

**Burin Peninsula Regional Service Board**

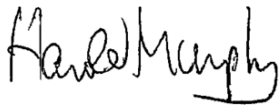
**Annual Report 2014**

## Message from the Chairperson

The Burin Peninsula Regional Service Board is pleased to present this annual report, outlining work completed in the year ending December 31, 2014, in accordance with the *Transparency and Accountability Act*. This report focuses on work completed in the area of waste management, relating to our Business Plan for 2014-2016.

I am pleased to report our Board continues to advance the Provincial Waste Management Strategy in the Burin Peninsula Region. Within 2014, among significant steps, our waste management service area expanded to include the municipalities of Marystown and Red Harbour, and the local service districts of Beau Bois, Jean de Baie, Rock Harbour, and Spanish Room. Our Board now provides municipal solid waste collection and disposal services for all areas from Red Harbour southward on the Burin Peninsula, and will be expanding again within the period of our existing business plan.

As Chair, my signature indicates that all members of the Burin Peninsula Regional Service Board are accountable for the results reported in this document. We are collectively very pleased with our progress over the past year, and look forward to further enhancing our services for the region.



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Harold Murphy  
Chairperson, Burin Peninsula Regional Service Board

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## 1.0 Overview

The Burin Peninsula Regional Service Board was appointed in July 2013 in accordance with the *Regional Services Boards Act, 2012*. The Burin Peninsula Regional Service Board is governed under the *Regional Service Boards Act, 2012*, with the power to construct, acquire, maintain and operate a waste management system for the Burin Peninsula Region.

The board's Governance Model delineates the number of members and representation of towns and zones within the board's geographic boundaries. At present, the Governance Model constitutes a full board as having 11 members representing ten wards, in addition to an independent chairperson. Below is a list of current board members.

Member	Title	Ward Components
Harold Murphy	Chairperson	Independent
Neil Edwards	Director, Greater Lamaline Ward	Towns of: Lamaline, Lawn, Lord's Cove, Point au Gaul, Point May
Mike Geraghty	Director, Central Ward	Towns of: Frenchman's Cove, Garnish, Winterland; Local Service Districts of: Beau Bois, Grand Beach, Jean de Baie, Rock Harbour, Spanish Room
Rick Grikis	Director, Grand Bank Ward	Town of Grand Bank
Harold Kenway	Director, Placentia West Ward	Towns of Baine Harbour, Parker's Cove, Red Harbour, Rushoon; Local Service Districts of Petit Forte, Southeast Bight
Kevin Lundrigan	Director, Burin Ward	Town of Burin
Jim Mullett	Director, Burin Exterior	Towns of: Fox Cove-Mortier, Lewin's Cove; Local Service Districts of Epworth-Great Salmonier and Little St. Lawrence
Charles Penwell	Director, Fortune Ward	Town of Fortune
Leonard Pittman	Director, Marystown Ward	Town of Marystown
Glen Simpson	Director, Fortune Bay East	Towns of: Bay L'Argent, English Harbour East, Grand Le Pierre, Little Bay East, St. Bernard's-Jacques Fontaine, Terrenceville, and the Local Service Districts of Harbour Mille-Little Harbour East
Lisa Slaney	Director, Marystown Ward	Town of Marystown
Jack Walsh	Director, St. Lawrence Ward	Town of St. Lawrence

The Burin Peninsula Region includes all towns, local service districts and unincorporated areas of the Island of Newfoundland situated on the Burin Peninsula and in Fortune Bay East, including all lands south of where Provincial Highway Route Number 214 intersects with Provincial Highway Route Number 210, along with all communities and areas accessed by Provincial Highway Route Number 211.

As of December 31, 2014, the Board provides municipal solid waste management services from Red Harbour southward on the Burin Peninsula, for all municipalities and local service districts within the area, along with any unincorporated areas along routes serviced by the Department of Transportation and Works.

Since commencing the provision of services in the aforementioned areas, our Board has received 100 percent financial support from the Provincial Government for the closure of waste disposal sites in the following areas: Burin, Fox Cove-Mortier, Epworth-Great Salmonier, St. Lawrence, Lawn, Lamaline, Lord's Cove, and Point May. Municipal solid waste from the areas formerly service by these sites is now processed at the Board's regional waste management site near Marystown.

In 2014, the Board employed six full-time staff members, including five male staff members, and one female staff member: Mr. Joseph Pittman - General Manager; Ms. Sandra Chislett - Administrative Assistant; Mr. Peter Power - Executive Assistant; Mr. Tom Wells – Scale House Attendant/Compost Technician; Mr. Chris Price - Heavy Equipment Operator; Mr. Jack Dimmer – Heavy Equipment Operator.

Our Board is accountable for the funds it receives from government, as well as through user fees and other sources. Each year, the Board has audited financial statements prepared, in accordance with the Regional Service Boards Act, 2012. Copies of each annual financial statement are distributed to all municipalities in the region.

The Burin Peninsula Regional Service Board's main office is located at:  
Suite 228 – Father Berney Memorial Building  
98-103 Main Road, Salt Pond  
Burin, NL A0E 1E0

The Burin Peninsula Region's Service Board's contact information is as follows:  
P.O. Box 510, Burin Bay Arm, NL A0E 1G0  
Tel. (709) 891-1717, Fax. (709) 891-1727, Email: [info@burinpenwaste.com](mailto:info@burinpenwaste.com)

### **Budget and Expenditures**

In 2014, the Burin Peninsula Regional Service Board had a budget of \$1,211,352, including capital works components relating to site closures. The Board's audited financial statements for 2014 are contained in Appendix A. The Board's operational budgetary projections and actuals are outlined on the following page.

<b>Burin Peninsula Regional Service Board Revenue and Expense Projections</b>			
	<b>2014</b>		<b>2014</b>
	<b>Budget</b>		<b>Actual</b>
	<b>Operate</b>		<b>Operate</b>
	<b>Marystown for 1/2</b>		<b>Marystown for 1/2</b>
	<b>yr</b>		<b>yr</b>
Population Served (Jan-June)	11852		11852
Population Served (Jul-Dec)	16720		16720
Number of Units Served (Jan-June)	5109		5109
Number of Units Served (Jul-Dec)	7207		7207
Residential Unit Fee	130.00		130.00
Businesses w/ <9 bags/week (Res. Collection)	130.00		130.00
Commercial tipping fee (per short ton)	90.00		90.00
Residential tonnage	6158		6158
Number of Businesses w/ <9 bags/week	51		51
ICI tonnage	2452		2452
<b>Revenues</b>			
Serviced Unit fees	400,270.00		400,733.30
Business with 8 bags or less	3,315.00		4,785.00
Tipping fees	69,750.00		40,389.00
Gov. Grant	90,000.00		90,000.00
Sale of Metal	0.00		11,500.00
Interest Revenue	0.00		130.47
AES/Grants Student Hiring	0.00		2,065.00
MA	0.00		0.00
Retained earnings	1,751.27		1,751.27
<b>Total Revenues</b>	<b>565,086.27</b>		<b>551,354.04</b>
<b>Expenses</b>			
Subcontracts - Collection	285,120.00		334,840.00
Collection Trucking Robinhood Bay			
External WMS Tipping Fees			
Landfill Cell Development Allowance			
Landfill Cell Closure Allowance			
Leachate Treatment Allowance			
Blasting for Cover			
Subcontracts - BAE Newplan			
Rental of Office Space	850.00		1,890.00
Office/Site Materials and Supplies	1,650.00		1,837.30
Office Equipment			
Telephone/Fax/Internet	4,000.00		3,013.24
Accounting Services	5,000.00		0.00
Legal Services/Insurance	5,000.00		1,127.79
Business Fees & Licenses	1,000.00		0.00
Honorariums			
Office Staff Wages	111,305.00		102,087.00
Landfill attendant/Heavy Equipment Wages			
Employee RRSP			
Employee Health and Dental Plans			
Mandatory Employment Related Costs	16,695.75		16,636.46
Travel and Prof. Development			
Board/Employee Travel	8,000.00		5,371.38
Printing, Advertising, Public Education	1,494.25		9,798.59
Website Maintenance and Hosting			
Computer Software			
Communications			
Public Dropoff			
Courier & Postage	0.00		729.31
Equipment Replacement Fund	20,000.00		0.00
Meeting Expenses	2,500.00		0.00
Bank Charges	1,500.00		283.55
Negligent Accounts	8,500.00		135.00
Safety Supplies & Training			
Motor Vehicle Expense - R&M	12,500.00		5,801.97
Motor Vehicle Fuel	15,000.00		13,951.43
Road Maintenance	0.00		2,165.40
Site Tools Expense	0.00		259.18
Weigh Scales Expense	0.00		296.33
Site Clean up Expense	0.00		350.00
Miscellaneous Expense	0.00		392.71
Repair & Maintenance - Building	5,000.00		38.65
Propane Expense	0.00		2,728.63
Utilities	7,500.00		1,164.17
Compost consulting	0.00		0.00
Profession & Consulting Fees - Meridian	0.00		5,508.00
Compost Supplies	0.00		0.00
Other	0.00		0.00
Contingencies (3%)	18,181.27		0.00
HST @ 8/13			
<b>Total Expenses</b>	<b>530,796.27</b>		<b>510,406.09</b>
<b>Net Operating</b>	<b>\$ 34,290.01</b>		<b>\$ 40,947.95</b>

## 2.0 Mandate

In accordance with the *Burin Peninsula Regional Service Board Regulations* under the *Regional Service Boards Act, 2012*, the mandate of the Burin Peninsula Regional Service Board is to construct, acquire, maintain and operate a waste management system within the Burin Peninsula Region. It is additionally noted in the *Burin Peninsula Regional Service Board Order* that the Burin Peninsula Regional Service Board is established for the region with the purpose of providing regional services in accordance with the *Regional Service Boards Act, 2012*.

The legislation from which the Board derives its mandate may be accessed through the House of Assembly website at: [www.assembly.nl.ca/legislation](http://www.assembly.nl.ca/legislation). Information on the Legislated Mandate from the Newfoundland and Labrador Gazette is attached as Appendix B.

## 3.0 Lines of Business

1) Education and Promotion of the Provincial Waste Management Strategy within the Burin Peninsula Region:

The board oversees the education of the region's approximately 20,000 residents, as well as its business community, regarding new developments in the waste management system. This includes items pertaining to collection, disposal and diversion methods, and associated services and fee structures.

The board educates the public and business community through meetings with municipalities and local service districts, the Burin Peninsula Joint Council, Burin Peninsula Chamber of Commerce and other organizations within the region that may assist in message delivery. Further, the board develops and distributes related marketing materials for residents and the business community.

The board also provides educational materials to the target groups, including local councils, and works with the Multi Materials Stewardship Board to encourage the use of the Green Depots and backyard/community composting.

2) Operation and management of regional solid waste disposal sites:

The board oversees the development of a Regional Waste Management Facility to serve the Burin Peninsula. Presently, the board operates a regional waste management facility near Marystown. In moving forward, the board will oversee consolidations of sites in the northern portion of the region.

Within its regional site, the board manages a windrow composting operation, with waste coming in the form of curbside-collected organic and fibre materials from

residences within the Town of Grand Bank, along with source-separated organic materials open to all residences and commercial operations within the service area via public drop-off. Product samples from the composting system have been laboratory tested and certified as meeting heavy metal and microbiological standards for all Canadian Council of Ministers of the Environment and Bureau de normalisation du Quebec (2005) standards for Category A compost. This standard allows for essentially unrestricted usage of compost material.

## **4.0 Vision**

The vision of the Burin Peninsula Regional Service Board is of a clean and healthy environment on the Burin Peninsula, founded on a professional, modern waste management system that incorporates effective waste diversion practices.

## **5.0 Mission**

It is the mission of our board that:

“By December 31, 2016, the Burin Peninsula Regional Service Board will have established and administered regional services that benefit the communities of the Burin Peninsula. ”

Measure: Regional services established and administered.

Indicator:

- Implemented cost effective service delivery throughout region.
- Commenced operation of waste management site(s).
- Incorporated over 75% of the Burin Peninsula’s commercial and residential population into a waste collection and disposal system.
- Public awareness initiatives conducted throughout the region.

## **6.0 Shared Commitments**

The Burin Peninsula Regional Service Board has partnered with provincial and municipal partners on a number of projects. These include:

### Site Closures

The Burin Peninsula Regional Service Board has worked with municipalities, local service districts, the Department of Municipal and Intergovernmental Affairs in the closure of 11 municipal waste disposal sites to date. Within the coming year, six more such sites are scheduled to close via the same type of partnership.



### Composting Program

In 2012, the Burin Peninsula Regional Service Board, MMSB, Department of Advanced Education and Skills, and Town of Grand Bank served as lead partners in the initiation of a composting pilot program involving curbside collection in the Town of Grand Bank. This service initially included source separate organic and paper fibre material from residences in Grand Bank, along with organic waste from such commercial partners as Ocean Choice International, Collins' Clover Farm, and Sobeys - Grand Bank. The program has now expanded to allow for public drop-off of source separated organics from all residential and commercial service users, along with the existing curbside collection in Grand Bank.

### Geographic Information System-Based Property Database

The Burin Peninsula Regional Service Board is working with all municipalities within the current service area in the development of a Google Earth-based directory of households and commercial entities in the region. Many municipal partners have praised this project for its potential benefits, as well as its low cost of development, and user-friendly design. The Burin Peninsula Regional Service Board presented a demo of this project to the Burin Peninsula Joint Council annual general meeting in 2014. The partners involved continue to work toward adding to the database, one community at a time. Upon completion, the system is anticipated to be useful for the provision of waste management, emergency response, public works, and other municipal services.

For the Burin Peninsula Regional Service Board, the database will serve to provide an accurate number of dwellings for invoicing purposes. It will also provide a mapping system that can be referenced in addressing any issues that arise with collection in a particular location. These functions relating to location and positioning may also be beneficial to municipalities in determining which dwellings may be impacted by public works issues such as water line breaks.

## **7.0 Highlights of Accomplishments**

### Expansion of Curbside Collection Contract

During 2014, the Burin Peninsula Regional Service Board expanded its collection contract to include the town of Marystown – the largest municipality in the region. Fees associated with curbside collection were kept consistent with the existing contract agreement for the southern portion of the region.

### Transition of Operations Site

During 2014, the Burin Peninsula Regional Service Board moved its main site of operations from the Molliers area, outside Grand Bank, to an area near the local service district of Jean de Baie, outside Marystown. With this transition, the Board expanded its service area to include the towns of Marystown and Red Harbour, along with the local service districts of Beau Bois, Jean de Baie, Rock Harbour and Spanish Room, in addition to the existing service area within the southern portion of the region.

### Expansion of Composting Operations

While operating from the site outside Grand Bank, the Board commenced a composting pilot project, involving curbside collection of source-separate organic and fibre materials for residences with the Town of Grand Bank, and organic materials from specific participating businesses. With the transition to operating in Marystown, the composting program has expanded to include curbside organic and fibre collection for all residences within the Town of Grand Bank, along with processing of organic materials for all residential and commercial site users via public drop-off.

### Training and Initial Administration - Establishing of Household Hazardous Waste Depot

In the fall of 2014, the Board partnered with MMSB to provide training for two site staff members in preparation for the establishing of a household hazardous waste depot. The Board also worked with MMSB to order the required infrastructure to establish the depot, with the aim of implementing the program in 2015.

## **8.0 Report on Performance**

### **8.1 Waste Collection and Disposal**

In the process of implementing the Provincial Waste Management Strategy on the Burin Peninsula, the establishment of sub-regional waste collection and disposal services has been a crucial initial step. As the board moves toward full regionalization of the system, the further consolidation of disposal sites, environmental closure of operationally closed disposal sites and expansion of collection areas will be integral to the process.

In carrying out the goals and objectives of this issue, the board will contribute to the "municipal infrastructure" component of Government's strategic direction "Strengthened Support for Municipal Governments" and the "regional cooperation" component of the strategic direction "Strengthened Municipal Capacity."

#### Goal:

By December 31, 2016, the Burin Peninsula Regional Service Board will have developed a regional waste collection and disposal system for service users on the Burin Peninsula.

#### Measure:

- Developed waste collection and disposal services throughout the Burin Peninsula Region.

#### Indicators:

- Commenced operation of waste management site(s).

- Provided waste collection services throughout region.

#### Objective 1:

By December 31, 2014, the Burin Peninsula Regional Service Board will have made efforts toward the remediation of administratively closed municipal waste disposal sites in the region.

#### Measure:

- Made efforts toward the remediation of administratively closed municipal waste disposal sites in the region.

#### Indicators:

- Completed tender documentation for remediation services.

An RFP process was conducted in 2013 to engage an engineering firm to oversee the waste disposal site closure and remediation process on the Burin Peninsula. The successful bidding firm was Meridian Engineering Inc. of Clarenville.

Within 2014, four site remediation projects were completed for the Board. The tender for Package A (Burin, Epworth-Great Salmonier, Fox Cove-Mortier, and St. Lawrence) was awarded in the early summer, following advertisement of the tender in The Telegram, and review of bids at the office of the Government Purchasing Agency. This tender was awarded to T R Excavating Inc. of St. Lawrence. The tender for Package B (Lamaline, Lawn, Lord's Cove, and Point May) was awarded in the fall using the same process, with Meridian Engineering Inc. once again preparing the documentation, and the tender once again being awarded to T R Excavating Inc.

- Sites remediated as confirmed by engineering consultant.

The items included in the tender for Package A (Burin, Epworth-Great Salmonier, Fox Cove-Mortier, and St. Lawrence) were completed in 2014, with Meridian Engineering overseeing the process through on-site supervision. The process of remediation involved covering of the site with compacted gravel, in order to eliminate ground-level exposure of any waste disposed of at the site. The perimeter of each site was also excavated to provide proper drainage, with ditches and berms constructed at the entrance to each site in order to avoid continued public access and usage. Signs were also erected at each site entrance to indicated permanent closure of the site for waste management purposes.

As of December 31, 2014, all sites included within Package A (Burin, Epworth-Great Salmonier, Fox Cove-Mortier, and St. Lawrence) had been confirmed as completed by the engineering consultant. Sites included within Package B were under consultant review as of December 31, 2014.

#### Objective 2:

By December 31, 2015, the Burin Peninsula Regional Service Board will have incorporated over 75% of the Burin Peninsula's commercial and residential population into a waste collection and disposal system.

#### Measure:

Incorporated over 75% of the Burin Peninsula's commercial and residential population into a waste collection and disposal system.

#### Indicators:

- Percentage of Burin Peninsula's residential population incorporated into a curbside collection and disposal system.
- Percentage of the Burin Peninsula's commercial entities for which service is being provided.

## 8.2 Waste Diversion

In implementing the Provincial Waste Management Strategy on the Burin Peninsula, the board will remain focused on increasing diversion of waste in various streams. This is a major component of the Provincial Waste Management Strategy, and is also of importance to all service users in witnessing the benefits of our regional system.

In carrying out the goals and objectives of this issue, the board will contribute to the "regional cooperation" component of the strategic direction "Strengthened Municipal Capacity."

#### Goal:

By December 31, 2016, the Burin Peninsula Regional Service Board will have expanded opportunities and public awareness for waste diversion within the Burin Peninsula Region.

#### Measure:

- Expanded opportunities and public awareness for waste diversion within the Burin Peninsula region.

**Indicators:**

- Implemented waste diversion initiatives.
- Presentations and materials for public information and education pertaining to waste diversion.

**Objective 1:**

By December 31, 2014, the Burin Peninsula Regional Service Board will have conducted public education activities pertaining to waste diversion and source separation techniques.

**Measure:**

- Conducted public education activities pertaining to waste diversion and source separation techniques.

**Indicators:**

- Developed print and electronic media publications.

Within 2014, the Board maintained a website at [burinpenwaste.com](http://burinpenwaste.com), which was used to provide public information on services and regulations. In particular, the website included a page specific to source separation requirements as part of the curbside composting program in Grand Bank. The website also detailed the full curbside collection schedule for serviced areas of the region, including bulk collection services for each month. A page was also developed and maintained for announcements pertaining to any modifications or interruptions to service. These items were also typically announced via paid advertisements on CHCM Radio and Channel 6 Ads.

The Board developed and distributed multiple mail-outs pertaining to the expansion of its service area, and the updating of regulations. These mail-outs were distributed to all addresses within impacted areas, and outlined clearly any instructions pertaining to acceptable forms of waste, required locations for waste in order to avail of curbside collection, information on waste management site hours and policies, and information on diversion opportunities available such as public drop-off of source-separated organic materials for entities outside the Grand Bank collection area. In total, three mail-outs were distributed, including one to all postal boxes in Marystown, one to all postal boxes in local service districts in the Marystown area, and one to all postal boxes south of and including Red Harbour within the region.

Prior to the transition of waste management site operations from Grand Bank to the Marystown area, the Burin Peninsula Regional Service Board purchased a full-page ad in the Southern Gazette to outline the revised collection schedule and regulations.

- Participated in waste diversion programs.

In 2014, the Board transitioned from operating a waste management site in Grand Bank for the southern portion of the region to operating a waste management site near Marystown for a larger portion of the region. With this transition, the Board continued to provide curbside collection of compostable organics and paper fibre in the Town of Grand Bank. The Board's windrow-based compost operation is now located at the regional site outside Marystown, and accepts source-separated organic waste via public drop-off from all service users.

During 2014, the Board worked with MMSB to make arrangements for the installation of a household hazardous waste depot at the regional site outside Marystown. By December 31, 2014, two site staff members had received the required training for the new depot, and the depot building had been ordered. It is anticipated by the summer of 2015, household hazardous waste disposal services will be available at the regional site for all residential service users on the Burin Peninsula.

- Completed instruction seminars and/or campaigns.

Within 2014, the Board worked with regional organizations to host instructional seminars and information sessions pertaining to the introduction of new services, and regulations surrounding various forms of processing and diversion. These included sessions with the Burin Peninsula Chamber of Commerce, directed at providing information for commercial entities, and the sessions with the Burin Peninsula Joint Council, directed at providing information for municipalities and residents.

#### Objective 2:

By December 31, 2015, the Burin Peninsula Regional Service Board will have developed opportunities for waste diversion within the Burin Peninsula region.

Measure: Developed opportunities for waste diversion within the Burin Peninsula Region

**Indicators:**

- Developed opportunities in composting
- Developed opportunities in household hazardous waste processing
- Developed opportunities in reusing and recycling of metals and wood.

**9.0 Opportunities and Challenges Ahead**

The Burin Peninsula Regional Service Board currently operates a single waste management site near Marystown, through which well over 80 percent of the Burin Peninsula's residential and commercial waste is processed. Within this facility, the Burin Peninsula Regional Service Board operates a landfill, along with a windrow composting system. The Burin Peninsula Regional Service Board also provides contracted collection for all municipalities and local service districts from Red Harbour southward within the region, as well as all unincorporated areas serviced by the Department of Transportation and Works within that section of the region.

**Opportunities:**

- During 2015, the Burin Peninsula Regional Service Board plans to expand its service area to include the entire Burin Peninsula Region. This expansion will present opportunities for:
  - Increased waste diversion resulting from a larger population having access to public drop-off for source-separated organics.
  - Reduction in number of certified waste disposal sites from eight to one within the region
- The Burin Peninsula Regional Service Board will work with regional partners such as the Burin Peninsula Joint Council and the Burin Peninsula Chamber of Commerce in conducting further public education and information campaigns relating to waste reduction, waste diversion, and modernization of waste management practices.
- The Burin Peninsula Regional Service Board will explore further potential options for municipal programming and partnerships. Such items will include:
  - Expansion of the geographic information system-based property database that has been cited above as being in development. This will mean addition of further dwellings and properties to the list catalogued in the system for invoicing and customer services purposes for the Burin Peninsula Regional Service Board. Municipalities in the region are partnering in this process through the provision of municipal assessment roll information.
  - Exploration of feasibility of establishing public waste drop-off points within the northern and southern sections of the region. This may enhance the

availability of waste drop-off services for service users located further away from the regional site. Municipalities will be contributing to this process by participating in consultation exercises relating to identifying desired service enhancements. The Office of Public Engagement and the Department of Business, Tourism, Culture and Rural Development will also be assisting in planning and facilitation of these consultations.

#### Challenges:

- To date, the Burin Peninsula Regional Service Board has worked with municipal and provincial partners to close 11 municipal waste disposal sites in the region. In 2015, an additional six such sites are scheduled to be closed. The closure of sites and the resulting increased transportation distance for service users sometimes results in increased illegal dumping activity. The mitigation of this sort of activity is a collective challenge for the Burin Peninsula Regional Service Board, municipal partners, and the RCMP.
- With the intended expansion of the Burin Peninsula Regional Service Board's service area, waste collection will come to involve a larger geographic area, part of which will feature a more sparse population than the areas serviced to date. This transition will impact scheduling for collection services, and may also impact the overall cost of the collection service upon completion of the existing contract.
- The Burin Peninsula Regional Service Board operates a single waste management site that is intended to service the entire region by the summer of 2015. The Burin Peninsula Regional Service Board will need to continue to work ensure that waste volumes at the site do not present issues with excess levels of windblown debris and other such forms of pollution.



**Appendix A: 2014 Financial Statements**

**BURIN PENINSULA REGIONAL SERVICE BOARD**

**Consolidated Financial Statements  
For the Year Ended December 31, 2014**

**BURIN PENINSULA REGIONAL SERVICE BOARD**  
**Consolidated Financial Statements**  
**For the Year Ended December 31, 2014**

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## Independent Auditor's Report

### To the Board of Directors of the Burin Peninsula Regional Service Board

We have audited the accompanying consolidated financial statements of the Burin Peninsula Regional Service Board, which comprise the consolidated statement of financial position as at December 31, 2014, and the consolidated statements of operations and accumulated surplus, change in net financial debt 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 consolidated financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

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

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

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

### Basis for Qualified Opinion

The Board has not recognized a liability related to solid waste landfill closure and post-closure costs. Management is aware that a liability existed at December 31, 2014, but as of the audit report date has not yet completed the detailed site investigation necessary to measure the liability. This constitutes a departure from Canadian public sector accounting standards. We have not determined the extent of the unrecorded liability or its effect on annual surplus or change in net financial debt for the year ended December 31, 2014, and net financial debt and accumulated surplus as at December 31, 2014.

### Qualified Opinion

In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion paragraph, the consolidated financial statements present fairly, in all material respects, the financial position of the Burin Peninsula Regional Service Board as at December 31, 2014, and the results of its operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

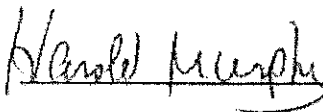
St. John's, Newfoundland and Labrador  
June 29, 2015

  
Chartered Professional Accountants

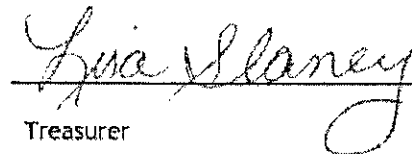
**BURIN PENINSULA REGIONAL SERVICE BOARD**  
**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
As at December 31, 2014

	2014	2013
<b>FINANCIAL ASSETS</b>		
Cash (Note 2)	\$ 86,016	\$ 78,791
Accounts receivable	161,465	51,089
Temporary investments	215,949	7,301
Harmonized sales tax receivable	56,461	9,144
Prepaid expenses	2,479	2,762
	<u>\$ 522,370</u>	<u>\$ 149,087</u>
<b>LIABILITIES</b>		
Accounts payable and accrued liabilities (Note 3)	\$ 18,070	\$ 25,350
Deferred revenue (Note 4)	252,887	21,301
	<u>270,957</u>	<u>46,651</u>
<b>NET FINANCIAL ASSETS</b>	<u>\$ 251,413</u>	<u>\$ 102,436</u>
<b>NON-FINANCIAL ASSETS</b>		
Tangible capital assets (Schedule 1)	\$ 522,759	\$ 182,826
<b>ACCUMULATED SURPLUS</b>	<u>\$ 774,172</u>	<u>\$ 285,262</u>

Approved on behalf of Board:

  
\_\_\_\_\_

Chairperson

  
\_\_\_\_\_

Treasurer

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

**BURIN PENINSULA REGIONAL SERVICE BOARD**  
**CONSOLIDATED STATEMENT OF OPERATIONS AND ACCUMULATED SURPLUS**  
Year Ended December 31, 2014

	Budget 2014 <i>(unaudited)</i>	2014	2013
<b>OPERATING REVENUE</b>			
Residential garbage collection	\$ 800,540	\$ 724,685	\$ 551,835
Commercial garbage collection	6,630	5,097	681
Tipping fees	220,680	345,379	111,074
Interest income	-	19	-
Other revenue	3,503	13,823	-
	<u>1,031,353</u>	<u>1,089,003</u>	<u>663,590</u>
<b>GOVERNMENT TRANSFERS</b>			
Department of Municipal Affairs - operating	\$ -	\$ 7,685	\$ 17,709
Multi Materials Stewardship Board - Compost Pilot	-	-	16,250
Multi Materials Stewardship Board - Core funding	-	-	125,000
Government of Newfoundland & Labrador	180,000	790,076	91,967
	<u>180,000</u>	<u>797,761</u>	<u>250,926</u>
<b>TOTAL REVENUE</b>	<u>1,211,353</u>	<u>1,886,764</u>	<u>914,516</u>
<b>EXPENSES</b>			
Advertising and promotion	2,989	12,542	3,575
Amortization (Schedule 1)	-	97,405	65,669
Business licenses and memberships	2,000	10	1,212
Compost supplies	-	-	7,732
Equipment rental	-	8,900	-
Equipment replacement fund	40,000	-	-
Honorarium	5,000	4,650	-
Insurance	10,000	13,468	7,900
Interest and bank charges	3,000	1,547	1,893
Motor vehicle expense	55,000	45,594	32,791
Miscellaneous	-	1,621	2,055
Negligent accounts	17,000	-	-
Office	3,300	10,723	4,479
Other contingencies	36,363	-	-
Professional development and training	-	2,187	-
Professional fees	10,000	286,621	29,652
Rentals	1,700	3,500	2,322
Repairs and maintenance	10,000	6,718	3,471
Salaries and wages	256,001	255,941	206,210
Subcontract costs for garbage collection	720,000	618,662	528,000
Site expenses	-	9,591	-
Telephone	8,000	4,343	3,174
Travel	16,000	11,502	7,420
Utilities	15,000	2,329	1,998
	<u>1,211,353</u>	<u>1,397,854</u>	<u>909,553</u>
<b>ANNUAL SURPLUS</b>	<u>-</u>	<u>488,910</u>	<u>4,963</u>

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

BURIN PENINSULA REGIONAL SERVICE BOARD  
CONSOLIDATED STATEMENT OF OPERATIONS AND ACCUMULATED SURPLUS (CONTINUED)  
Year Ended December 31, 2014

	<u>2014</u>	<u>2013</u>
ANNUAL SURPLUS	488,910	4,963
ACCUMULATED SURPLUS, BEGINNING OF YEAR	<u>285,262</u>	<u>280,299</u>
ACCUMULATED SURPLUS, END OF YEAR	<u>\$ 774,172</u>	<u>\$ 285,262</u>

BURIN PENINSULA REGIONAL SERVICE BOARD  
CONSOLIDATED STATEMENT OF CHANGE IN NET FINANCIAL ASSETS  
Year Ended December 31, 2014

	<u>2014</u>	<u>2013</u>
ANNUAL SURPLUS	\$ 488,910	\$ 4,963
Acquisition of tangible capital assets (Schedule 1)	(437,338)	(4,748)
Amortization of tangible capital assets (Schedule 1)	97,405	65,669
	<u>(339,933)</u>	<u>60,921</u>
CHANGE IN NET FINANCIAL ASSETS	148,977	65,884
NET FINANCIAL ASSETS, BEGINNING OF YEAR	<u>102,436</u>	<u>36,552</u>
NET FINANCIAL ASSETS, END OF YEAR	<u>\$ 251,413</u>	<u>\$ 102,436</u>



**BURIN PENINSULA REGIONAL SERVICE BOARD**  
**CONSOLIDATED STATEMENT OF CASH FLOWS**  
Year Ended December 31, 2014

	2014	2013
<b>OPERATING TRANSACTIONS</b>		
Annual surplus	\$ 488,910	\$ 4,963
Add: Amortization of tangible capital assets (Schedule 1)	97,405	65,669
	<u>586,315</u>	<u>70,632</u>
Changes in non-cash items:		
Decrease (increase) in accounts receivable	(157,692)	68,469
Decrease (increase) in prepaid expenses	283	-
Increase (decrease) in accounts payable and accrued liabilities	(7,280)	(4,841)
Increase (decrease) in deferred revenue	231,586	(115,429)
	<u>653,212</u>	<u>18,831</u>
<b>CAPITAL ACTIVITIES</b>		
Purchase of tangible capital assets (Schedule 1)	(437,338)	(4,748)
	<u>(437,338)</u>	<u>(4,748)</u>
<b>INVESTING ACTIVITIES</b>		
Purchase of temporary investments	(208,649)	-
	<u>(208,649)</u>	<u>-</u>
<b>INCREASE IN CASH</b>	<b>7,225</b>	<b>14,083</b>
<b>CASH, BEGINNING OF YEAR</b>	<b>78,791</b>	<b>64,708</b>
<b>CASH, END OF YEAR</b>	<b>\$ 86,016</b>	<b>\$ 78,791</b>

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

**BURIN PENINSULA REGIONAL SERVICE BOARD**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**As at December 31, 2014**

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**1. Significant Accounting Policies**

**a) Nature of Operations**

The principal activity of the consolidated Burin Peninsula Regional Service Board ("the Board") is to provide garbage collection services to the Burin Peninsula and collect monthly fees from residents and businesses for the services. The Burin Peninsula Regional Service Board was legislated on July 10, 2013 and it was on that date it took control of the Burin Peninsula Waste Management Corporation and the Burin Peninsula Waste Management Municipal Service Delivery Corporation.

The Board is exempt from Income Tax under the Income Tax Act of Canada.

**b) Basis of Presentation**

The consolidated financial statements have been prepared in accordance with Canadian public sector accounting standards (PSAS) as recommended by the Public Sector Accounting Board (PSAB) Chartered Professional Accountants of Canada.

**c) Basis of Accounting**

The consolidated financial statements are prepared using the accrual basis of accounting following guidelines of the Public Sector Accounting Board. The accrual basis of accounting records revenue as it is earned and measurable. Expenses are recognized as they are incurred and measurable based upon the receipt of goods and services or the creation of an obligation to pay.

**d) Basis of Consolidation**

The consolidated financial statements are comprised of the following commonly controlled companies: Burin Peninsula Waste Management Corporation, Burin Peninsula Waste Management Municipal Service Delivery Corporation and the Burin Peninsula Regional Service Board.

**e) Measurement Uncertainty**

The preparation of consolidated financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from these estimates. Significant estimates are used in the determination of the useful lives of tangible capital assets and the accrual of landfill site closure costs.

**f) Revenue Recognition**

Residential garbage collection is billed to individual towns and residents on a monthly basis. Each town is billed one month ahead of collection services. Revenue is recognized when performance of the service has been completed, assuming collection is reasonably assured.

**BURIN PENINSULA REGIONAL SERVICE BOARD**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
As at December 31, 2014

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**1. Significant Accounting Policies (continued)**

Businesses are invoiced for garbage collection at the time of service. Revenue is recognized when the invoice is issued, assuming collection is reasonably assured.

Tipping fee revenue is recognized when the customer has been invoiced. At this time, revenue is deemed to be collectible, measurable and performance has occurred.

Government transfers are recognized as revenue in the financial statements when the transfer is authorized and any eligibility criteria are met, except to the extent that transfer stipulations give rise to an obligation that meets the definition of a liability. Transfers are recognized as deferred revenue when transfer stipulations give rise to a liability. Transfer revenue is recognized in the statement of operations as the stipulation liabilities are settled.

**g) Tangible Capital Assets**

Tangible capital assets are recorded at cost which includes all amounts that are directly attributable to the acquisition, construction, development or betterment of the asset. Assets under construction are not amortized until the asset is put into use and one-half of the annual amortization is charged in the year of acquisition and in the year of disposal. The cost, less residual value, of the tangible capital assets is amortized using the following rates and methods:

**General Tangible Capital Assets**

	<u>Rate</u>	<u>Method</u>
Computer Hardware and Software	55%	declining-balance
Equipment	20%	declining-balance
Building	4%	declining-balance
Motor Vehicles and Heavy Equipment	30%	declining-balance

**h) Non-Financial Assets**

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They have useful lives extending beyond the current year and are not intended for sale in the ordinary course of operations.

**i) Financial Instruments**

The Board classifies its financial instruments at either fair value or amortized cost. The Board's accounting policy for each category is as follows:

**Fair value**

This category normally includes equity instruments quoted in an active market and other assets or liabilities designated into the fair value category. At year end, the Board has no assets or liabilities included in the fair value category.

**BURIN PENINSULA REGIONAL SERVICE BOARD**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**As at December 31, 2014**

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**1. Significant Accounting Policies (continued)**

Assets in this category are initially recognized at cost and subsequently carried at fair value. Unrealized changes in fair value are recognized in the statement of remeasurement gains and losses until they are realized, when they are transferred to the statement of operations. Transaction costs related to financial instruments in the fair value category are expensed as incurred.

Where a decline in fair value is determined to be other than temporary, the amount of the loss is removed from accumulated remeasurement gains and losses and recognized in the statement of operations. On sale, the amount held in the accumulated remeasurement gains and losses associated with that instrument is removed from net assets and recognized in the statement of operations.

**Amortized cost**

This category includes cash, accounts receivable, temporary investments, harmonized sales tax receivable, accounts payable and accrued liabilities and Landfill closure and post-closure liabilities. They are initially recorded at cost and subsequently carried at amortized cost using the effective interest rate method, less any impairment losses on financial assets, except for contributions, which are initially recognized at fair value. Transaction costs related to financial instruments in the amortized cost category are added to the carrying value of the instrument.

Writedowns on financial assets in the amortized cost category are recognized when the amount of a loss is known with sufficient precision, and there is no realistic prospect of recovery. Financial assets are then written down to net recoverable value with the writedown being recognized in the statement of operations.

**j) Landfill closure and post-closure liabilities**

Landfill closure and post-closure care costs are recognized annually as the landfill site's capacity is used, with usage being measured on a metric ton basis. The estimated total expenditure represents the sum of the estimated cash flows associated with closure and post-closure activities, discounted at a rate equal to the estimated average long-term borrowing rate available to the Board.

**2. Cash**

Cash is comprised of the following:

	2014	2013
Cash - operating bank accounts	\$ 85,816	\$ 78,591
Petty cash	200	200
	\$ 86,016	\$ 78,791

**BURIN PENINSULA REGIONAL SERVICE BOARD**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
As at December 31, 2014

3. Accounts payable and accrued liabilities	2014	2013
Trade payables and accrued liabilities	\$ 5,982	\$ 19,252
Source deductions	6,849	859
Accrued wages	5,239	5,239
	<u>\$ 18,070</u>	<u>\$ 25,350</u>

**4. Deferred revenue**

Deferred revenue relates to funds advanced from the Department of Municipal and Intergovernmental Affairs for future capital expenditure and landfill closure costs.

**5. Solid waste closure and post-closure liabilities**

The Board operates various solid waste landfill sites located on the Burin Peninsula. The current and future costs associated with landfill closure and post-closure care of all the sites except one are the responsibility of the Province of Newfoundland and Labrador. The Board is responsible for costs related to these sites only to the extent that funding has been provided by the province for this purpose. The Board received funding from the province and started incurring costs relating to the landfill closures in 2014. Accordingly, the Board has recognized deferred revenue in the amount of the unspent funding.

On July 2, 2014, the Town of Marystown transferred ownership, liability and responsibility for a waste disposal site to the Board. As part of the transfer, the Board became legally responsible for closure and post-closure care of the Marystown site. In accordance with PSAB 3260.08, the Board is required to accrue a liability for the estimated closure costs of the landfill sites.

Closure activities include all activities related to closing the landfill site and monitoring the site once it can no longer accept waste. The liability would normally be estimated based on the best available information at the reporting date of the total capacity of the site, the remaining capacity of the site, the remaining life of the site, the estimated costs in current dollars, an estimated inflation rate, an estimated discount rate and the expected future cash outflows.

As the transfer of the site occurred in the current fiscal year, management has not completed the detailed site investigation necessary to determine the liability. No amount has been recognized for landfill closure and post-closure costs in the year ended December 31, 2014.

**6. Financial instruments**

The Board is exposed through their operations to following financial risks:

**Credit risk:**

Credit risk is the risk of financial loss for the Board if a debtor fails to make payments of interest and principal when due. The Board is exposed to normal credit relating primarily to its cash, short-term investments and accounts receivable. The Board holds its cash and short-term investments with insured and regulated banks. In the event of a default, the entire cash and investments balances are insured and would be recovered.

**BURIN PENINSULA REGIONAL SERVICE BOARD**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**As at December 31, 2014**

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**6. Financial instruments (continued)**

Accounts receivable are amounts due directly from customers and from municipalities which are serviced by the Board. Credit risk is mitigated by the financial approval process. The Board measures its exposure to credit risk based on how long the amounts have been outstanding. The amounts outstanding at year end include \$48,942 over 60 days (2013 - \$17,373). The maximum exposure to credit risk is \$161,465 (2013 - \$51,089). There have been no significant changes from the previous year in the exposure to risk or policies, procedures and methods used to measure credit risk.

**Liquidity risk:**

Liquidity risk is the risk that the Board will not be able to meet all cash outflow obligations as they come due. The Board mitigates this risk by monitoring cash activities and expected outflows through extensive budgeting and by maintaining investments that may be converted to cash immediately if unexpected cash outflows arise. The Board's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient cash flows to fund its operations and to meet its liabilities when due, under both normal and stressed conditions. The Board is exposed to this risk mainly in respect of its accounts payable and accrued liabilities. At year end, all accounts payable and accrued liabilities totalling \$18,070 (2013 - \$25,350) are due within 30 days. There have been no significant changes from the previous year in the exposure to risk or policies, procedures and methods used to measure liquidity risk.

**Interest rate risk:**

Interest rate risk is the potential for financial loss caused by fluctuations in fair value or future cash flows of financial instruments because of changes in market interest rates. The Board is exposed to this risk through its temporary investments.

The Board's temporary investments consist of a guaranteed investment certificates with an interest rate of 1.0% and a maturity date of April 4, 2015.

At December 31, 2014, a 1% fluctuation in interest rates, with all other variables held constant, would have an estimated impact on the fair value of the temporary investments of approximately \$2,200.

In 2013 and prior, the Board was not exposed to interest rate risk on any of its financial instruments.

**7. Harmonized Sales Tax**

The Burin Peninsula Waste Management Municipal Service Delivery Corporation was not deemed to be a municipality by the Canada Revenue Agency. As a result of this ruling, \$141,542 of HST on revenues was generated for the Burin Regional Service Board that would not have been generated had the Burin Peninsula Waste Management Municipal Service Delivery Corporation been deemed a municipality.

BURIN PENINSULA REGIONAL SERVICE BOARD

SCHEDULE 1

CONSOLIDATED SCHEDULE OF TANGIBLE CAPITAL ASSETS

Year Ended December 31, 2014

Cost	Motor			Computer		
	Vehicles and Heavy Equipment	Equipment	Building	Hardware and Software	2014	2013
Opening costs	180,905	102,483	-	2,607	285,995	281,247
Additions during the year	305,711	12,147	119,480	-	437,338	4,748
Disposals and write downs	-	-	-	-	-	-
Closing costs	486,616	114,630	119,480	2,607	723,333	285,995
<b>Accumulated Amortization</b>						
Opening accum'd amortization	73,268	28,221	-	1,680	103,169	37,500
Amortization	78,148	16,588	2,390	279	97,405	65,669
Disposals and write downs	-	-	-	-	-	-
Closing accum'd amortization	151,416	44,809	2,390	1,959	200,574	103,169
<b>Net Book Value of Tangible Capital Assets</b>	<b>335,200</b>	<b>69,821</b>	<b>117,090</b>	<b>648</b>	<b>522,759</b>	<b>182,826</b>