

# Northern Peninsula Regional Service Board

## 2011 Annual Report



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## Message from the Chairperson

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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, 2011. 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 prepared to expand 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 has significantly increased the effectiveness of its fire services through the acquisition of a new fire truck 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 2012.



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 Mr. Doug Mills who serves as Chairperson. The current members are as follows:

<b>Sub-region 1:</b>	<b>Sub-region 2:</b>	<b>Sub-region 3:</b>	<b>Sub-region 4:</b>
Mrs. Iris Decker	Mr. Rudy Porter	Mr. Richard May	Ms. Effie Baines
Mr. Ralph Hedderson	Mr. Trevor Blanchard	Mr. 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 will commence in sub-region 4 in 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 to 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 are currently being finalized to establish the landfill site at Hawke's Bay 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: Cecil Hughes, Chairperson; Meggie Chambers, Hank Diamond, Wallace Genge, Richard May, Norman Parrill and Jayne Caines.

In 2011, the Northern Peninsula Regional Service Board was staffed by 12 employees who report to a Coordinator. Ten of the employees are responsible for waste management services and two employees support delivery of fire services. There are seven males and five females on staff. 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 and sends these to all municipalities in the region.

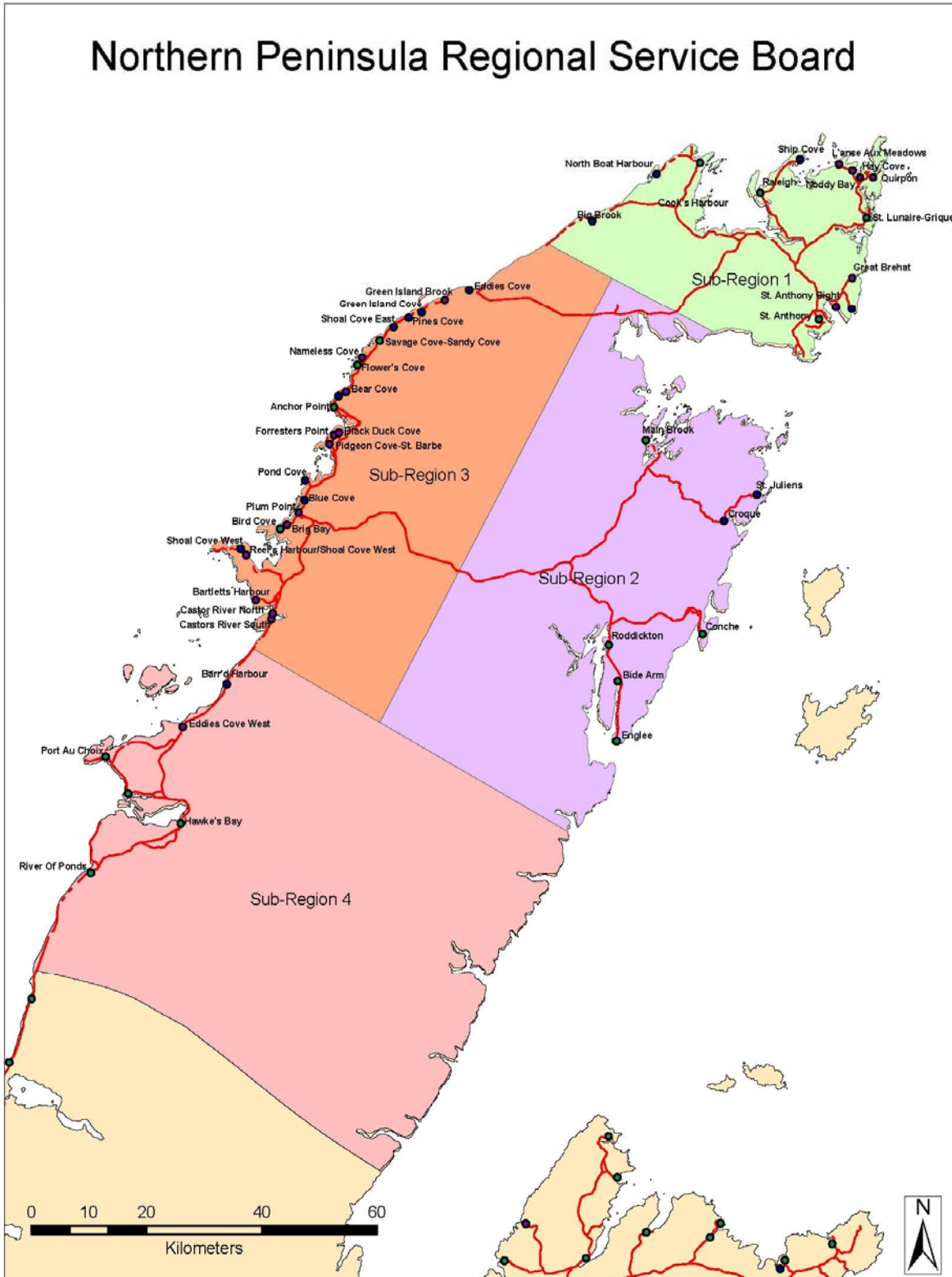
### **Budget and Expenditures**

NorPen's total budgeted revenues and expenditures for 2011 for Waste Management was \$528,143. NorPen's total budgeted revenues and expenditures for 2011 for Fire Services was \$67,660.

The Board's audited financial statements for 2011 are contained in Appendix B.

### **Contact Information**

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## 2.0 Mandate

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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](http://www.assembly.nl.ca/legislation).

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## **3.0 Lines of Business**

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### **1. Waste Management**

#### **a) Waste Collection:**

NorPen operates a once-weekly waste collection system for residents, non-profit organizations, and some businesses. NorPen has three compactor trucks, and three 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 three landfill sites which are maintained 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 halls, 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.



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## 4.0 Values

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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.

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## 5.0 Primary Clients

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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**

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*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.*

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## 7.0 Mission

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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 and Labradorians 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 are 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

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## **8.0 Highlights and Accomplishments**

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### **Linkages**

NorPen formed a joint partnership with the Canadian Paraplegic Association and accepted funds in the amount of \$9,418.50 through a Career Development Employment Program called Linkages. This program is a client-centered employment initiative for young adults. It is subsidized by the Provincial Department of Advanced Education and Skills. This program gave NorPen the opportunity to train and employ a client of the Canadian Paraplegic Association in the modern practices of waste management for a six month period commencing in September 2011.

### **Fire Protection Equipment (Fire Truck)**

NorPen provides fire services to 13 communities from Eddies Cove to Anchor Point as well as mutual aid for two other fire departments, which covers a vast geographic area of the Northern Peninsula. Since 2009, NorPen provided fire protection using only one fire truck, which has no portable pumps. NorPen had been consulting with Government on the need for a second fire truck to provide an efficient service. In September 2011, NorPen was granted a second fire truck to service this region, at no cost. It is through investments like these that NorPen can provide the quality of fire protection services that these residents deserve.

### **Fire Protection Equipment (Pagers)**

The Northern Peninsula Regional Service Board received a special grant in the amount of \$6,000.00 from The International Grenfell Association. This funding was used to purchase twelve pagers for the Straits Volunteer Regional Fire Department. It is through investments like these that the safety of fire fighters is improved, as well as the quality of fire protection services offered to residents.

## 9.0 Report on Performance

In consideration of Government's strategic directions and the mandate and financial resources of the Board, the following issues were identified as the key priorities of 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 first 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
- 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 2011 NorPen continued this implementation by undertaking activities in preparation for expanding its geographic range in which services are provided 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 will be 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 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: *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 Waste Management Strategy.**

**Objective 1:** By December 31, 2011 the Northern Peninsula Regional Service Board will have ensured all sub-regions are operational.

**Measure:** Ensured all sub-regions are operational

**Indicators:**

- **Commenced operations in sub-region 4**  
NorPen has expanded its boundaries to include sub-region 4, Eddies Cove West to River of Ponds, however NorPen could not commence operations in this region by Dec. 31, 2011, because of the longer than anticipated timeframes for tendering for a new compactor truck and crawler loader, as well as development of the Hawke's Bay landfill site. It is anticipated that operations will have commenced by January 2012.
- **Established governance in sub-region 4**  
NorPen took steps to include Board representation from sub-region 4 in accordance with the *Regional Service Boards Act*. A request for nominations to NorPen's board of directors was sent to municipalities in sub-region 4. All three nominations received were accepted by acclamation at a public meeting, and the nominees were subsequently formally appointed to the board of directors by the Minister of Municipal Affairs. Board members are listed in the Overview section on page 4.
- **Number of public education initiatives undertaken**  
A brochure was mailed to residents and business owners of sub-region 4 to inform them about the upcoming implementation of the Provincial Waste Management Strategy in their region, which would entail changes to waste management practices and the collection schedule.

Two newsletters were created and inserted in the local paper regarding NorPen's operations in all sub-regions.

In addition, two presentations highlighting NorPen's past, present and future initiatives were made at the provincial Waste Management Forum organized by the Multi-Material Stewardship Board.

- **Monitored operations in all sub-regions**  
A waste audit was conducted in all sub-regions with the exception of sub-region 4 which was not yet operational, as explained in Indicator 1. A waste audit is a prescribed process used to categorize as well as to measure the waste generated by an individual or a collective body. Audits ascertain existing waste practices and review their effectiveness with regard to the achievement of desired outcomes. NorPen considered the waste audit report's recommendations in order to build upon the organization's past accomplishments.

➤ **Initiated financial sustainability measures**

Through review of its revenues and expenditures, NorPen determined that an increase in waste management fees was necessary due to increases in equipment costs, including fuel, repairs, and maintenance, as well as increases in staff-related costs, including benefits and a pay increase. A small increase of \$5.00 per year will come into effect in January 2012. NorPen also decided to reduce its advertising costs through increased use of its web site as well as faxing information to towns.

**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
- Identified waste diversion measures to initiate
- Developed an implementation plan
- Obtained implementation resources
- Publicized waste diversion measures
- Commenced 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.



**Issue 2: Fire Services**

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

In 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 service quality and viability.

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: *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 1:** By December 31, 2011, the Northern Peninsula Regional Service Board will have monitored operations of current pilot project for fire services.

**Measure:** Monitored operations of current pilot project for fire services

**Indicators:****➤ Monitored finances**

A financial review was conducted and presented to NorPen's board of directors. Based on this review it was determined that an increase in fees was needed for a sustainable budget. An increase in fees was necessary due to the extra cost of training, equipment, infrastructure, and administration. Commencing in January 2011, fees were increased by \$15.00 per year.

➤ **Monitored training activities**

Through the minutes of their meetings, the Straits Volunteer Regional Fire Department Committee brought forward recommendations for training for approval of NorPen's board of directors. During 2011 a significant amount of training was approved and carried out.

Regular monthly training sessions for firefighters were conducted with attendance tripling in comparison to 2010. Due to the advanced training received by the fire chief, he was qualified to conduct training and emergency planning of land base, marine and defensive fire fighting for the first time in this region.

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

➤ **Monitored response times**

The fire chief monitored response times and reported to NorPen. Based on this information, NorPen undertook several initiatives to enhance response capacity in the region.

NorPen identified a need for a second fire truck to enhance response times in the northern part of the serviced region. A request was brought forward to the Provincial Government, who provided NorPen with a second fire truck which is stationed in Green Island Cove. The response time in that vicinity is much quicker. As well, pagers were issued to 12 firefighters which allowed these personnel to all be contacted at once. Their response time has been enhanced therefore providing a faster and more efficient service throughout the entire region.

➤ **Completed regional consultations**

Municipalities, local service districts and firefighters were consulted on a variety of operational issues through their representation on the Straits Volunteer Regional Fire Department Committee. Issues discussed included response times and fee structure.

NorPen also held successful consultations with the local Lions Club members regarding using the fire hall in Green Island Cove to house the second fire truck. The Lioness members were also consulted regarding fundraising for the fire department.

**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
- Reviewed service delivery
- Completed evaluation report

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

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## **10.0 Opportunities and Challenges Ahead**

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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 Waste Management Strategy, NorPen looks forward to commencing waste management services in sub-region 4 in January 2012, thus having the service operational in all areas under the Board's jurisdiction. NorPen also 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 of a fire services strategy for the entire region to be done in 2013.

## **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

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**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, 2011**

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



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To the Board Members of the  
Northern Peninsula Regional Services Board

We have audited the accompanying statements of the Northern Peninsula Regional Services Board as at December 31, 2011.

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

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

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

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

In our opinion, the financial statements present fairly, in all material respects, the Northern Peninsula Regional Services Board as at December 31, 2011 for the year then ended in accordance with Canadian generally accepted accounting principles.

Kung & Roberts, Chartered Accountants  
Auditor

April 5, 2012

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**Northern Peninsula Regional Service Board**  
**(Incorporated Under The Laws of Newfoundland)**  
**Balance Sheet**  
**December 31, 2011**

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	<u>Assets</u>	
	<u>2011</u>	<u>2010</u>
<u>Current</u>		
Cash	\$ 129,372	\$ 132,427
Receivables	<u>126,643</u>	<u>67,351</u>
	<u>256,015</u>	<u>199,778</u>
 <u>Property, Plant and Equipment</u> - (Note 3)	 <u>655,558</u>	 <u>323,642</u>
	<u>\$ 911,573</u>	<u>\$ 523,420</u>
	 <u>Liabilities</u>	
<u>Current</u>		
Accounts payable	\$ 47,697	\$ 103,718
Current portion of long term debt	--	19,201
Demand loan	<u>12,990</u>	<u>18,294</u>
	<u>60,687</u>	<u>141,213</u>
 <u>Deferred Revenue</u> -(Note 5)	 --	 4,210
 <u>Long Term Debt</u> -(Note 4)	 <u>--</u>	 <u>--</u>
	<u>\$ 60,687</u>	<u>\$ 145,423</u>
	 <u>Equity</u>	
 <u>Surplus</u>	 <u>\$ 850,886</u>	 <u>377,997</u>
	<u>\$ 911,573</u>	<u>\$ 523,420</u>

Signed on Behalf of the Board:

Director: \_\_\_\_\_

Director: \_\_\_\_\_

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

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**Northern Peninsula Regional Services Board**  
**(Incorporated Under The Laws of Newfoundland)**  
**Statement of Revenue and Surplus**  
**For the period ended December 31, 2011**

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	<u>2011</u>	<u>2010</u>
<u>Revenue</u>		
Land fill operating (Schedule 1)	\$ 585,203	\$ 168,216
Collaboration project (Schedule 2)	(10,446)	22,284
Fire services (Schedule 3)	<u>(21,824)</u>	<u>(36,779)</u>
	<u>552,933</u>	<u>153,721</u>
 <u>Expenses</u>		
Administration (Schedule 4)	84,254	60,386
Closing of landfill sites	<u>--</u>	<u>86,987</u>
	84,254	147,373
 <u>Capital Grant</u>		
	<u>4,210</u>	<u>1,052</u>
	472,889	7,400
 <u>Surplus, Beginning of Year</u>		
	<u>377,997</u>	<u>370,597</u>
 <u>Surplus, End of Year</u>		
	<u>\$ 850,886</u>	<u>\$ 377,997</u>

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

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**Northern Peninsula Regional Service Board**  
**(Incorporated Under The Laws of Newfoundland)**  
**Statement of Cash Flows**  
**For the year ended December 31, 2011**

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	<u>2011</u>	<u>2010</u>
<i>Cash Provided By (Used In)</i>		
<u>Operating Activities</u>		
Cash received from customers	\$ 1,398,728	\$ 905,397
Capital grant	4,210	1,052
Cash paid to suppliers and employees	(896,691)	(760,670)
Interest paid	<u>(8,026)</u>	<u>(6,747)</u>
	<u>498,221</u>	<u>139,032</u>
<u>Financing Activities</u>		
Amortization of deferred revenue	(4,210)	(1,052)
Repayment of long term debt	(19,201)	(15,849)
Demand loan payment	<u>(5,304)</u>	<u>(5,304)</u>
	<u>(28,715)</u>	<u>(22,205)</u>
<u>Investing Activities</u>		
Purchase of property, plant & equipment	<u>(472,561)</u>	<u>(117,266)</u>
<u>Increase (Decrease) in Cash</u>	(3,055)	(439)
<u>Cash, Beginning of Year</u>	<u>132,427</u>	<u>132,866</u>
<u>Cash, End of Year</u>	<u>\$ 129,372</u>	<u>\$ 132,427</u>
<u>Represented by</u>		
Cash	\$ 25,644	\$ 25,583
Bank	<u>103,728</u>	<u>106,844</u>
	<u>\$ 129,372</u>	<u>\$ 132,427</u>

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

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Northern Peninsula Regional Service Board  
 Schedule 1  
 Land Fill Operations  
 For the year ended December 31, 2011

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	<u>2011</u>	<u>2010</u>
<u>Revenue</u>		
Collection Fees	\$ 650,588	\$ 518,739
Interest	11,513	4,253
Multi Material Stewardship Board	59,802	89,166
Other Government Grants	662,071	180,331
Other Income	<u>14,950</u>	<u>13,874</u>
	<u>1,398,924</u>	<u>806,363</u>
 <u>Expenses</u>		
Advertising	--	5,106
Amortization	89,917	27,608
Consultation	950	4,415
Hazardous Waste	--	5,905
Insurance	25,976	19,176
Interest on Long Term Debt	3,293	2,511
Landfill Operation	191,017	131,390
Office	2,618	2,961
Spring Clean Up	4,547	1,873
Supplies	173	270
Vehicle	114,863	60,906
Wages & Benefits	<u>380,367</u>	<u>376,026</u>
	<u>813,721</u>	<u>638,147</u>
 <u>Surplus</u>	 <u>\$ 585,203</u>	 <u>\$ 168,216</u>

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

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Northern Peninsula Regional Service Board  
 Schedule 2  
 Collaboration Project  
 For the year ended December 31, 2011

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	<u>2011</u>	<u>2010</u>
<u>Revenue</u>		
Grant	\$ --	\$ 37,610
<u>Expenses</u>		
Office	173	464
Accommodations/Meals	5,722	3,311
Travel	919	11,551
Meeting	3,632	--
	<u>10,446</u>	<u>15,326</u>
<u>Surplus (Deficit)</u>	<u>\$ (10,446)</u>	<u>\$ 22,284</u>

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



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**Northern Peninsula Regional Service Board**  
**Schedule 3**  
**Fire Services**  
**For the year ended December 31, 2011**

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	<u>2011</u>	<u>2010</u>
<u>Revenue</u>		
Fire Services Fees	\$ 58,096	\$ 45,425
Grant	<u>1,000</u>	<u>--</u>
	<u>59,096</u>	<u>45,425</u>
 <u>Expenses</u>		
Advertising	2,134	2,227
Amortization	49,673	55,607
Dues & Fees	300	409
Heat & Lights	4,593	4,517
Insurance	338	2,903
Office	1,585	1,427
Renovations	1,345	1,300
Repairs & Maintenance	452	4,147
Remuneration	1,200	--
Supplies	10,762	2,325
Telephone	2,953	2,926
Training	3,085	715
Travel	1,620	3,701
Vehicle	<u>880</u>	<u>--</u>
	<u>80,920</u>	<u>82,204</u>
 <u>Surplus (Deficit)</u>	 <u>\$ (21,824)</u>	 <u>\$ (36,779)</u>

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

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**Northern Peninsula Regional Service Board**  
**Schedule 4**  
**Administration**  
**For the year ended December 31, 2011**

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	<u>2011</u>	<u>2010</u>
<u>Administration</u>		
Amortization	\$ 1,057	\$ 1,432
Bank Charges	4,733	4,236
Bad Debt	--	2,038
Miscellaneous	5,746	1,079
Office	10,187	10,752
Public Education	3,237	1,138
Rent	15,742	11,244
Telephone	6,898	7,278
Travel	26,427	13,761
Wages & Benefits	<u>10,227</u>	<u>7,428</u>
	<u>\$ 84,254</u>	<u>\$ 60,386</u>

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

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**Northern Peninsula Regional Service Board**  
**Notes To Financial Statements**  
**December 31, 2011**

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1. Nature Of Business

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

2. Significant Accounting Policies

(a) *Use of Estimates*

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

(b) *Differential Reporting*

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

i. *Financial Instruments*

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

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

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

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

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**Northern Peninsula Regional Service Board**  
**Notes To Financial Statements**  
**December 31, 2011**

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3. <u>Equipment</u>	<u>2011</u>			<u>2010</u>
	<u>Cost</u>	<u>Accumulated Amortization</u>	<u>Net Book Value</u>	<u>Net Book Value</u>
Building	\$ 44,457	\$ 2,632	\$ 41,825	\$ 43,568
Containers	17,034	7,221	9,813	12,265
Fire Truck	186,025	108,546	77,479	110,685
Furniture & Equip	97,322	27,489	69,833	69,442
Sanitation Truck	819,905	373,577	446,328	72,996
Tractor	13,000	8,675	4,325	6,179
Vehicle	34,557	28,602	5,955	8,507
	<u>\$1,212,300</u>	<u>\$ 556,742</u>	<u>\$ 655,558</u>	<u>\$ 323,642</u>

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

5. Deferred Revenue

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

6. Capital Grant

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