

Northern Peninsula Regional Service Board

2012 Annual Report



Message from the Chairperson

The Northern Peninsula Regional Service Board is pleased to submit its annual report under the Province's *Transparency and Accountability Act* for the year ending December 31, 2012. The role of the Board is guided by its Vision: a healthy and safe environment for the present and the future, ensured by conservation and protection through solid waste management; and fire protection services.

I am pleased to report that the Board continues to move forward on both of its business plan issues: Waste Management and Fire Services. The Board expanded its waste management services into sub-region 4 by establishing a governance structure for that region, acquiring equipment, and making preparations at the landfill site. The Board continues to increase the effectiveness of its fire services through the acquisition of new equipment and conducting extensive training for firefighters.

As Chair, my signature indicates that all members of the Northern Peninsula Regional Service Board are accountable for the results reported in this document. I am very pleased with the Board's accomplishments over the past year. I look forward to continued progress on addressing issues of importance to the people of the Northern Peninsula in 2013.



Doug Mills
Chairperson, Northern Peninsula Regional Service NorPen

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1.0 Overview

The Northern Peninsula Regional Service Board (NorPen) operates under the authority of the *Regional Service Boards Act* and associated regulations to provide waste management and fire protection services to a defined region (see map, page 6). NorPen's board of directors comprises local government representatives and has the ability to impose fees as necessary to finance its operation. NorPen's boundaries are the area of the Northern Peninsula from Cook's Harbour to Goose Cove (sub-region 1), Main Brook to Englee (sub-region 2), Eddies Cove East to Castors River (sub-region 3), and Eddies Cove West to River of Ponds (sub-region 4).

NorPen's board of directors consists of 13 members, including Doug Mills, who serves as Chairperson. The current members are as follows:

Sub-region 1:	Sub-region 2:	Sub-region 3:	Sub-region 4:
Mrs. Iris Decker	Mr. Rudy Porter	Mr. Richard May	Ms. Effie Baines
Mr. Ralph Hedderson	Mr. Trevor Blanchard	Ms. Meggie Chambers	Mr. Kirby Spence
Mr. Gerald Hillier	Mr. Leandor Pilgrim	Ms. Jayne Caines	Mr. Tony Ryan

Waste management services are fully operational in sub-regions 1, 2 and 3, and commenced in sub-region 4 in January 2012. The Department of Municipal Affairs has financially supported the development of NorPen's waste management infrastructure. In sub-regions 1 and 2, Municipal Affairs provided 80% of the capital cost needed to develop two consolidated landfill sites. The remaining 20% was funded by the towns of Englee and St. Anthony with NorPen repaying these towns on a monthly basis. In sub-regions 3 and 4, Municipal Affairs provided 100% of the costs to develop the landfill sites.

The Provincial Government has also provided 100% of the funding necessary to decommission and close out the dumpsites that will be replaced by the regional consolidated landfill sites. On April 10, 2008, NorPen received \$600,000 to decommission the Castors River site, clean-up the original St. Barbe and Straits sites, and then re-develop the St. Barbe/Straits site into one consolidated landfill site for sub-region 3. Preparations were finalized and effective January 2012 the landfill site at Hawke's Bay was ready to serve sub-region 4. The success of NorPen would not have been possible without the guidance and financial support of the Provincial Government.

NorPen provides fire service to a portion of the Straits from Anchor Point to Eddies Cove East, inclusive. The Department of Municipal Affairs has supported this initiative by investing \$232,000 in capital equipment and provided operational and seed funding for a three year period which ended in 2011.

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

In 2012, the Northern Peninsula Regional Service Board was staffed by 12 employees who report to a General Manager. Ten of the employees are responsible for waste management services and two employees support delivery of fire services. NorPen receives funding from the Multi-Materials Stewardship Board (MMSB) to support NorPen's waste management initiatives, including the Coordinator's salary, office expenses and the board of directors' and Coordinator's travel expenses.

The MMSB, a Government of Newfoundland and Labrador Crown Agency, has made a vital contribution to NorPen's ability to advance the Provincial Solid Waste Management Strategy on the Northern peninsula. In addition to the operational funding support, MMSB funds the public education programs developed by NorPen such as school presentations, regular newsletters, brochures, and other regional or community discussions regarding solid waste management. These activities have generated a high degree of public support for the new regional waste management practices on the Northern Peninsula.

NorPen is accountable for the funds it receives from government, user fees and other sources. Each year it has audited financial statements prepared which is copied and sent to all municipalities in the region.

Budget and Expenditures

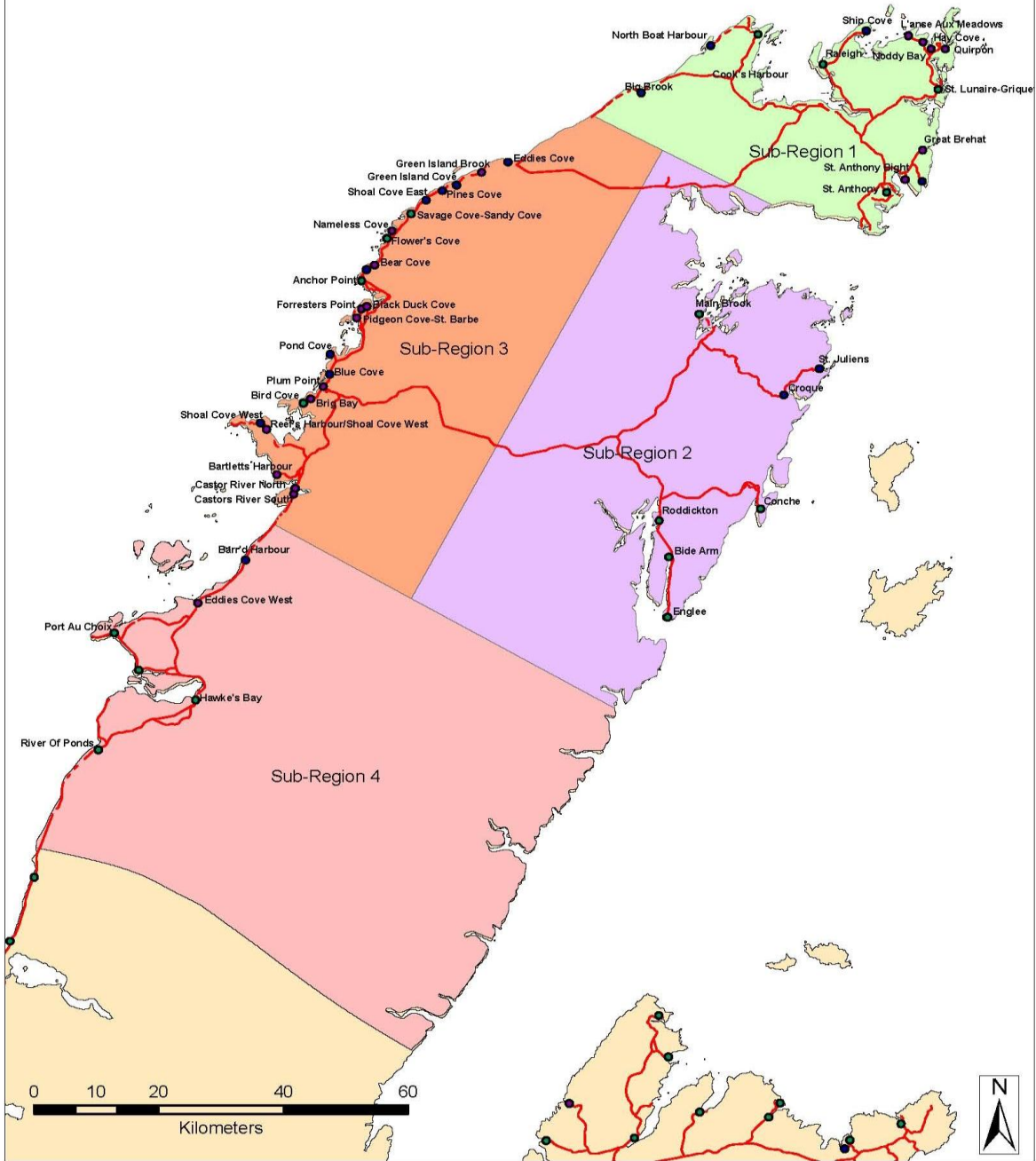
NorPen's total budget for revenue and expenditures for 2012 for Waste Management was \$528,143. NorPen's total budget revenue and expenditures for 2012 for Fire Services was \$72,341.

The Board's audited financial statements for 2012 are contained in Appendix B.

Contact Information

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Northern Peninsula Regional Service Board



2.0 Mandate

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

Prescribed services:

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

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

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

3.0 Lines of Business

1. **Waste Management**

a) **Waste Collection:**

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

b) **Operation and Management of Landfill Sites:**

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

c) **Waste Diversion:**

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

2. **Public Education**

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

3. **Fire Protection Services**

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

4.0 Values

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

Professionalism

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

Respect for the environment

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

Integrity

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

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

Respect

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

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

Honesty

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

5.0 Primary Clients

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

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

6.0 Vision

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

7.0 Mission

This mission is the focus of the Northern Peninsula Regional Service Board for the next two planning cycles, covering the period 2011 – 16. The mission represents the longer term result on key issues that NorPen will be working towards.

Rural communities are challenged to provide local services that meet modern standards in a cost effective manner. Regionally managed services such as the waste management and fire services offered by NorPen, may be a solution to this challenge.

Each day Newfoundlanders generate two kilograms of waste per person. Without effective and efficient waste management services, this waste presents a threat to the environment and the health of communities. NorPen is committed to addressing this situation by striving towards full implementation of the Province's Waste Management Strategy in the region it serves. One of the goals of the Waste Management Strategy is to divert 50% of the Province's waste going to landfills. This will be a key focus area for NorPen during the period of this Mission.

Rural communities with geographically dispersed, low density population are challenged to provide effective and efficient fire protection services for residents. Modern fire fighting equipment and training for volunteer fire fighters is essential to delivering quality service. Building upon a pilot project currently underway in part of the region, NorPen will work towards developing a strategy for fire protection services throughout the region.

In carrying out its mission NorPen will contribute to Government's strategic directions: *Appropriate Infrastructure Investment* and *Local Government Sustainability*. With regard to *Appropriate Infrastructure Investment*, NorPen will contribute to the Solid Waste Management component. With regard to *Local Government Sustainability*, NorPen will contribute to the Community Cooperation component. The following mission statement, measures and indicators will assist NorPen and the public in monitoring and evaluating success:

By December 31, 2016, the Northern Peninsula Regional Service Board will have improved the efficiency of regional service delivery in fire services and waste management towards a healthy and safe environment.

Measure: Improved efficiency of regional service delivery in fire services and waste management.

Indicators:

- Increased waste diversion within the region.
- Improved fire services within the region.

8.0 Highlights and Accomplishments

Upgrades to Second Fire Hall (Green Island Cove)

NorPen received funding in the amount of \$28,000 under the Department of Municipal Affairs' Community Enhancement Employment Program. This funding was used to do renovations on the Green Island Cove Lions Club to be used as a fire hall to house the second fire truck to serve residents and businesses in the region.

Hydraulic Tools

The Northern Peninsula Regional Service Board received a special grant in the amount of \$27,000 from Fire and Emergency Services. This funding was used to purchase a hydraulic cutter, spreader, ram tools (Jaws of Life), roof ladder and hoses for the Straits Volunteer Regional Fire Department.

Porta Tank

The Northern Peninsula Regional Service Board received funding in the amount of \$1,050 from the Fire Department Fundraising Committee. This funding was used to purchase a porta tank for the Straits Volunteer Regional Fire Department.

Portable Pump

\$8,000 was cost shared between Northern Peninsula Regional Service Board, Fire and Emergency Service and Fire Department Fundraising Committee to purchase a portable pump for the Straits Volunteer Regional Fire Department.

Repairs to Fire Truck

The Northern Peninsula Regional Service Board received a special grant in the amount of \$13,269 from Municipal Affairs through Fire and Emergency Services. This funding was used to conduct repairs to the second fire truck stationed in Green Island Cove.

Radios

The Northern Peninsula Regional Service Board received a special grant in the amount of \$6,700 from the International Grenfell Association. This funding was used to purchase three radios to be installed on two fire trucks and one fire station.

It is through financial support of various agencies mentioned above that the safety of fire fighters is improved, as well as the quality of fire protection services offered.

9.0 Report on Performance

In consideration of Government's strategic directions and the mandate and financial resources of NorPen, the following issues were identified as the key priorities of NorPen for the period January 01, 2011 to December 31, 2013. The goals identified for each issue reflect the results expected in the 3-year timeframe, while the objectives provide annual benchmarks. This report describes progress during the second year of NorPen's 2011-13 Business Plan.

Issue 1: Waste Management

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

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

In keeping with these principles the Northern Peninsula Waste Management Committee was formed in 2002 to work towards implementation of the Strategy. During 2012 NorPen continued this implementation by undertaking activities in which it expanded its geographic range and provided services to sub-region 4, as well as monitoring its operations in sub-regions 1, 2 and 3. Although it was not successful in meeting its objective to bring waste management services to all sub-regions by the end of 2011, NorPen is pleased to report that this was achieved in January 2012.

In developing its Business Plan for 2011-2013, NorPen took into consideration the strategic directions of the Department of Municipal Affairs, as designated in the Department's 2011-14 Strategic Plan. NorPen's work on various aspects of the Provincial Solid Waste Management Strategy contributed to the Department's strategic direction of *Appropriate Infrastructure Investment*, specifically the Solid Waste Management component. NorPen's delivery of regional waste management services also contributed to the Community Cooperation component of the Department's strategic direction of *Local Government Sustainability*.

Goal 1: By December 31, 2013, the Northern Peninsula Regional Service Board will have improved waste management services within the region in line with the Provincial Solid Waste Management Strategy.

Objective 2: By December 31, 2012 the Northern Peninsula Regional Service Board will have initiated waste diversion measures.

Measure: Initiated waste diversion measures.

Indicators:

- **Consulted with stakeholders on waste diversion**

Consulted with Multi-Material Stewardship Board (MMSB) to offer backyard compost bins at a reduced rate along with providing residents the opportunity to participate in an educational training session on how to successfully backyard compost. This will help divert waste from the landfill sites.

Consulted with MMSB regarding a pilot project for composting on the Northern Peninsula.

Partnered with MMSB and Conservation and Corp NL to enable NorPen to gather information to work towards implementing a composting program.

A representative of NorPen attended regular meetings with Western Regional Waste Management regarding future development of waste management.

A representative of NorPen attended meetings with Western/Central Committee regarding challenges such as volume of waste, transportation cost, construction and demolition, and ways of diverting waste.

- **Identified waste diversion measures to initiate**

Initiated a two week spring clean-up in all towns on the Northern Peninsula. This gave NorPen the opportunity to bring all waste to landfill sites, much of which would otherwise be disposed of in local gravel pits through illegal dumping.

Initiated a two-year contract with local business for the collection of metals from communities and landfill sites. This helped divert waste and beautify towns and communities left in disarray by vehicle wrecks.

Household hazardous waste depot was open 8:00 to 5:00 daily to allow residents to drop off hazardous waste. Also, NorPen hosted a one day annual household hazardous waste collection in Sub-region 2, 3 and 4. This diverts hazardous waste from all landfill sites.

- **Developed an implementation plan**

NorPen hired a four member Green Team from the Conservation Corps. Using a survey tool drafted in conjunction with MMSB, the Green Team travelled door-to-door and used telephone calls to survey residents on their willingness to participate in a community organics management program. Residents were asked if they were willing to participate in a drop-off program versus a curbside collection program. This will provide useful data for the feasibility of an organics diversion program on the Northern Peninsula. Also, Green Team conducted a waste audit in which residents sorted waste for a two week period which was then collected by the team. The data obtained from this audit will benefit NorPen once the organics management program is put in place. Based on the results collected by the Green Team, a draft plan was developed to implement a waste diversion program.

- **Obtained implementation resources**

NorPen is participating in the Province's RFP for composting options. A review is expected to be completed in the Fall of 2013. The results of this review are expected to identify the type of cost effective composting options for the region.

- **Publicized waste diversion measures**

A newsletter was created and inserted in the local paper regarding NorPen's operations and tips to help divert waste from landfill sites. A public information session was organized to educate residents on how to compost and the benefits of backyard composting.

Information was presented to primary students in sub-region 1 on the importance of recycling and waste diversion. Students then did an activity using recycled products to help demonstrate uses of so-called waste.

- **Commenced waste diversion measures**

NorPen commenced waste diversion measures by conducting the following efforts:

- Consulted with stakeholders.
- Identified waste diversion measures to initiate.
- Developed an implementation plan.
- Obtained implementation resources.
- Publicized waste diversion measures.

Objective 3: By December 31, 2013, the Northern Peninsula Regional Service Board will have initiated investigating options for integrating with host site.

Measure: Initiated investigating options for integrating with host site.

Indicators:

- Consulted with stakeholders on options relating to host site.
- Developed an implementation plan for integrating with host site.
- Identified implementation resources.
- Investigated options for prevention and remediation of illegal dumping.
- Increased waste diversion within the region.

Issue 2: Fire Services

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

In June 2009 the Department of Municipal Affairs announced that the Northern Peninsula Regional Service Board had been selected as a regional governance model to test the effectiveness of the delivery of fire services in the region of Anchor Point to Eddies Cove East. NorPen has successfully implemented a new regional fire service which serves 740 households and 65 businesses. The Department of Municipal Affairs provided start-up capital for equipment and renovations to the fire hall. NorPen sets and collects fire protection fees throughout the service region. This year, NorPen fully met its objective to monitor the operations of this new service. As a result of this monitoring, NorPen has taken measures to improve the quality and viability of the service.

In developing its Business Plan for 2011-2013, NorPen took into consideration the strategic directions of the Department of Municipal Affairs, as designated in the Department's 2011-14 Strategic Plan. By delivering fire services through a regional governance model, NorPen made a contribution to the Department's strategic direction of *Local Government Sustainability*, specifically the Community Cooperation component.

Goal 2: **By December 31, 2013, the Northern Peninsula Regional Service Board will have developed a fire services strategy for the region.**

Objective 2: By December 31, 2012, the Northern Peninsula Regional Service Board will have evaluated current fire services pilot.

Measure: Evaluated current fire services pilot.

Indicators:

- **Reviewed finances**
A financial review was conducted and presented to NorPen's board of directors. Based on this review it was again determined that an increase in fees was needed for a sustainable budget. An increase in fees was necessary to ensure that equipment and services are kept up to code, fire fighters continue to be trained, and new and modern equipment can be purchased. Effective January 2012, annual fees were again increased by \$10 per household and business.

- **Reviewed service delivery**

Training for members was reviewed and improved, and response times were monitored.

All fire fighters attend regular monthly training sessions instructed by the regional fire chief. The regional fire chief is qualified and instructs training in land-based and defensive fire fighting training. Fire fighters have received training in fire emergency and hazardous materials, standard first aid/CPR, pumper operations, fire behaviour and ambulance familiarity for emergencies and traffic control.

NorPen maintains records of all training provided to the fire chief and volunteer firefighters.

Regular maintenance is carried out on the two fire trucks to ensure that they are properly operating and ready to respond to an emergency.

Based on the geography of the region a second fire truck was requested and provided by the Provincial Government. This second truck significantly enhanced response times for the entire region. Three radios have been purchased and placed in two fire trucks and a second fire station. This allows members to communicate while attending an emergency scene. Also, when providing mutual aid to two other fire departments one truck remains in the service region to be used upon request in an emergency.

A repeater system was purchased and installed at the fire hall which allows the department to receive direct emergency calls which is immediately dispatched to all active members through a pager system.

Consultations regarding fundraising with the local Lions Clubs and Lioness members has allowed the fire department to purchase much-needed equipment. This would not have been possible without the efforts and support of these agencies.

Consultations were held to develop standard operating guidelines and provide mutual aid and emergency response to two other fire departments in the surrounding area.

- **Completed evaluation report**

In partnering with the Fire Commissioner's Office, consultations were held with municipalities, local service districts and fire departments regarding improving fire protection services in the communities. Also discussed were the benefits of combining fire and emergency services for the area. Information was presented to representatives of various municipalities, local service districts, and fire departments of a model that could be used to create a cost efficient/self-sustaining fire service under the regional concept.

Objective 3: By December 31, 2013, the Northern Peninsula Regional Service Board will have developed a fire services strategy for the region.

Measure: Developed fire services strategy for the region.

Indicators:

- Developed final report for current fire services from Anchor Point to Eddies Cove East.
- Consulted with stakeholders throughout the region.
- Reviewed service delivery.

10.0 Opportunities and Challenges Ahead

There are many opportunities and challenges ahead as NorPen strives to meet its goals. One of the biggest challenges is to meet all the necessary costs to operate quality waste management and fire services while keeping the fees as reasonable as possible for clients.

With regard to advancing the Provincial Solid Waste Management Strategy, NorPen looks forward to exploring options to initiate waste diversion measures.

Fire services will also be a priority issue for NorPen. An evaluation of the pilot in Anchor Point to Eddies Cove East will be conducted. The findings of the evaluation will contribute to the development in 2013 of a fire services strategy for the entire region.

Appendix A Legislated Mandate

This is not the official version.

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Important Information

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

Table of Regulations

Main Site

How current is this regulation?

NEWFOUNDLAND AND LABRADOR REGULATION 34/05

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

Amended by:

55/08

NEWFOUNDLAND AND LABRADOR REGULATION 34/05

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

(Filed April 29, 2005)

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

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

Jack Byrne
Minister of Municipal and Provincial Affairs

ORDER

Analysis

1. Short title
2. Definition
3. Prescribed services
4. User fees

5. Withdrawal of service

Short title

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

34/05 s1

Definition

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

34/05 s2

Prescribed services

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

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

34/05 s3; 55/08 s1

User fees

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

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

34/05 s4; 55/08 s2

Withdrawal of service

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

34/05 s5

Appendix B Financial Statements

Northern Peninsula Regional Service Board

St. Anthony, NL

Financial Statements

December 31, 2012

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

Northern Peninsula Regional Service Board
(Incorporated Under The Laws of Newfoundland)
Balance Sheet
December 31, 2012

	<u>Assets</u>	
	<u>2012</u>	<u>2011</u>
<u>Current</u>		
Cash	\$ 175,751	\$ 129,372
Receivables	<u>107,490</u>	<u>126,643</u>
	<u>283,241</u>	<u>256,015</u>
 <u>Property, Plant and Equipment</u> - (Note 3)	 <u>541,506</u>	 <u>655,558</u>
	 <u>\$ 824,747</u>	 <u>\$ 911,573</u>
	 <u>Liabilities</u>	
<u>Current</u>		
Accounts payable	\$ 11,306	\$ 47,697
Government remittance payable	3,943	--
Demand loan	<u>--</u>	<u>12,990</u>
	<u>15,249</u>	<u>60,687</u>
	 <u>Equity</u>	
 <u>Surplus</u>	 <u>809,498</u>	 <u>850,886</u>
	 <u>\$ 824,747</u>	 <u>\$ 911,573</u>

Signed on Behalf of the Board:

Director: _____

Director: _____

J Mills - chair

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

Northern Peninsula Regional Services Board
(Incorporated Under The Laws of Newfoundland)
Statement of Revenue and Surplus
For the period ended December 31, 2012

	<u>2012</u>	<u>2011</u>
<u>Revenue</u>		
Land fill operating (Schedule 1)	\$ 14,070	\$ 585,203
Collaboration project (Schedule 2)	(14,345)	(10,446)
Fire services (Schedule 3)	5,758	(21,824)
Capacity building	<u>29,763</u>	<u>--</u>
	<u>35,246</u>	<u>552,933</u>
 <u>Expenses</u>		
Administration (Schedule 4)	76,634	84,254
 <u>Capital Grant</u>	<u>--</u>	<u>4,210</u>
	(41,388)	472,889
 <u>Surplus, Beginning of Year</u>	<u>850,886</u>	<u>377,997</u>
 <u>Surplus, End of Year</u>	<u>\$ 809,498</u>	<u>\$ 850,886</u>

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

Northern Peninsula Regional Service Board
(Incorporated Under The Laws of Newfoundland)
Statement of Cash Flows
For the year ended December 31, 2012

	<u>2012</u>	<u>2011</u>
<i>Cash Provided By (Used In)</i>		
<u>Operating Activities</u>		
Cash received from customers	\$ 1,141,697	\$ 1,398,728
Capital grant	--	4,210
Cash paid to suppliers and employees	(1,011,744)	(896,691)
Interest paid	<u>(3,449)</u>	<u>(8,026)</u>
	<u>126,504</u>	<u>498,221</u>
 <u>Financing Activities</u>		
Amortization of deferred revenue	--	(4,210)
Repayment of long term debt	--	(19,201)
Demand loan payment	<u>(12,990)</u>	<u>(5,304)</u>
	<u>(12,990)</u>	<u>(28,715)</u>
 <u>Investing Activities</u>		
Purchase of property, plant & equipment	<u>(67,135)</u>	<u>(472,561)</u>
 <u>Increase (Decrease) in Cash</u>	46,379	(3,055)
<u>Cash, Beginning of Year</u>	<u>129,372</u>	<u>132,427</u>
<u>Cash, End of Year</u>	<u>\$ 175,751</u>	<u>\$ 129,372</u>

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

Northern Peninsula Regional Service Board
Schedule 1
Land Fill Operations
For the year ended December 31, 2012

	<u>2012</u>	<u>2011</u>
Revenue		
Collection Fees	\$ 827,977	\$ 650,588
Interest	18,637	11,513
Multi Material Stewardship Board	15,859	59,802
Other Government Grants	35,248	662,071
Other Income	<u>43,590</u>	<u>14,950</u>
	<u>941,311</u>	<u>1,398,924</u>
Expenses		
Amortization	138,131	89,917
Consultation	--	950
Insurance	27,805	25,976
Interest on Long Term Debt	--	3,293
Landfill Operation	198,350	191,017
Office	536	2,618
Spring Clean Up	5,888	4,547
Supplies	935	173
Vehicle	147,772	114,863
Wages & Benefits	<u>407,824</u>	<u>380,367</u>
	<u>927,241</u>	<u>813,721</u>
Surplus	<u>\$ 14,070</u>	<u>\$ 585,203</u>

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

Northern Peninsula Regional Service Board
Schedule 2
Collaboration Project
For the year ended December 31, 2012

	<u>2012</u>	<u>2011</u>
<u>Revenue</u>		
Grant	\$ --	\$ --
<u>Expenses</u>		
Office	1,000	173
Accommodations/Meals	--	5,722
Travel	--	919
Meeting	--	3,632
Project	<u>13,345</u>	<u>--</u>
	<u>14,345</u>	<u>10,446</u>
<u>Surplus (Deficit)</u>	<u>\$ (14,345)</u>	<u>\$ (10,446)</u>

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

Northern Peninsula Regional Service Board
Schedule 3
Fire Services
For the year ended December 31, 2012

	<u>2012</u>	<u>2011</u>
Revenue		
Fire Services Fees	\$ 70,255	\$ 58,096
Grant	33,078	1,000
Other	<u>17,900</u>	<u>--</u>
	<u>121,233</u>	<u>59,096</u>
Expenses		
Accident expense	7,236	--
Advertising	2,046	2,134
Amortization	42,309	49,673
Dues & Fees	300	300
Heat & Lights	4,918	4,593
Insurance	--	338
Office	1,773	1,585
Renovations	5,201	1,345
Repairs & Maintenance	5,007	452
Remuneration	1,700	1,200
Supplies	15,495	10,762
Telephone	3,336	2,953
Training	21,877	3,085
Travel	2,227	1,620
Vehicle	<u>2,050</u>	<u>880</u>
	<u>115,475</u>	<u>80,920</u>
Surplus (Deficit)	<u>\$ 5,758</u>	<u>\$ (21,824)</u>

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

Northern Peninsula Regional Service Board
Schedule 4
Administration
For the year ended December 31, 2012

	<u>2012</u>	<u>2011</u>
<u>Administration</u>		
Amortization	\$ 747	\$ 1,057
Bank Charges	3,449	4,733
Bad Debt	1,716	--
Miscellaneous	3,783	5,746
Office	6,911	10,187
Public Education	2,959	3,237
Rent	14,008	15,742
Telephone	6,449	6,898
Travel	24,542	26,427
Wages & Benefits	<u>12,070</u>	<u>10,227</u>
	<u>\$ 76,634</u>	<u>\$ 84,254</u>

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

Northern Peninsula Regional Service Board
Schedule 5
Capacity Building
For the year ended December 31, 2012

	<u>2012</u>
<u>Revenue</u>	
Grant	<u>\$ 60,000</u>
<u>Expenses</u>	
Advertising	1,316
Bank charges	265
Office	613
Supplies	121
Telephone	1,071
Travel	1,242
Rent	2,400
Wages and benefits	<u>23,209</u>
	<u>30,237</u>
	 <u>\$ 29,763</u>

The accompanying notes are integral part of these financial statements.

Northern Peninsula Regional Service Board

Notes To Financial Statements

December 31, 2012

Nature Of Business

Northern Peninsula Regional Service Board is a non profit company incorporated under the laws of Newfoundland and Labrador. Its main business is collection of household waste and provision of Fire Services within the Northern Peninsula of Newfoundland and Labrador.

1. Significant Accounting Policies

These financial statements are prepared in accordance with Canadian accounting standards for private enterprises (ASPE).

(a) *Cash and cash equivalents:*

Cash is defined as cash on hand, cash on deposit, and short-term deposits with maturity dates of less than 90 days, net of cheques issued and outstanding at the reporting date.

(b) *Revenue recognition:*

Revenue is recognized when the customers are levied for services, collection of the relevant receivable is probable, persuasive evidence of an arrangement exists and the sales price is fixed or determinable.

(c) *Use of Estimates*

The preparation of the financial statements in conformity with Canadian accounting standards for private enterprises requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the year. Significant items subject to such estimates and assumptions include the estimated useful lives of property, plant and equipment and intangible assets, the valuation allowances for accounts receivable, and the valuation of inventories. Actual results could differ from those estimates.

(d) *Property, plant and equipment:*

Amortization is provided using the declining balance method at the following rates:

Building	4%
Containers	20%
Fire Truck	30%
Furniture & Equipment	20 & 30%
Sanitation Vehicles	30%
Tractors	30%
Vehicles	30%

Northern Peninsula Regional Service Board
Notes To Financial Statements
December 31, 2012

4. Financial Risk and Concentration of Risk

(a) *Credit risk:*

Credit risk refers to the risk that customers may default on their contractual obligations resulting in a financial loss. The accounts receivable are due from various individuals from the region. There has been no change to the risk exposures from 2011.

(b) *Liquidity risk:*

Liquidity risk is the risk that the Company will be unable to fulfill its obligations on a timely basis or at a reasonable cost. The Company's exposure to liquidity risk is dependant on the sale of inventory, collection of accounts receivable and obligations or raising of funds to meet commitments and sustain operations. Cash flow from operations provides a substantial portion of the Company's cash requirements. Management is of the opinion that liquidity risk is not a significant risk and there has been no change to the exposures from 2011