



DOC/2015/02475

Central Regional Service Board

2014 Annual Report



Message from the Chairperson



I am very pleased to present the 2014 Annual Report on the 2014 – 2016 Business Plan for the Central Regional Service Board (the "Board") in accordance with the requirements of the *Transparency and Accountability Act*. This report covers the period from January 1, 2014 - December 31, 2014. The Central Regional Service Board is a category 2 government entity within the context of the province's *Transparency and Accountability Act*.

In preparing this report, careful consideration was given to the strategic directions of Government, as communicated by the Minister of Municipal and Intergovernmental Affairs. In particular, the Board made a contribution to the following strategic directions: "Strengthened Support for Municipal Governments" and "Strengthened Municipal Capacity." With regard to "Strengthened Support for Municipal Governments" the Board contributed to the municipal infrastructure component by implementing a modern waste management system which includes an engineered lined landfill with full leachate control, household hazardous waste system and a Material Recovery Facility. With regard to "Strengthened Municipal Capacity" the Board contributed to the regional cooperation component by providing waste management services to communities in its region. As a regional governance entity, the Board enables cooperation of all communities in the central region.

As Chair of the Board, my signature below is indicative of the Board's overall accountability for the preparation of the 2014 Annual Report and the accountability of the actual results reported herein.

Sincerely,

A handwritten signature in black ink, appearing to read "Allan Scott", written over a horizontal line.

Allan Scott
Chair, Central Regional Service Board

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1.0 Overview

The Central Regional Service Board (the 'Board') was established in 2008 and is governed under the provincial *Regional Service Boards Act, 2012*. The Board's power includes the construction and operation of the regional solid waste disposal site and seven local waste management facilities. It is empowered to set and charge user fees on municipal authorities, local service districts and unincorporated areas, benefited by a regional facility and other entities as required.

The Board shall meet no fewer than six times a year for the disposition of general business. Special Board meetings may be called by the Chairperson or on the written request of four members.

The Board's governance model (Appendix A) delineates the number of members and representation of towns and zones within the Board's geographic boundaries. As per the governance model, a full Board includes a Chairperson and twelve Board members. Listed below are the current board members.

The boundaries of the Board are from Terra Nova National Park (park included) in the East, Buchan's in the West and Fogo Island/Twillington in the North (see map, page 5). Coast of Bays is not within the Board's boundaries.

The current Board members are as follows:

Name	Town/Zone Represented
Mr. Allan Scott	Chairperson
Mr. Michael Patey	Buchan's Junction (Zone 1)
Mr. Robert Elliott	Point Leamington (Zone 2)
Mr. Terry Breault	New World Island/Twillington (Zone 3)
Mr. Andrew Shea	Fogo Island (Zone 4)
Mr. Sam Winsor	Gander Bay (Zone 5)
Mr. Winston Perry	New-Wes-Valley/Indian Bay (Zone 6)
Mr. Glenn Arnold	Terra Nova Area (Zone 7)
Mr. Bruce Moores	Town of Grand Falls – Windsor
Mr. Derrick Luff	Local Service District – Centroid Area
Mr. Angus McLoughlin	Norris Arm/Norris Arm North
Mr. Robert Hobbs	Towns of Bishops Falls/Botwood/Lewisporte
Mr. Claude Elliott	Town of Gander

The Central Regional Service Board's Office is located at the Regional site, Route 3-01-09 Norris Arm North Access Road. Contact information: PO Box 254, Norris Arm, NL A0G 3M0; Ph.: (709) 653 2900; Fax: (709) 653 2920; Email: info@cnwmc.com; Website www.cnwmc.com

Staffing Levels: Waste Disposal – Staff of 4 Females and 19 Males
Collections – Staff of 9 Males

Revenues and Expenditures

The Central Regional Service Board has two business units; one for disposal (landfill services) of waste and the second for Residential Curb Side Collection. The annual revenues and expenditures for 2014 are:

Revenues:

1.	Disposal	\$ 4,362,166
2.	Collection	<u>\$ 1,236,142</u>
	Total	\$ 5,598,308

Expenditures:

1.	Disposal	\$ 4,463,045
2.	Collection	<u>\$ 1,236,118</u>
	Total	\$ 5,699,163

The Board’s capital expenditures in 2014 were \$ 11,044,031 for the continued construction of the Material Recovery Facility and other capital projects.

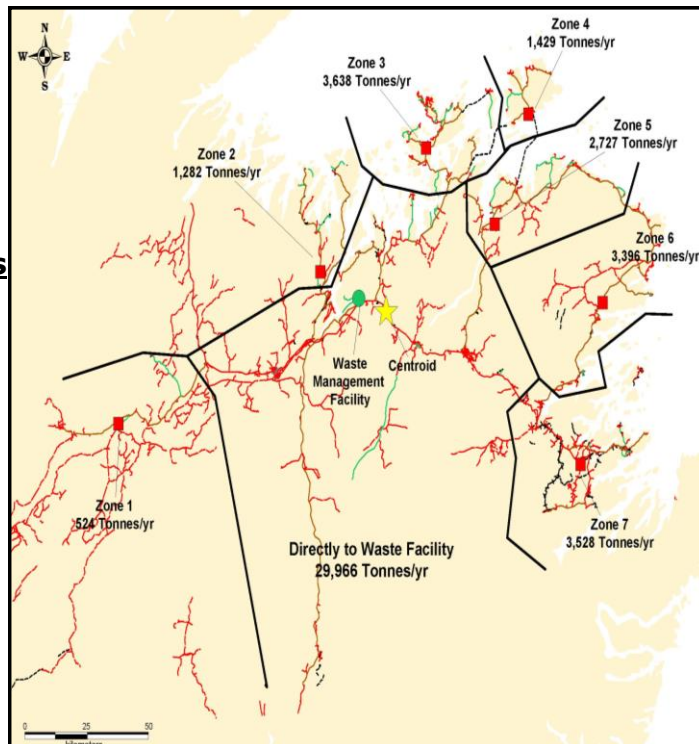
Board Boundaries and Amount of Waste per Year

Regional Site (Centroid)

Route 3-01-09
Norris Arm North Access Road

Local Waste Management Facilities

- Buchans Area – Zone 1
- Point Leamington Area – Zone 2
- New World Island/Twillingate – Zone 3
- Fogo Island – Zone 4
- Gander Bay – Zone 5
- Indian Bay – Zone 6
- Terra Nova – Zone 7



2.0 Mandate

In accordance with section 3 of the *Central Regional Service Board Regulations, 2013* the mandate for the Central Regional Service Board is to construct, acquire, maintain and operate solid waste disposal sites and solid waste management facilities and systems within the central region.

The *Central Regional Service Board Regulations, 2013* is available online through the following website: <http://www.assembly.nl.ca/Legislation/sr/Regulations/rc130007.htm>

The *Regional Service Boards Act, 2012* is available online through the following website: www.assembly.nl.ca/legislation/sr/statutes/r08-1.htm.



Material Recovery Facility (MRF) Winter 2014

3.0 Lines of Business

1) Education and Promotion of the Provincial Waste Management Strategy within the area of Central Newfoundland:

The Board oversees the education of the Central region's 68,000 residents and 3,000 businesses regarding the new waste disposal system and any costs associated with these services. The Board will educate the public and business community through meetings with the local Chamber of Commerce and Community Councils and by developing and distributing marketing materials for residents and commercial businesses outlining the new waste management system. The Board will continue to provide educational materials to the Local Councils and general public. The Board will continue along with Multi Material 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 construction of the central regional site located just off the Norris Arm North access road and seven local waste management facilities (transfer stations). The Board also monitors the day-to-day operations of these sites.

3) Curb side Collection Program

The Board presently collects residential waste from 16,870 households in Central Newfoundland. This represents over 40,000 people.

**Local Waste Management Facility
Buchan's Junction**



Curb Side Collection Truck



4.0 Shared Commitments

The Board works closely with a number of major partners on the implementation of the Central Newfoundland Waste Management Strategy, including several government departments. The Department of Municipal and Intergovernmental Affairs provides funding towards the construction of the regional and local waste management sites, and assists with engineering project management. The Board works in cooperation with the Department of Environment and Conservation to ensure compliance with all environmental regulations. Service NL provides guidance to ensure close out of existing waste sites meet government regulations.

The Multi Material Stewardship Board (MMSB) has been an important partner in providing assistance towards education and promotion of new waste management practices and systems under the Central Newfoundland Waste Management Strategy.

In February 2014, CRSB signed a contract with "Product Care" to participate in the Newfoundland and Labrador Paint Recycling Program. CRSB is now accepting, separating and disposing of paint waste at all its sites.

In March of 2014, CRSB engaged with NL Electronics Products Recycling Association and introduced the collection, separation and proper disposal of E-Waste in the region. This service is available at all eight sites.

The Board also considers communities, businesses and general public to be critical partners. Through their engagement in educational initiatives, and active participation in new waste management practices, they are essential to ensuring that the Central Newfoundland Waste Management Strategy is met.

5.0 Vision

The vision of the Central Regional Service Board is of a clean and healthy environment in Central Newfoundland founded on a professional, modern waste management system that incorporates effective waste diversion practices and behaviours on the part of residents, businesses and communities in the Central region.

Today



Tomorrow



6.0 Mission Statement

By December 31, 2016 the Central Regional Service Board will have improved municipal waste management services to achieve a cleaner and healthier environment.

7.0 Progress and Accomplishments

The Board has contributed to improve municipal waste management services in the Central region through its management of funding received from Department of Municipal and Intergovernmental Affairs to develop regional solid waste management sites. Capital funding was used towards the continued construction of a new regional full service waste management site at Norris Arm North and towards the completion of the seven new local waste management facilities.

In 2014, the Material Recovery Facility was constructed to remove all recyclables from the waste stream.

8.0 Report on Performance

ISSUE 1: Waste Management

Past waste disposal practices in the province resulted in damages to the environment and threats to human health. The Central Regional Service Board, has expanded the modern, efficient waste management system for the residents located in Central Newfoundland. This system mirrors the Provincial Waste Management Strategy in all aspects, including required waste diversion, environmental standards and a modern environmentally-friendly practice.

In carrying out the goals and objectives of this issue, the Board contributed to the "regional cooperation" component of Government's strategic direction "Strengthened Municipal Capacity."

Goal

By December 31, 2016, the Central Regional Services Board will have continued to implement a fully operational modern, environmentally friendly waste management system.

Objective 1: By December 31, 2014, the Central Regional Services Board will have commenced operation of the material recovery facility.

Measure

Commenced operation of the material recovery facility

In late December 2013, there was a serious accident at the Material Recovery Facility that resulted in a death on site. The review process of Occupational Health and Safety had the construction site closed down until a full review was completed and new procedures put into place to help prevent future accidents of that nature. Construction resumed in early February 2014.

The delay in the completion of the building envelope contract and the hard 2014 winter caused a postponement of the mechanical and electrical contracts.

Those factors resulted in the Material Recovery Facility start up being moved to 2015.

Indicators

- Commenced distribution of new educational and promotional materials on source separation of residential solid waste.

Because of the delay in the opening of the Material Recovery Facility, educational and promotional materials on the source separation program of residential solid waste was not distributed in 2014.

The new educational and promotional material and strategy of distribution continued to be designed for distribution in Winter/Spring of 2015.

- Commenced regional meetings with communities and businesses on source separation of residential solid waste.

CRSB had planned two rounds of meetings with communities and businesses in 2014. Due to contract negotiations, staff replacements, operational challenges of equipment breakdown and the extra involvement in the construction of the new Material Recovery Facility, only one round of meetings was accomplished. CRSB did carry out its regular Technical and Board meetings throughout 2014.

- Commenced separation of recyclable materials at the material recovery facility.

Because the Material Recovery Facility did not open in 2014, there was no separation of recyclable materials. The facility will open in the spring of 2015.

Objective 2: By December 31, 2015, the Central Regional Services Board will have expanded waste diversion with the operations of the new material recovery facility.

Measure

Expanded waste diversion with the operations of the new material recovery facility

Indicators:

- Commenced distribution of new educational and promotional materials on source separation of residential solid waste.
- Continued regional meetings with communities and businesses on source separation on residential solid waste.
- Commenced separation of recyclable materials at the Material Recovery Facility.

ISSUE 2: Curb Side Collection – Wet/Dry Program

The Central Regional Service Board offered residential solid waste collection services with its fleet of split stream trucks. We were unable to move forward on source separation as outlined in the business plan due to the delayed opening of the MRF. In 2015 the source separation program will introduce the blue, transparent recycling bag for the collection of materials suitable for the operations of the material recovery facility. At that time all other waste will continue to go into the default or regular garbage bag for disposal.

In carrying out the goals and objectives of this issue, the Board contributed to the “regional cooperation” component of Government’s strategic direction “Strengthened Municipal Capacity.”

Goal

By December 31, 2016, the Central Regional Services Board will have expanded the wet bag/dry bag municipal solid waste source collection program.

Objective 1: By December 31, 2014, the Central Regional Services Board will have expanded the curb side collection program to include wet bag/dry bag options.

Measure

Expanded curb side collection program to include wet bag/dry bag options.

The curb side collection program was to be expanded in include a two stream, wet and dry bag system. This system was to be implemented only when the Material Recovery Facility was in operation, to allow the dry waste material to be sorted in categories accepted by the recyclable markets.

Indicators

- Commenced implementation of educational and promotional programs for source separation program for residential solid waste collection

Because of the delay of the opening of the new Material Recovery Facility until the Spring of 2015, educational and promotional programs for the source separation program for residential waste collection was deferred until February of 2015. This was to ensure residents received the

information in a timely manner for it to be effective on implementation of the system and that there was to be no negative publicity on the possibility of dry waste separated by residents ending up in the landfill.

- Commenced regional meetings with communities and businesses for source separation for residential solid waste collection program

Because of the delayed opening of the Material Recovery Facility the source separation curb side collection was deferred until the Winter/Spring of 2015. With this delay and other operational commitments the meetings with communities and businesses were postponed.

- Commenced the source separation residential solid waste collection program

Because of the delay in opening the new Material Recovery Facility, the source separation residential solid waste collection program was delayed until March of 2015.

Objective 2: By December 31, 2015, the Central Regional Services Board will have continued to expand the wet/dry curb side collection program.

Measure

Continue to expand the wet/dry curb side collection program

Indicators

- Commence implementation of educational and promotional program for source separation program for source separation program for residential solid waste collection
- Commence regional meetings with communities and businesses for source separation for residential solid waste collection program
- Commence the source separation of residential solid waste collection program

9.0 Opportunities and Challenges Ahead

Opportunities

In 2015 the Board will commence operations of its new Material Recovery Facility and complete its second phase of development as identified under the Central Newfoundland Waste Management Strategy. This step will bring significant reduction into material being buried in the lined landfill and begin the era of major recycling of many more products here in Central Newfoundland. This will move us closer to the fifty percent reduction target.

Challenges

In 2015, the Board will Begin operations of the material recovery facility. The Board will focus on several activities to bring this about: ensure the completion of the building construction, award an operations contract and encourage residents and businesses to participate in waste separation activities.

Participation of residents and businesses is crucial to the success of the facilities operations. The Board will continue to provide the educational and marketing information on the new source separation program to maximize the materials required for the Material Recovery Facility.

Regional operations create savings for everyone through streamlining services to meet the same need of many people. The more participants there are, the lower the individual cost of the service. The Central Region has a population of 30,500 homes and 3000 businesses, high participation will aid lowering the cost of the service.

The third and final phase identified in the Central Newfoundland Waste Management Strategy is the construction of the regional compost facility. Planning for this facility will commence when provincial funding for this component is announced.

Appendix A: CRSB Governance Model



GOVERNANCE MODEL

1. Incorporation

The Central Regional Service Board is governed under the Provincial Regional Service Boards Act, 2012. The Board developed the Central Newfoundland Governance Model to ensure representation of residents of the region served by the Board. The Board's power includes the construction and operation of the regional solid waste management disposal site and seven local waste management facilities. It's empowered to set and charge user fees to municipal authorities, local service districts, unincorporated areas, and other entities benefitting from a regional facility and other waste management services provided by the Board.

2. Governance Model Identified

The Board's Governance Model delineates the number of members and representation of towns and zones within the board's geographic boundaries. A full board includes a Chairperson and twelve Board members. The boundaries of the Central Regional Service Board are from Terra Nova National Park (park included) in the East, Buchans in the West, and Fogo Island/Twillingate in the North.

3. Chairperson and vice-chairperson

- (1) The Lieutenant-Governor in Council shall appoint the chairperson to the board.
- (2) The members of a board shall elect a vice-chairperson, secretary, and treasurer from the board members.
- (3) In the absence or incapacity of the chairperson, or where the office of the chairperson is vacant, the vice-chairperson has the powers and shall exercise the duties of the chairperson.

4. Board Membership

- (1) The minister shall appoint to the board a member from among the councillors and persons serving on local service district committees who represent municipal authorities in the region.
- (2) The minister shall determine the number of members, other than the chairperson, to be appointed to the board.
- (3) The members appointed by the minister under this section shall be nominated by their respective municipal authorities, or where no nomination is made by a municipal authority, may be selected by the minister from among persons who reside within the boundaries of that municipal authority.
- (4) The minister may appoint alternate members to serve on the board in the absence of regular members and those alternate members shall be nominated or selected in the same manner as those regular members in accordance with subsection (3).

5. Representation

The Board of Directors of the Central Regional Service Board will consist of representatives from the following.

One (1) member from each of the regional waste management zones	7
One (1) member from the Town of Gander.	1
One (1) member from the Town of Grand Falls-Windsor.	1
One (1) member from the Town of Norris Arm, North & South.	1
One (1) member from Direct Haul with the exception of the Towns that have representation on the board.	1
One (1) member representing the Town of Bishops Falls, Botwood, and Lewisporte.	1
The Chair appointed by the Lieutenant – Governor of Council.	1

6. Term

(1) Where a councillor is appointed to the board, the councillor shall remain in office on the board until the date of the next general election of councils under the Municipal Elections Act.

(2) Where a person who serves on a local service district committee is appointed to the board, the person shall remain in office on the board until the earlier of.

- (a) The expiration of his or her term of office as member of the local service district committee; or
- (b) The date of the next general election of councils under the Municipal Elections Act.

(3) Notwithstanding subsections (1) and (2), a member shall continue to be a member until he or she is reappointed or replaced. The exception will be:

- 3.1 The Towns of Bishops Falls, Botwood, & Lewisporte will be on a two (2) year rotation.
- 3.2 The Towns of Norris Arm and Norris Arm North will be on a two (2) year rotation.
- 3.3 The persons in 3.1 and 3.2 will remain in office on the board until he or she is replaced by appointment by the Minister.

7. Board Vacancies

- (1)** The office of a member becomes vacant where:
 - (a) He or she resigns, in writing, from the date specified in his or her resignation, or , where a date is not specified, from the date when he or she files his or her resignation with the board or , where he or she resigns at a meeting of the board, from the time of that resignation;
 - (b) He or she ceases to be a member of a municipal authority prior to the end of his or her term under subsection 6 (1) or (2).
 - (c) He or she is dismissed under the Municipal Affairs Act, or the municipal authority or board, in which he or she is a member, is dismissed under that Act.
 - (d) He or she fails to vote on a matter before the board when required to vote; or
 - (e) The board declares the member's office vacant under subsection (2).

- (2)** A board shall, by resolution, declare vacant a member's office where that member;
 - (a) Fails to disclose that he or she has a conflict of interest in a matter being discussed by the board; or
 - (b) Discusses or vote on a matter on which he or she has a conflict of interest.

- (3)** A member in respect of whom a resolution is made under subsection (2) shall not vote on that resolution.

- (4)** A member shall not sit or act as a member after his or her office becomes vacant.

8. Conflict of interest

- (1)** A member shall not vote on or speak to a matter before the board or a committee of the board where;
 - (a) The member has a monetary interest in the matter distinct from an interest arising from his or her functions as a member.
 - (b) The member has a monetary interest directly or indirectly in the matter.
 - (c) A relative of the member has a monetary interest in the matter; or
 - (d) The member is an officer, employee or agent of an incorporated or Unincorporated Company, or other association of persons, that has a monetary interest in the matter.

(2) For the purpose of subsection (1) a relative of a member means a father, mother, spouse, cohabiting partner, sister, brother, child, step-child, ward, mother in law, father in law, sister in law, or brother in law of the member.

(3) For the purpose of subsection (2)

(a) “Cohabiting partner” means a person with whom a member is living in a conjugal relationship outside marriage; and

(b) “Spouse” means a person to whom a member is married, unless the person and the member have made a separation agreement or their support obligations and family property have been dealt with by a court order.

(4) In order for an interest to be considered as one falling within the prohibition set out in subsection (1), it shall be an interest distinct from an interest held in common with the other citizens or classes of citizens of the region.

9. Disclosure

(1) Where a member has an interest described in subsection 9 (1), the member shall;

(a) State that he or she has that interest; and

(b) State the nature of the interest at the beginning of discussion on the matter in which he or she has that interest, and that statement respecting his or her interest shall be recorded in the minutes of the board, or a committee or the board, where that statement was made at a committee meeting.

(2) Where a member declaring a conflict of interest under subsection (1) is the presiding officer, he or she shall vacate the chair.

(3) Where a member declares a conflict of interest under subsection (1), he or she shall immediately leave the meeting while the matter on which he or she has a conflict of interest is being discussed.

(4) Where one or more members have declared a conflict of interest under subsection (1) and there is no longer a quorum to vote on a matter, the minister may direct that the remaining members make a decision on the matter as if those remaining members constituted a quorum.

(5) Where all members have declared a conflict of interest under subsection (1), the minister may require that an official of his or her department prepare a report respecting the matter and where the report indicates that the member should proceed with making a decision, the minister may exempt the board from application of section 9, and the members may vote on the matter.

10. Decision of Board

- (1) Where a member is in doubt as to whether or not he or she has a monetary interest that is a conflict of interest under section 9, he or she shall make a disclosure and the board may decide the question by majority vote and its decision on the matter final.
- (2) A member whose possible conflict of interest is being voted on is not entitled to vote.

11. Quorum

- (1) A majority of the number of members that is appointed to the board constitutes a quorum for the purpose of a meeting of the board.
- (2) Notwithstanding subsection (1) , where the number of members available to attend meetings is less than a quorum, the minister may authorize the members who are available to attend meeting to perform the functions of the board that he or she may prescribe.

12. Presiding Officer

- (1) The chairperson, and in his or her absence, the vice-chairperson, shall preside at all meetings of the board.
- (2) Where both the chairperson and the vice-chairperson are absent from the meeting, the other members shall appoint a temporary chairperson who has and may exercise the powers and carry out the duties of the chairperson at the meeting.

13. Voting

- (1) A motion or resolution before a board shall be decided by a majority vote of the members in attendance at the meeting except where a 2/3 vote of the members in the office is required.
- (2) A member shall not abstain from voting on a motion or resolution before the board unless he or she is required to abstain from voting because of a conflict of interest under section 9, or he or she has been permitted to abstain by a majority vote of the other members in attendance at the meeting.
- (3) Where a member abstains from voting on a motion or resolution, a decision shall not be made on that motion or resolution unless the number of members in favour of the motion or resolution is equivalent to or more than a majority of the members in attendance at the meeting.
- (4) The minutes of a board meeting shall indicate the names of the members who vote for and against and who abstain from voting on a motion or resolution.
- (5) Where there is a tie vote on a motion or resolution, that motion or resolution shall be considered to be defeated.

14. Meetings

- (1) The board shall hold a meeting no fewer than 6 times a year to which the public shall be admitted.
- (2) A meeting held under subsection (1) shall be for the disposition of general business.
- (3) A board will adopt the Roberts Rules of Order of procedure for its meetings.

15. Committee

- (1) The board may establish the standing or special committees that it considers desirable to consider and make recommendations on matters referred to them by the board.
- (2) A board may appoint persons to serve on a committee established under subsection (1), and where a board does not appoint persons to a committee, the chairperson shall appoint those persons.
- (3) The Technical Committee of the board will consist of the following:
 - Engineer – Town of Grand Falls Windsor
 - Engineer – Town of Gander
 - CRSB Engineering firm
 - Department of Municipal and Intergovernmental Affairs
 - Department of Environment and Conservation
 - Service Newfoundland and Labrador
 - Representatives from CRSB
 - Staff of CRSB
 - Representative from the Town of Norris Arm South or Norris Arm North
 - Others as identified by Chairperson/Board CRSB
 - Chairperson is ex-official on the Technical Committee.

**Central Newfoundland Waste Management Authority
Representation by Directors**

1 Director	Gander
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1 Director	Grand Falls-Windsor
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1 Director	Bishops Falls Botwood Lewisporte
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1 Director	Norris Arm North Norris Arm South
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1 Director (Centroid)	Appleton Benton Brown's Arm Campbellton Comfort Cove – Newstead Embree Glenwood Laurenceton Little Burnt Bay Loon Bay Michael's Harbour Porterville Sandy Point Stanhope Wooddale
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1 Director (Zone 1)	Badger Buchans Junction Buchans Millertown
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1 Director (Zone 2)	Cottrell's Cove Fortune Harbour Glovers Harbour Leading Ticks Moores Cove Northern Arm Peterview
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Central Regional Service Board 2014 Annual Report

	Phillip’s Head Pleasantview Point Leamington Point of Bay
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1 Director (Zone 3)	Baytona Birchy Bay Bridgeport Chanceport Boyd’s Cove Change Islands Cobb’s Arm Cottlesville Crow Head Fairbanks – Hillgrade Green Cove Hatchett Harbour Herring Neck Horwood Indian Cove Kettle Cove Little Harbour Merritt’s Harbour Moreton’s Harbour Newville Paradise Pike’s Arm Port Albert Purcell’s Harbour Ragged Harbour Salt Harbour	Shoal Harbour Stoneville Summerford Sunnyside Tizzard’s Harbour Too Good Arm Twillingate Valley Pond Virgin Arm – Carter’s Cove
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1 Director (Zone 4)	Town of Fogo Island
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1 Director (Zone 5)	Aspen Cove Carmanville Deadman’s Bay
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Central Regional Service Board 2014 Annual Report

	Frederickton Gander Bay North Gander Bay South Musgrave Harbour Main Point – Davidsville Ladle Cove Noggin Cove
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1 Director (Zone 6)	Cape Freels North Centreville –Wareham-Trinity Dover Greenspond Hare Bay Indian Bay Lumsden New Wes Valley
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1 Director (Zone 7)	Burnside – St. Chad’s Cull’s Harbour Charlottetown Eastport Gambo Glovertown Happy Adventure Salvage Sandy Cove Sandringham	St. Brendan’s Terra Nova Traytown
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Appendix B: Legislated Mandate

NEWFOUNDLAND AND LABRADOR
REGULATION 7/13

Central Regional Service Board Regulations, 2013
under the
Regional Service Boards Act, 2012

(Filed January 23, 2013)

Under the authority of section 19 of the *Regional Service Boards Act, 2012* , I make the following regulations.

Dated at St. John's , January 15, 2013.

Kevin O'Brien
Minister of Municipal and Intergovernmental Affairs

REGULATIONS

Analysis

Short title

1. These regulations may be cited as the *Central Regional Service Board Regulations, 2013* .

Definition

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

Prescribed services

3. The board has the power to construct, acquire, maintain and operate a waste management system within the Central Region.

Recovery of debt

4. An amount owing under section 24 of the Act is a debt due to the board and the board may recover it by civil action in a court.

Withdrawal of service

5. The board may stop providing a service to a municipal authority, user or other person where the municipal authority, user or other person fails to comply with a policy of the board respecting the service.

6. **The *Central Regional Service Board Regulations* , Newfoundland and Labrador Regulation 54/08, are repealed.**

Appendix C: CRSB Audit 2014 Financial Statements



Central Newfoundland Waste Management

P. O. Box 254, Norris Arm, NL, A0G 3M0

Phone: 709 653 2900

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Web: www.cnwmc.com E-mail: Info@cnwmc.com

May 21, 2015

Hon Keith Hutchings
Minister of Municipal and Intergovernmental Affairs
4th Floor West Block
PO Box 8700
St. John's, NL A1B 4J6

Dear Minister Hutchings,

Enclosed is a copy of CRSB 2014 audit. If you have any questions or concerns, please contact the undersigned.

Yours Sincerely,

Edward Evans

C.A.O. -CRSB

c.c. Cluney Mercer

CENTRAL REGIONAL SERVICE BOARD

(Operating as Central Newfoundland Regional Waste Management Authority)

Financial Statements

Year Ended December 31, 2014

CENTRAL REGIONAL SERVICE BOARD
(Operating as Central Newfoundland Regional Waste Management Authority)
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Year Ended December 31, 2014

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Management's Responsibility for Financial Reporting

The accompanying Financial Statements are the responsibility of the management of the Central Regional Services Board and have been prepared in compliance with legislation, and in accordance with generally accepted accounting principles established by the Public Sector Accounting Board of The Canadian Institute of Chartered Accountants

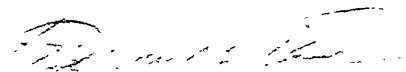
In carrying out its responsibilities, management maintains appropriate systems of internal and administrative controls designed to provide reasonable assurance that transactions are executed in accordance with proper authorization, that assets are properly accounted for and safeguarded, and that financial information produced is relevant and reliable

The Board of the Authority met with management and its external auditors to review a draft of the financial statements and to discuss any significant financial reporting or internal control matters prior to their approval of the finalized financial statements

Richard Power, FCA as the Board's appointed external auditors, have audited the Financial Statements. The Auditor's Report is addressed to the Directors of the Central Regional Service Board and appears on the following page. Their opinion is based upon an examination conducted in accordance with Canadian generally accepted auditing standards, performing such tests and other procedures as they consider necessary to obtain reasonable assurance that the Financial Statements are free of material misstatement and present fairly the financial position and results of the Board in accordance with Canadian generally accepted accounting principles



Mr Allan Scott, Chair



Mr Edward Evans, Chief
Administrative Officer

Norris Arm, NL
May 14, 2015



Richard Power, FCA

221E Memorial Drive
Clareville NL
A5A 1R3

Tel 709 433 3060
Fax 709.433 3166

INDEPENDENT AUDITOR'S REPORT

To the Directors of Central Regional Service Board

I have audited the accompanying financial statements of Central Regional Service Board, which comprise the statement of financial position as at December 31, 2014, statements of operations, change in net financial position and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian 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

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I 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.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the financial statements present fairly, in all material respects, the financial position of Central Regional Services Board as at December 31, 2014 and the results of its operations, change in net financial position and its cash flows for the year then ended in accordance with Canadian Public Sector Accounting Standards.

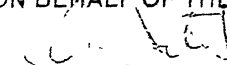
Clareville, Newfoundland and Labrador
May 14, 2015

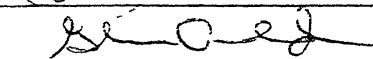
Chartered Professional Accountant

CENTRAL REGIONAL SERVICE BOARD
(Operating as Central Newfoundland Regional Waste Management Authority)
Statement of Financial Position
December 31, 2014

	2014	2013 <i>(Restated - Note 2)</i>
FINANCIAL ASSETS		
Cash <i>(Note 4)</i>	\$ 4,517,251	\$ 2,686,364
Short term Investments <i>(Note 5)</i>	5,986,297	14,962,245
Accounts receivable <i>(Note 6)</i>	1,179,490	1,407,777
	\$ 11,683,038	\$ 19,056,386
LIABILITIES		
CURRENT		
Accounts payable <i>(Note 7)</i>	\$ 2,379,142	\$ 1,428,929
Deferred income <i>(Note 8)</i>	5,219,153	14,974,449
Landfill closure and post closure care <i>(Note 9)</i>	429,000	286,000
	8,027,295	16,689,378
NET FINANCIAL ASSETS	3,655,742	2,367,008
NON FINANCIAL ASSETS		
Tangible capital assets <i>(Schedule 1)</i>	53,774,576	47,381,297
ACCUMULATED SURPLUS	\$ 57,430,318	\$ 49,748,305

ON BEHALF OF THE BOARD


 _____ Chairperson


 _____ Treasurer

The accompanying notes are integral part of these financial statements

CENTRAL REGIONAL SERVICE BOARD
(Operating as Central Newfoundland Regional Waste Management Authority)
Statement of Operations
Year Ended December 31, 2014

	Budget 2014	2014	2013
REVENUES			
Collections fees	\$ 1,169,200	\$ 1,236,142	\$ 1,159,264
Disposal fees	4,611,800	4,223,753	4,513,783
Other	-	138,413	78,861
Department of Municipal Affairs - capital grants	-	9,755,297	7,387,885
Department of Municipal Affairs - special grant	-	870,831	-
Interest income	-	181,122	377,092
	5,781,000	16,405,558	13,516,885
EXPENSES			
Advertising and promotion	101,000	19,396	46,312
Amortization	-	3,362,018	2,853,561
Bad debts	-	7,947	32,327
Capital reserve	1,498,938	-	-
Dump site closure expense	-	197,265	2,360,130
Insurance	117,000	103,273	103,175
Interest and bank charges	3,000	17,018	4,543
Landfill closure & post-closure care	-	143,000	143,000
Landfill expenses	162,414	203,094	51,194
Legal settlements (Note 11)	-	-	301,849
Material handling	100,000	98,061	36,058
Memberships	8,050	7,005	7,727
Office	40,000	32,945	31,142
Professional fees	206,000	938,629	392,559
Repairs and maintenance	560,000	593,798	462,385
Salaries and wages	1,805,098	1,825,114	1,645,806
Telephone	104,500	93,231	92,798
Transportation services	450,000	431,621	475,190
Travel	57,400	50,232	57,057
Utilities	145,000	139,761	133,818
Vehicle	422,600	460,137	506,590
	5,781,000	8,723,545	9,737,221
Annual surplus	\$ -	7,682,013	3,779,664
Accumulated Surplus beginning of year		49,748,305	45,968,641
Accumulated Surplus - end of year		\$ 57,430,318	\$ 49,748,305

The accompanying notes are integral part of these financial statements

CENTRAL REGIONAL SERVICE BOARD
(Operating as Central Newfoundland Regional Waste Management Authority)
Statement of Change in Net Financial Assets
Year Ended December 31, 2014

	2014	2013 <i>(Restated - Note?)</i>
Annual Surplus	\$ 7,682,013	\$ 3,779,664
Amortization of tangible capital assets	3,362,018	2,853,561
Acquisition of tangible capital assets	(9,755,297)	(4,719,488)
Changes in Net Financial Assets	\$ 1,288,734	\$ 1,913,737
Net Financial Assets		
Beginning of year	2,367,008	453,271
End of year	\$ 3,655,742	\$ 2,367,008

CENTRAL REGIONAL SERVICE BOARD
(Operating as Central Newfoundland Regional Waste Management Authority)
Statement of Cash Flows
Year Ended December 31, 2014

	2014	2013 <i>(Restated - Note2)</i>
OPERATING ACTIVITIES		
Annual Surplus	\$ 7,682,013	\$ 3,779,664
Item not affecting cash		
Amortization of tangible capital assets	3,362,018	2,853,561
	11,044,031	6 633 225
Changes in non-cash working capital		
Accounts receivable	228,287	(350,628)
Accounts payable	950,215	(567,302)
Deferred income	(9,755,296)	(7,387,886)
Landfill closure and post closure care	143,000	143,000
	(8,433,794)	(8,162,816)
Cash flow from (used by) operating activities	2,610,237	(1,529,591)
INVESTING ACTIVITIES		
Purchase of tangible capital assets	(9,755,297)	(4,813,488)
Purchase of long term investments	(3,267,983)	(15,962,245)
Proceeds from sale of long term investments	12,243,930	20,987,300
Cash flow from (used by) investing activities	(779,350)	211,567
INCREASE (DECREASE) IN CASH FLOW	1,830,887	(1,318,024)
Cash - beginning of year	2,686,364	4 004,388
CASH - END OF YEAR	\$ 4,517,251	\$ 2,686,364

The accompanying notes are integral part of these financial statements

CENTRAL REGIONAL SERVICE BOARD
(Operating as Central Newfoundland Regional Waste Management Authority)
Notes to Financial Statements
Year Ended December 31, 2014

1. Nature of operations

The Central Regional Service Board was created under the authority of the Regional Service Board Act on February 26, 2008. The Board operates under the name Central Newfoundland Regional Waste Management Authority, and is responsible for the maintenance and operation of solid waste disposal sites and solid waste management facilities within the central region of Newfoundland.

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

2. Prior Period Adjustment

Payroll deductions payable at year end for 2013 were recorded in error. An accrual for \$46,744 was set up to reflect the final December remittance, and this amount had already been included in accounts payable. The prior period adjustment resulted in a decrease to salaries and wage expense of \$46,744 and a reduction in accounts payable of the same amount.

3. Summary of significant accounting policies

Basis of Presentation

The financial statements have been prepared in accordance with Canadian generally accepted accounting principles as recommended by the Public Sector Accounting Board (PSAB) of the Canadian Institute of Chartered Accountants and reflect the following significant accounting policies.

Basis of Accounting

The financial statements are prepared using the accrual basis of accounting. 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.

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. The change in non-financial assets during the year, together with the excess of revenues over expenses, provides the change in net financial assets for the year.

Revenue recognition policy

Service revenue is recognized when delivery has occurred or services have been rendered, persuasive evidence of an agreement exists, the price is fixed or determinable, and collectibility is reasonably assured.

Government transfers are recognized as revenue in the period in which events giving rise to the transfer occur, providing the transfers are authorized, the amount can be reasonably estimated, any eligibility criteria have been met and there are no stipulations that give rise to a possible obligation.

(continues)

CENTRAL REGIONAL SERVICE BOARD
(Operating as Central Newfoundland Regional Waste Management Authority)
Notes to Financial Statements
Year Ended December 31, 2014

3. Summary of significant accounting policies (continued)

Landfill Closure and Post-closure Care

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 care activities, discounted at a rate equal to the estimated average long-term borrowing rate available to the Board.

Use of Estimates

The preparation of financial statements in conformity with Canadian generally accepted accounting principles for the public sector 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 financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from these estimates.

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 on a straight-line basis over their estimated useful lives as follows.

Land	Indefinite	straight-line method
Land improvements	10 to 50 years	straight-line method
Buildings	25 to 40 years	straight-line method
Machinery and equipment	5 to 10 years	straight-line method
Computer hardware and software	4 years	straight-line method
Furniture and fixtures	5 years	straight-line method
Road surface	5 to 20 years	straight-line method
Road grade	30 years	straight-line method

Tangible capital assets acquired during the year but not placed into use are not amortized until they are placed into use.

Financial instruments policy

Financial instruments are recorded at fair value when acquired or issued. In subsequent periods, financial instruments are reported at cost or amortized cost less impairment, if applicable. Financial assets are tested for impairment when changes in circumstances indicate the asset could be impaired.

CENTRAL REGIONAL SERVICE BOARD
(Operating as Central Newfoundland Regional Waste Management Authority)
Notes to Financial Statements
Year Ended December 31, 2014

4. Cash

	2014	2013
Cash is comprised of the following		
Cash - operating bank account	\$ 338,229	\$ 985,917
Cash - capital bank account	4,179,022	1,700,447
	\$ 4,517,251	\$ 2,686,364

5. Short term investments

Short term investments consist of guarantee investment certificates with a maturity date of less than a year. Short term investments are restricted for the following purposes.

	2014	2013
Capital projects	\$ 1,744,153	\$ 12,239,849
Capital reserve	3,382,121	1,873,675
Vendor security bond	860,023	848,721
	\$ 5,986,297	\$ 14,962,245

Capital projects relates to funds advanced by the Department of Municipal Affairs for capital projects for the completion of facilities and other capital projects.

Capital reserve relates to replacement of equipment, collection trucks and landfill cell construction and capping. The board reserved \$1,508,446 including interest in 2014 for its capital reserve.

Contract security to vendor relates to a contract performance bond from a vendor.

6. Accounts receivable

	2014	2013
Operating	\$ 941,402	\$ 1,194,395
Harmonized sales tax	238,088	213,382
	\$ 1,179,490	\$ 1,407,777

7. Accounts payable

	2014	2013
Accounts payable and accrued liabilities	\$ 182,713	\$ 191,691
Capital construction of regional disposal sites and facilities	1,336,405	388,517
Contract security to vendor	860,024	848,721
	\$ 2,379,142	\$ 1,428,929

CENTRAL REGIONAL SERVICE BOARD

(Operating as Central Newfoundland Regional Waste Management Authority)

Notes to Financial Statements

Year Ended December 31, 2014

8. Deferred revenue

Deferred revenue relates to funds advanced from the Department of Municipal Affairs for future capital expenditure

9. Landfill closure and post-closure care

The Board operates one solid waste landfill site. Phase 1 of the landfill site began accepting solid waste in 2012. The agreement with the Province of Newfoundland and Labrador for the operations of the landfill sites require that the Board take responsibility for certain obligations regard closure and post-closure care of each site.

Closure activities include all activities related to closing the landfill site. Through a proactive closure plan, many closure costs will be incurred on an on-going basis and will be included in the yearly fiscal operating budget. Taking this into consideration, it is assumed that closure costs incurred at the actual closure date will be reduced significantly.

Post-closure activities include all activities related to monitoring the site once it can no longer accept waste. These costs are expected to last for an indeterminate time period, but at a minimum, would exceed 15 years.

Beginning in 2012, the Board has budgeted an annual reserve from operations of \$218,000 to fund closure and post-closure activities. As of year end, cash reserves of \$443,454 were set aside for closure and post-closure activities. The Board recognizes a future liability for closure and post-closure care costs. The liability is based on the best available information at the reporting date, which include estimated total capacity of the landfill, estimated capacity used and expected future cash outflows as outlined in the Board's proactive closure plan. The amount estimated and accrued at December 31, 2014 for the current year closure and post-closure liability is \$143,000 (2013-\$143,000). The total amount accrued for future liability for closure and post-closure care costs is \$429,000.

10. Financial instruments

The Board, as part of its operations, carries a number of financial instruments. It is management's opinion the Board is not exposed to significant interest, currency or credit risk arising from these financial instruments, except as otherwise disclosed. Unless otherwise noted, the fair value of these financial instruments approximates their carrying values.

11. Legal settlement

In 2014, the Board negotiated a legal settlement regarding a statement of claim for additional costs to have been caused by the Central Regional Service Board in connection with the construction of seven waste management facilities by Bluebird Investments Ltd. The settlement provided to the contractor \$301,849 which included the settlement amount, taxes and legal costs. This amount was accrued in 2013.

CENTRAL REGIONAL SERVICE BOARD
SCHEDULE OF TANGIBLE CAPITAL ASSETS
YEAR ENDED DECEMBER 31, 2014

SCHEDULE 1

Cost	Land and Land Improvements	Buildings and Leasehold Improvements	Motor Vehicles and Heavy Equipment	Asphalt and Parking Areas	Furniture and Fixtures	Computers and Data Management	2014	2013
Opening costs	10,826,159	21,649,202	8,147,216	10,872,490	150,112	751,536	52,396,715	47,677,226
Additions during the year	-	4,805,012	3,982,012	968,273	-	-	9,755,297	4,813,488
Disposals and write downs	-	-	-	-	-	-	-	94,000
Closing costs	<u>10,826,159</u>	<u>26,454,214</u>	<u>12,129,228</u>	<u>11,840,763</u>	<u>150,112</u>	<u>751,536</u>	<u>62,152,011</u>	<u>52,396,714</u>
Accumulated Amortization								
Opening accum'd amortization	38,650	1,496,281	1,268,397	1,869,360	50,204	292,526	5,015,418	2,161,856
Amortization	23,159	962,068	1,023,222	1,135,663	30,022	187,884	3,362,018	2,853,561
Disposals and write downs	-	-	-	-	-	-	-	-
Closing accum'd amortization	<u>61,809</u>	<u>2,458,349</u>	<u>2,291,619</u>	<u>3,005,023</u>	<u>80,226</u>	<u>480,410</u>	<u>8,377,436</u>	<u>5,015,417</u>
Net Book Value of Tangible Capital Assets	<u><u>10,764,350</u></u>	<u><u>23,995,864</u></u>	<u><u>9,837,609</u></u>	<u><u>8,835,741</u></u>	<u><u>69,885</u></u>	<u><u>271,126</u></u>	<u><u>53,774,576</u></u>	<u><u>47,381,297</u></u>

The accompanying notes are integral part of these financial statements

CENTRAL REGIONAL SERVICE BOARD
STATEMENT OF OPERATIONS BY PROGRAM
YEAR ENDED DECEMBER 31, 2014

	Disposal Program	Collections Program	Capital	Total
	\$	\$	\$	\$
REVENUE				
Collections		\$ 1,236,142		\$ 1,236,142
Disposal	\$ 4,223,753			4,223,753
Department of Municipal Affairs - capital grants			\$ 9,755,297	9,755,297
Department of Municipal Affairs - special grant			870,831	870,831
Interest			181,122	181,122
Other	138,413			138,413
Total revenue	4,362,166	1,236,142	10,807,250	16,405,558
EXPENSES				
Advertising	19,396			19,396
Amortization			3,362,018	3,362,018
Bad debt	7,947			7,947
Dumpsite closure			197,265	197,265
Insurance	90,268	13,004		103,273
Interest and bank charges	17,018			17,018
Landfill closure and post closure			143,000	143,000
Landfill expenses	176,178	26,916		203,094
Material Handling	98,061			98,061
Membership	7,005			7,005
Office	32,945			32,945
Professional fees	155,993	6,669	775,966	938,629
Repairs and maintenance	534,932	58,521	345	593,798
Salaries and wages	1,279,477	545,637		1,825,114
Telephone	85,612	7,619		93,231
Transportation services	431,621			431,621
Travel	47,069	3,163		50,232
Utilities	139,761	-		139,761
Vehicle	198,596	261,542		460,137
Total expenses	3,321,880	923,071	4,478,594	8,723,545
Surplus per Statement of Operations	1,040,286	313,071	6,328,656	7,682,013
Capital reserve allocation	1,141,165	313,047		1,454,212
Surplus (Deficit) after capital reserve allocation	\$ (100,879)	\$ 24	\$ 6,328,656	\$ 6,227,801

See Note 5 for Capital Reserve

The accompanying notes are integral part of these financial statements