association and the Harris Centre of Memorial University. It is envisioned that the Working Group will produce a broad strategy to tackle litter and indiscriminate dumping in Newfoundland and Labrador.

Working group members have discussed a variety of options to address litter and indiscriminate dumping, and have decided upon a course of action to be undertaken in 2011. An inter-jurisdictional review of indiscriminate dumping management best practices will be conducted. In addition, a survey will be sent to all municipalities in the Province to determine whether they identify indiscriminate dumping and litter as issues of concern. The results of this research will be used by MMSB and the Provincial Government to consider new programs and services on a Province-wide basis. The Board will examine the information to determine options which may be successfully implemented in our region.

➤ **# of presentations made to various groups**

A presentation was made to the Town of St. Anthony to provide an update on the Board's operations and successes. Two presentations were made at the Waste Management Forum organized by the Multi-Material Stewardship Board.

➤ **Monitored operations in sub-regions 1, 2 & 3**

A waste audit was conducted for sub-regions 1, 2, & 3. A waste audit is a prescribed process used to categorize as well as to measure the waste generated by an individual or a collective body. Audits ascertain existing waste practices and review their effectiveness with regard to the achievement of desired outcomes. The Board considered the waste audit report's recommendations in order to build upon the organization's past accomplishments.

In addition, regular visits and inspections were conducted at all landfill sites. Regular consultations were held with all employees regarding rules and regulations in order to ensure service quality and consistency.

Issue 2: Fire Services

Municipalities within the Province are increasingly challenged to efficiently and effectively provide essential services. This is especially true for small municipalities and local service districts in rural areas where the cost of delivering municipal services is steadily increasing at a time when municipal revenues are decreasing. Over the past number of years, a number of communities have strengthened their local governance simply through a sharing of services to achieve greater financial viability and greater efficiency in service delivery.

In its 2008-11 Strategic Plan the Department of Municipal Affairs committed to taking measures to facilitate regional governance to test the practicality of delivering municipal services over a broad geographic area. In June 2009 the Department announced that the Northern Peninsula Regional Service Board had been selected as a regional governance model to test the effectiveness of the delivery of fire services in the region of Anchor Point to Eddies Cove East. The Board has successfully implemented a new regional fire service which serves 740 households and 65 businesses. The Department of Municipal Affairs provided start-up capital for equipment and renovations to the fire hall. The Board sets and collects fire protection fees throughout the service region.

In developing its Business Plan for 2010, the Board took into consideration the strategic directions of the Department of Municipal Affairs, as designated in the Department's 2008-11 Strategic Plan. By delivering fire services through a regional governance model, the Board made a contribution to both of the Department's strategic directions. With respect to *Increased Regional Sustainability*, the Board contributed to the *regional service delivery* component. With respect to *Strengthened Municipal Capacity*, the Board contributed to the *regional governance* component.

Objective 2: By 2010, the Northern Peninsula Regional Service Board will have reviewed the implementation of regional fire services from Anchor Point to Eddies Cove East.

Measure: Reviewed the implementation of regional fire services from Anchor Point to Eddies Cove East

Indicators:

- **Consulted with stakeholders from the region of Anchor Point to Eddies Cove East to gather feedback on the fire services as implemented by the Board**

Quarterly newsletters addressing both waste management and fire services were inserted in the local newspaper and distributed to households in sub-regions 1, 2, 3 and 4. They were also mailed to municipalities and local service districts in the Board's service region, as well as relevant Provincial Government departments and agencies. In addition, a fire services-specific newsletter was prepared and distributed to households and businesses in the Anchor Point to Eddies Cove East

service region. The newsletters included the Board's contact information so that the public could contact the Board with questions or concerns.

Regular meetings were held with stakeholders, including the Straits Volunteer Regional Fire Department Committee. This Committee relayed feedback from fire fighters as well as communities. Some of the members of the Straits Volunteer Regional Fire Department Committee also sit on a Regional Advisory Committee, which includes two members from each of the thirteen communities in the region. The Regional Advisory Committee was formed by community leaders to address regional service delivery issues of mutual interest. Thus the Board had access to feedback from a network of community leaders. These community representatives reported on feedback from the public on issues such as the need for a second fire truck to be located in another location in the service region.

➤ **Conducted a financial review of fire services**

A financial review was conducted and presented to the Board. Based on this review it was determined that an increase in fees was needed to balance the budget. A new budget and fee structure were developed and approved for 2011.

11.0 Opportunities and Challenges Ahead

There are many opportunities and challenges ahead as the Board strives to meet all the goals of the Provincial Waste Management Strategy within its region. Towards this, the Board will focus on bringing all waste management sub-regions into operation, addressing illegal dumping, exploring options to initiate waste diversion measures, and investigating options for integration with the full-service waste management site that will be serving Western Newfoundland.

In particular, the Board is looking forward to the findings from the inter-jurisdictional review and survey to be conducted by the Indiscriminate Dumping and Litter Abatement Working Group. This will inform future approaches to the prevention and remediation of illegal dumping.

Fire services will also be a priority issue for the Board because as a new service, it will need to be closely monitored and evaluated. Based upon evaluation of the pilot in the Anchor Point to Eddies Cove East service area, and consultations with stakeholders within and outside the service area, the Northern Peninsula Regional Service Board aims to develop a fire services strategy for the entire region served by the Board.

Appendix A Legislated Mandate

This is not the official version.

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Important Information

(Includes disclaimer and copyright information and details about the availability of printed and electronic versions of the Statutes.)

Table of Regulations

Main Site

How current is this regulation?

**NEWFOUNDLAND AND LABRADOR
REGULATION 34/05**

*Northern Peninsula Regional Service Board Regulations
under the
Regional Service Boards Act*

Amended by:

55/08

**NEWFOUNDLAND AND LABRADOR
REGULATION 34/05**

*Northern Peninsula Regional Service Board Regulations
under the
Regional Service Boards Act*

(Filed April 29, 2005)

Under the authority of section 9 of the *Regional Service Boards Act*, I make the following regulations.

Dated at St. John’s , April 29, 2005 .

Jack Byrne
Minister of Municipal and Provincial Affairs

ORDER

Analysis

1. Short title
2. Definition
3. Prescribed services
4. User fees
5. Withdrawal of service

Short title

1. These regulations may be cited as the *Northern Peninsula Regional Service Board Regulations*

34/05 s1

Definition

2. In these regulations, "board" means the Northern Peninsula Regional Service Board.

34/05 s2

Prescribed services

3. (1) The board has the power to construct, acquire, maintain and operate waste disposal systems and sites.

- (2) The board has the power to provide fire protection services to the portion of the Northern Peninsula Region defined as the towns, local service districts and unincorporated areas from Eddies Cove in the north to Anchor Point in the south.

34/05 s3; 55/08 s1

User fees

4. (1) The board has power to charge user fees to a municipality, local service district or unincorporated area in the Northern Peninsula Region as constituted by section 2 of the *Northern Peninsula Regional Service Board Order*, or another municipality, local service district, unincorporated area or other user of a facility or service provided by the board.

- (2) An amount owing under subsection (1) is a debt due to the board and the board may recover it by civil action in a court.

34/05 s4; 55/08 s2

Withdrawal of service

5. The board may stop providing a service to a user of it where the user fails to comply with a policy of the board respecting the service.

34/05 s5

**Appendix B
Budget**

PROJECTED BUDGET FOR 2010

Item	2010 Revenue	2010 Expenditure
Fees households (\$85 x 3809 household)	\$323,765.00	
Industrial/Commercial Fees	\$87,000.00	
Western School District	\$13,000.00	
Coordinator Funding	\$50,000.00	
Public Education Funding	\$9,999.00	
Fire Services (\$60 x 758 of households)	\$45,500.00	
Municipal Affairs (development of Sub-3)	\$40,000.00	
MMSB (closure of Castor River)	\$108,675.00	
Landfill operations;		
Snow Clearing		\$12,942.00
Cover (fill)		\$23,390.00
Push Off		\$20,000.00
Cell Development		\$0.00
Sand and Salt		\$500.00
Floater Cost		\$500.00
Excavator Cost		\$1,500.00
Lime		\$100.00
Fuel		\$38,000.00
Insurance		\$11,478.00
Registration		\$2,570.00
Maintenance, Tires, oil changes, etc.		\$10,000.00
Total		
Payroll;		
Wages		\$171,152.00
MERC		\$13,000.00
Office Assistant		\$22,048.00
Closure of Castor River		\$108,675.00
Fire Services Expense		\$45,500.00
Development of sub-4 Expense		\$40,000.00
Public Education Expense		\$9,999.00
Coordinator Expense		\$50,000.00
Misc; car allowance, employee workshop, office operations		\$1,000.00
Administration (direct deposit)		\$850.00
Supplies for trucks, tractor and landfill sites		\$2,400.00

Gas permits		\$0.00
Advertisement		\$1,500.00
Hazardous Waste Collection		\$4,000.00
Collection Agency		\$2,150.00
Pest Control		\$6,600.00
Annual payments to pay back lending agencies		\$20,765.00
Employee Cell Phones		\$2,300.00
Propane refill (Bill's Pit)		\$2,300.00
Hydro		\$800.00
Travel		\$2,100.00
Spring Clean up (clean up day)		\$3,000.00
Auditor Expense		\$1,500.00
Contingency funds		\$0.00
Incident cost/accident cost		\$1,000.00
appreciation fund		\$1,100.00
waste audit		\$9,470.00
Landfill sites building cleaning		\$2,400.00
Gas for water pump		\$100.00
WHSCC		\$10,000.00
Service Charges		\$2,000.00
Towing Service		\$600.00
Lawyer Fees		\$0.00
Rentals (truck & storage)		\$1,500.00
Freight Charges		\$100.00
Board Stipend		\$2,700.00
Monitoring Wells (cost for testing)		\$4,000.00
Scotia Loan		\$5,350.00
Shed (tractor)		\$5,000.00
Total Revenue	\$677,939.00	\$677,939.00

Appendix C Financial Statements

Northern Peninsula Regional Service Board

St. Anthony, NL

Financial Statements

December 31, 2010

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1. Auditors Report
2. Balance sheet
3. Statement of Revenue and Surplus
4. Statement of Cash Flows
5. Schedule 1 Landfill Operations
6. Schedule 2 Collaboration
7. Schedule 3 Fire Services
8. Schedule 4 Administration
- 9 & 10. Notes to Financial Statements



Kung & Roberts
Chartered Accountants

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To the Board Members of the
Northern Peninsula Regional Services Board

We have audited the accompanying statements of the Northern Peninsula Regional Services Board as at December 31, 2010.


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

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 judgement, 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.

In our opinion, the financial statements present fairly, in all material respects, the Northern Peninsula Regional Services Board as at December 31, 2010 for the year then ended in accordance with Canadian generally accepted accounting principles.



Kung & Roberts, Chartered Accountants
Auditor

May 25, 2011

Northern Peninsula Regional Service Board
(Incorporated Under The Laws of Newfoundland)
Balance Sheet
December 31, 2010

<u>Assets</u>		
	<u>2010</u>	<u>2009</u>
<u>Current</u>		
Cash	\$ 132,427	\$ 132,866
Receivables	<u>67,351</u>	<u>83,350</u>
	<u>199,778</u>	<u>216,216</u>
<u>Property, Plant and Equipment</u> - (Note 3)	<u>323,642</u>	<u>291,025</u>
	<u>\$ 523,420</u>	<u>\$ 507,241</u>
<u>Liabilities</u>		
<u>Current</u>		
Accounts payable	\$ 103,718	\$ 72,734
Current portion of long term debt	19,201	19,110
Demand loan	<u>18,294</u>	<u>23,598</u>
	<u>141,213</u>	<u>115,442</u>
<u>Deferred Revenue</u> - (Note 5)	4,210	5,262
<u>Long Term Debt</u> - (Note 4)	<u>--</u>	<u>15,940</u>
	<u>\$ 145,423</u>	<u>\$ 136,644</u>
<u>Equity</u>		
<u>Surplus</u>	<u>\$ 377,997</u>	<u>370,597</u>
	<u>\$ 523,420</u>	<u>\$ 507,241</u>

Signed on Behalf of the Board:

Director: _____

Director: _____

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

Northern Peninsula Regional Services Board
(Incorporated Under The Laws of Newfoundland)
Statement of Revenue and Surplus
For the period ended December 31, 2010

	<u>2010</u>	<u>2009</u>
<u>Revenue</u>		
Land fill operating (Schedule 1)	\$ 168,216	\$ 262,046
Collaboration project (Schedule 2)	22,284	(6,397)
Fire services (Schedule 3)	<u>(36,779)</u>	<u>6,942</u>
	<u>153,721</u>	<u>262,591</u>
 <u>Expenses</u>		
Administration (Schedule 4)	60,386	57,731
Closing of landfill sites	<u>86,987</u>	<u>--</u>
	147,373	57,731
 <u>Capital Grant</u>		
	<u>1,052</u>	<u>1,405</u>
	7,400	206,265
 <u>Surplus, Beginning of Year</u>		
	<u>370,597</u>	<u>164,332</u>
 <u>Surplus, End of Year</u>		
	<u>\$ 377,997</u>	<u>\$ 370,597</u>

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

Northern Peninsula Regional Service Board
(Incorporated Under The Laws of Newfoundland)
Statement of Cash Flows
For the year ended December 31, 2010

	<u>2010</u>	<u>2009</u>
Cash Provided By (Used In)		
<u>Operating Activities</u>		
Cash received from customers	\$ 905,397	\$ 1,213,842
Capital grant	1,052	1,405
Cash paid to suppliers and employees	(760,670)	(946,086)
Interest paid	<u>(6,747)</u>	<u>(4,152)</u>
	<u>139,032</u>	<u>265,009</u>
 <u>Financing Activities</u>		
Amortization of deferred revenue	(1,052)	(1,405)
Repayment of long term debt	(15,849)	(20,887)
Demand loan proceed	--	26,250
Demand loan payment	<u>(5,304)</u>	<u>(2,652)</u>
	<u>(22,205)</u>	<u>1,306</u>
 <u>Investing Activities</u>		
Purchase of property, plant & equipment	<u>(117,266)</u>	<u>(206,531)</u>
 <u>Increase (Decrease) in Cash</u>	(439)	59,784
 <u>Cash, Beginning of Year</u>	<u>132,866</u>	<u>73,082</u>
 <u>Cash, End of Year</u>	<u>\$ 132,427</u>	<u>\$ 132,866</u>
 <u>Represented by</u>		
Cash	\$ 25,583	\$ 25,997
Bank	<u>106,844</u>	<u>106,869</u>
	<u>\$ 132,427</u>	<u>\$ 132,866</u>

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

Northern Peninsula Regional Service Board
Schedule 1
Land Fill Operations
For the year ended December 31, 2010

	<u>2010</u>	<u>2009</u>
<u>Revenue</u>		
Collection Fees	\$ 518,739	\$ 495,433
Interest	4,253	1,001
Multi Material Stewardship Board	89,166	125,258
Other Government Grants	180,331	556,847
Other Income	<u>13,874</u>	<u>7,891</u>
	<u>\$ 806,363</u>	<u>\$1,186,430</u>
<u>Expenses</u>		
Advertising	\$ 5,106	\$ 5,535
Amortization	27,608	33,377
Consultation	4,415	354,518
Hazardous Waste	5,905	2,592
Heat & Lights	--	697
Insurance	19,176	16,864
Interest on Long Term Debt	2,511	1,476
Landfill Operation	131,390	117,435
Office	2,961	5,237
Professional Fees	--	963
Repairs & Maintenance	--	455
Spring Clean Up	1,873	2,837
Supplies	270	367
Telephone	--	1,710
Vehicle	60,906	74,076
Wages & Benefits	<u>376,026</u>	<u>306,245</u>
	638,147	924,384
<u>Surplus</u>	<u>\$ 168,216</u>	<u>\$ 262,046</u>

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Northern Peninsula Regional Service Board
Schedule 2
Collaboration Project
For the year ended December 31, 2010

	<u>2010</u>	<u>2009</u>
<u>Revenue</u>		
Grant	\$ <u>37,610</u>	\$ <u>--</u>
<u>Expenses</u>		
Office	464	1,115
Accommodations/Meals	3,311	2,861
Travel	11,551	2,077
Meeting	<u>--</u>	<u>344</u>
	<u>15,326</u>	<u>6,397</u>
<u>Surplus (Deficit)</u>	<u>\$ 22,284</u>	<u>\$ (6,397)</u>

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Northern Peninsula Regional Service Board
Schedule 3
Fire Services
For the year ended December 31, 2010

	<u>2010</u>	<u>2009</u>
<u>Revenue</u>		
Fire Services Fees	\$ 45,425	\$ 36,125
Volunteer Fire Dept	<u> --</u>	<u>11,925</u>
	<u>45,425</u>	<u>48,050</u>
 <u>Expenses</u>		
Advertising	2,227	--
Amortization	55,607	27,903
Dues & Fees	409	20
Fire Services Development	--	3,965
Heat & Lights	4,517	1,117
Insurance	2,903	--
Office	1,427	3,076
Renovations	1,300	1,200
Repairs & Maintenance	4,147	--
Supplies	2,325	2,740
Telephone	2,926	689
Training	715	--
Travel	<u>3,701</u>	<u>398</u>
	<u>82,204</u>	<u>41,108</u>
 <u>Surplus (Deficit)</u>	 <u>\$ (36,779)</u>	 <u>\$ 6,942</u>

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Northern Peninsula Regional Service Board
Schedule 4
Administration
For the year ended December 31, 2010

	<u>2010</u>	<u>2009</u>
<u>Administration</u>		
Amortization	\$ 1,432	\$ 1,238
Bank Charges	4,236	2,676
Bad Debt	2,038	267
Miscellaneous	1,079	1,021
Office	10,752	15,941
Public Education	1,138	758
Rent	11,244	5,535
Telephone	7,278	6,329
Travel	13,761	23,966
Wages & Benefits	<u>7,428</u>	<u>--</u>
	<u>\$ 60,386</u>	<u>\$ 57,731</u>

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

Northern Peninsula Regional Service Board
Notes To Financial Statements
December 31, 2010

1. Nature Of Business

Authority is a non profit organization responsible for collection and disposal of community waste as well as fire protection services.

2. Significant Accounting Policies

(a) Use of Estimates

The preparation of the financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. By their nature, these estimates are subject to measurement uncertainty and the effect on the financial statements of changes in such estimates in future periods could be significant.

(b) Differential Reporting

The company, with the unanimous consent of its owners, has elected to prepare its financial statement in accordance with differential reporting requirements available to non-publicly accountable enterprises for the following options:

i. Financial Instruments

The carrying amounts for cash and cash equivalents, trade receivable and account payable approximate fair market value because of their short maturity. The carrying value of the debt financing is an approximation of the fair market value due to the company's intention to hold the debt to maturity.

The following policies have been recorded without the use of differential reporting options:

- ii. Property, plant & equipment* consisting of building, vehicles, and furniture and equipment are stated at cost.
- iii. Amortization* has been recorded by the declining balance method over the estimated useful life of the assets at the annual rates indicated below:

Sanitation Truck		30%
Furniture & Equipment	20% &	30%
Vehicle		30%
Truck		30%
Containers		20%

Northern Peninsula Regional Service Board
Notes To Financial Statements
December 31, 2010

3. <u>Equipment</u>	2010			2009
	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>Net Book Value</u>	<u>Net Book Value</u>
Building	\$ 44,457	\$ 889	\$ 43,568	\$ --
Containers	17,034	4,769	12,265	15,331
Fire Truck	186,025	75,340	110,685	158,122
Furniture & Equip	81,151	11,709	69,442	5,347
Sanitation Truck	363,515	290,519	72,996	91,245
Tractor	13,000	6,821	6,179	8,827
Vehicle	34,557	26,050	8,507	12,153
	<u>\$ 739,739</u>	<u>\$ 416,097</u>	<u>\$ 323,642</u>	<u>\$ 291,025</u>

4. <u>Long Term debt</u>	2010	2009
Town of St. Anthony - 6.25% interest, \$ 865 monthly payment, due 2011, secured by vehicle.	\$ 9,601	\$ 17,525
Town of Englee - 6.25% interest, \$ 865 monthly payment, due 2011, secured by vehicle.	<u>9,601</u>	<u>17,525</u>
	19,201	35,050
Less: current portion of long-term debt	<u>19,201</u>	<u>19,110</u>
	<u>\$ --</u>	<u>\$ 15,940</u>

5. Deferred Revenue

Deferred revenue represents value of vehicle purchased on behalf of the authority by the Town of St. Anthony and the Town of Englee. It is amortized at the rate of amortization of the vehicle.

6. Capital Grant

Grant reflects portion of deferred revenue brought into income at the same rate of amortization as the sanitation truck.

7. Prior Years

Prior years financial statements have been reclassified for comparison purposes only.