



MINUTES

BOARD OF DIRECTORS MEETING #51

Wednesday, May 11, 2017 @ 7:00 p.m.

Fairfield Inn & Suites by Marriott

199 Kenmount Road, St. John's

IN ATTENDANCE:

- Ed Grant, Chairperson
- Harold MULLOWNEY, Vice-Chair/Southern Shore
- Dave Aker, Mount Pearl
- Bill Bailey, Clarenville and Isthmus
- Danny Breen, St. John's
- Joy Dobbie, Trinity Bay South and Isthmus East
- Ron Ellsworth, St. John's
- Sandy Hickman, St. John's
- Dave Lane, St. John's
- Dennis O'Keefe, St. John's
- Sam Whelan, Bay Roberts
- Sterling Willis, Paradise

OTHER ATTENDEES:

- Ken T. Kelly, Chief Administrative Officer, ERSB
- Lynn Tucker, Manager Corporate Services, ERSB
- Christie Dean, Manager Waste Operations, ERSB
- Bradley Power, Board Clerk/Outreach Coordinator, ERSB
- Andrew Niblock, City of St. John's
- Stephen Colford, Manager Waste and Recycling Division, City of St. John's

REGRETS:

- Wally Collins, St. John's
- Jonathan Galgay, St. John's
- Tom Hann, St. John's
- Art Puddister, St. John's
- Peggy Roche, Small Metro
- Gordon Stone, Trinity Conception North
- Bruce Tilley, St. John's
- Gerard Tilley, Conception Bay South
- *Vacant, Southwest Avalon*

PROCEEDINGS:

1) CALL TO ORDER

Mr. Grant called the meeting to order at 7:03 p.m.

2) ADOPTION OF AGENDA

*It was moved and seconded (Mr. Muldowney/Mr. Aker) to adopt the Agenda as tabled.
MOTION 2017-022: Carried (unanimously)*

3) REVIEW OF MINUTES

*It was moved and seconded (Mr. Hickman/Mr. Whalen) that the Minutes of the March 29, 2017 meeting of the Eastern Regional Service Board be adopted as tabled.
MOTION 2017-023: Carried (unanimously)*

4) COMMITTEE REPORTS

a) Finance & Audit Committee Report (Wednesday, April 12, 2017):

(1) Board Expenditures Report:

Mr. Breen noted the cheque register, CRA remittance and payroll summary for the month of March was included in the meeting package. He explained the payroll expenditures for March are higher than February because they include an additional pay period.

Mr. Breen also noted there are several large payments in the cheque register and these are payments to waste collection contractors such as Around the Bay Disposal Inc., T2 Ventures Inc., Vardy Villa and Dodd's Diesel Repair Ltd. for maintenance on the ERSB heavy equipment fleet, and City of St. John's for tipping fees at the Robin Hood Bay facility. The payment to AMEC was for the design and tendering of the Whitbourne Maintenance Depot.

There were no questions or comments.

*It was moved and seconded (Mr. Breen/Mr. Aker) that Eastern Regional Service Board accept the board expenditures (Cheque Register and Payroll Summary) for March 2017, as tabled.
MOTION 2017-024: Carried (unanimously)*

(2) Audited Financial Statements:

Mr. Breen noted that the 2016 Audited Financial Statements of the Board were contained in the meeting package for everyone's information. He explained that the Finance Committee reviewed the statements.

In summary, Page 2 of the document presents the Statement of Financial Position which shows the Board's financial assets and liabilities at year-end. The last line in that table is the Accumulated Surplus and this amount includes that value of any property, buildings, vehicles, etc., that the Board owns as well as any funds in investments or bank accounts.

Mr. Breen noted that the committee has asked for a report from staff to show how much of the investments and cash that the Board currently holds is required for things such as the construction of the Whitbourne Maintenance Depot and the closure of waste sites.

Mr. Breen also noted that ERSB has set aside reserve funds for equipment. Reserves are not recognized in the accounting guidelines for financial statements, but staff are compiling a report for the next meeting on the amount of actual surplus funds (cash).

Mr. Breen highlighted Page 5 of the statements which contains the Statement of Operations, which is the most important component on that page. It shows the revenue from the Waste Management Fees, which is the curbside program versus the spending on this program. The results show revenue is covering the program costs and contributing to the costs of managing ERSB.

Mr. Breen then opened the floor to comments and questions.

Mr. Grant noted that the statements show ERSB as self-sustaining by roughly a half a million dollars.

Mr. Aker reiterated the surplus is allocated to future capital works projects.

Mr. Kelly noted that there is no specific line item in the statements for administration of the Board. Moving forward, a better job will be done in breaking out those costs in more detail.

Mr. Aker noted the surplus will contribute to the budget for 2017.

Mr. Grant said the Board has to ensure the surplus is not misconstrued. He added to Mr. Breen's earlier comments that this money is not available for new initiatives or projects - it is already allocated for 2017. Mr. Grant also noted that ERSB has \$1 million in reserves, and the City of St. John's maintains a \$10 million reserve for Robin Hood Bay.

It was moved and seconded (Mr. Breen/Mr. O'Keefe) that Eastern Regional Service Board adopt the Audited Financial Statements for the Year Ended December 31, 2016, as tabled.

MOTION 2017-024: Carried (unanimously)

(3) Fire and Emergency Services Report:

Mr. Breen noted the briefing note included in the meeting package regarding the breakdown of ERSB's ability to collect fire fees for the Holyrood Fire Protection Area (provided for information only). He explained that over 50% of fees have been collected to-date, with approximately 43% remaining.

Mr. Kelly noted that while the agreement with the Town of Holyrood is that the Board pays for only the properties it can invoice, there remains a gap between the number of properties receiving service and those that can eventually be invoiced. This will decline over time as staff identify more property owners.

b) Strategy and Policy Committee Report (Tuesday, April 4, 2017)

(1) Update on Provincial Government Regional Governance Advisory Committee and Recent Meeting with Craig Pollett of Municipalities Newfoundland and Labrador (MNL):

Mr. Kelly began by highlighting the information regarding regional governance provided in the meeting package. He noted that on April 4, 2017 the ERSB Strategy and Policy Committee met with Mr. Craig Pollett, CEO of MNL to discuss the Provincial initiative to develop a regional governance model for public consultation. During the discussion, Mr. Pollett outlined the many challenges that he sees on the horizon for municipal leaders and their towns. Challenges such as the low number of people coming forward to serve as councilors, provisional authority to operate without a quorum, the aging and declining population in many communities, the increased regulatory and financial demands of water and wastewater infrastructure. These issues will undoubtedly impact volunteerism, tax revenue and the level of service that will be required in the future.

Mr. Pollett also gave the Board a brief history of the extensive work that MNL has undertaken or facilitated on issues such as shared services with the Community Cooperation Resource Center in 2002, The President's Task Force in 2004-05 on fiscal reform, and a series of discussion papers and public consultations in 2010. These efforts culminated in the 2012-13 consultation and resulting report on regional governance that outlined the MNL position which is still their position of today.

In the document "The Next Steps in the Regional Governance Process," MNL outlines the principles for a regional government and compares it to a joint council, "which represents the seed from which all municipal regionalization should grow." This document continues, "Municipalities do not view joint councils as another level of government, and, in its most general form, the regional government proposed by MNL will be a joint council with more authority and capacity."

Mr. Grant, Mr. Mallowney and Mr. Kelly met again with Mr. Pollett to present the ERSB position and our proposed governance model. The documentation presented to Mr. Pollett was included in the meeting package.

Mr. Grant then reminded the Board of the current status of the Provincial Government Regional Governance Advisory Committee. He explained the Province held a consultation at the recent MNL Municipal Symposium in Gander. They have designated 22 regions throughout the province for the purpose of their consultations. Handouts at the session provided a characteristics of each region, including population and assessment values. The Province is confident the regions they've outlined have the potential to be sustainable.

Mr. Breen, who attended the consultation session in Gander, noted that the Province provided a brief jurisdictional scan of governance models across the country. He highlighted that they spoke very briefly about New Brunswick, which essentially has a regional service board-style regional government. Mr. Breen said he didn't feel like the speaker from the Department of Municipal Affairs and Environment was very interested in that model. He also noted there were many leading questions in the polling undertaken at the session.

Mr. Kelly said the current model being considered would be another level of government, in addition to local councils. He noted that MNL and ERSB do not want another level of government, as it is hard enough to find candidates to put their name forward to serve on current municipal councils.

Mr. Kelly also noted a criteria for a community being deemed sustainable was also presented at the consultation session in Gander. This criteria relates primarily to legislative and financial obligations of a town and whether or not they have the ability to meet those responsibilities.

Mr. O'Keefe added that the key to the issue of regional governance comes down to having larger, more concentrated populations, reduction of municipalities, and inclusion of local service districts and unincorporated areas.

Mr. Kelly noted the difficulty involved in shutting down municipalities, both logistically and politically, if they do not meet the proposed criteria.

Mr. Ellsworth said he believes the issue of regional governance is important primarily for small communities that are currently struggling to survive. He suggested on behalf of the group that Mr. Grant and Mr. Kelly keep an eye on this issue and report back to the Board as necessary.

Mr. Grant suggested that ERSB hold its own consultations or information sessions promoting our preferred regional governance model. He said the hope is that ERSB would go hand-in-hand with MNL. He and Mr. Kelly will continue to work toward that outcome.

The Provincial Government will undertake province-wide consultations on local governance in the fall of 2017.

*It was moved and seconded (Mr. Hickman/Mr. Breen) that Eastern Regional Service Board adopt the Strategy and Policy Committee Report as presented.
MOTION 2017-025: Carried (unanimously)*

c) **Governance Committee Report (Tuesday, April 18, 2017)**

(1) Video Surveillance Guidelines:

Mr. Mullooney presented the draft policy on the Use and Management of Video and Audio Surveillance equipment which was included in the meeting package. He said the main reason to use this equipment is to deter crime; however, in using the equipment ERSB has to take steps to protect individual privacy. The proposed policy focuses on the security aspect and deals with how long to keep files, who has access, when the information will be used, etc.

He added that the discussion at the committee level jumped to using the video and audio recording equipment to record meetings. The committee settled on moving forward with the security-focused policy in order to address any privacy issues immediately, while staff will develop a separate policy for recording of meeting minutes.

*It was moved and seconded (Mr. Mullooney/Mr. Ellsworth) that Eastern Regional Service Board adopt the Use and Management of Video and Audio Surveillance policy as tabled.
MOTION 2017-026: Carried (unanimously)*

(2) Remote Meeting Attendance Policy:

Mr. Mullooney noted that a discussion on remote meeting attendance occurred at the last Board and Governance Committee meetings and provided staff direction on a remote meeting attendance policy. He explained ERSB does not seem to have any issues with quorum, and the fact that Board members are paid to attend on a per meeting basis could lead to a less than favourable perception of the Board. The committee concluded that it would recommend the Board require an individual to be physically present for a meeting.

Mr. Ellsworth stated that requiring physical attendance at a meeting, and not accommodating those unable to attend for legitimate reasons. This is possibly in contravention of the UN Convention on the Rights of Persons with Disabilities. He said the ERSB should be a fully inclusive organization, but the current proposed policy is quite the contrary and will prevent people from participating.

Mr. Grant noted the committee had some concern with the potential for overuse of the ability to attend remotely as well as the impact on participation. They did not feel it would be appropriate for someone to be on vacation and participate via telephone. Mobility issues and weather-related issues were also considered, but the fear of overuse took priority and prompted the recommendation that was brought forward.

Mr. Lane said the committee was trying to solve the wrong problem. He talked about remote participation in other organizations and how it has been implemented successfully. He noted that the focus shouldn't be on overuse of the policy, rather be focused solely on enabling people to contribute in whatever form or fashion is necessary, whether that's in-person or remotely.

Mr. Mallowney suggested the issue be brought back to the committee for additional discussion based on the new input received.

Mr. Whalen said the policy wasn't fully considered with an inclusion lens. He agreed with bringing it back to the committee for additional discussion.

Mr. Kelly made a point of order that a motion had been approved at the last Board meeting regarding members having to be physically present at meetings to be considered in attendance and to have voting privileges (MOTION 2017-020). He said that motion will have to be rescinded if the committee is to revisit the policy per the input received tonight.

It was moved and seconded (Mr. Mallowney/Mr. O'Keefe) that Eastern Regional Service Board rescind "Motion 2017-020" from the ERSB Board meeting of March 29, 2017.

MOTION 2017-027: Carried (unanimously)

Mr. O'Keefe added that he certainly appreciates the importance of inclusion and ERSB needs its members to be full and effective participants. He personally doesn't like teleconferences, but acknowledge the need to find a system that will ensure effective participation.

Mr. Lane added that the committee would be well advised to stop trying to solve all issues through implementing a single policy, and focus solely on accessibility.

Mr. Mallowney concluded that the policy will receive further discussion and he will report back to the Board next month.

(3) Federation of Canadian Municipalities (FCM) Update:

Mr. Mallowney noted that Mr. Willis provided the ERSB Governance Committee with a brief update on the work of the FCM, of which he is the regional representative for Newfoundland and Labrador. He noted that FCM is a very valuable forum for communities, and he will venture to provide regular

information to the ERSB in the future. FCM has numerous funding sources for municipalities to avail of and Mr. Willis said it is an underutilized resource. He encouraged everyone to visit the FCM website for more information on the mandate of the organization and the ongoing work and advocacy it performs.

5) CORRESPONDENCE

- a) ERSB2017-005: Letter from Town of Whitbourne – A letter from Mayor Hilda Whalen of the Town of Whitbourne was presented and discussed.

Mr. Grant noted that he, Ms. Dobbie and Mr. Kelly will venture to meet with Mayor Whalen to discuss the concerns she's raised. Mr. Grant highlighted that additional work on the Waste Recovery Facility site is anticipated this year, including the construction of new fencing and planting of trees.

Mr. Kelly noted that concrete jersey barriers will also be purchased and utilized on the site moving forward. These barriers will be the base of a fence that will have privacy screening installed. They will be located at the main entrance.

Mr. Kelly also noted the new maintenance depot, which will be constructed on the site in the near future, will act as a barrier for the eastern edge of the site.

Mr. Kelly said a written response to Mayor Whalen's concerns will be drafted.

- b) ERSB2017-006: Letter from Town of St. Bride's – A letter from Town Clerk Joan Morrissey of the Town of St. Bride's was presented and discussed.

Mr. Grant noted the letter from Ms. Morrissey is similar to correspondence the Board has received from other communities in the past. He suggested this issue be explored as part of the budget process for 2018 whereas it affects numerous communities and there are financial implications for the Board.

A response will be drafted to Ms. Morrissey's letter indicating that consideration will be given to her request as the Board moves forward with budget planning for 2018 in the fall.

6) NEW BUSINESS

- a) Outreach Coordinator Update: Mr. Power provided a brief update on his work with joint councils throughout the region. He noted that his work is being received positively. He currently provides coordination support for the Northeast Avalon Joint Council, Southern Shore Joint Council, Conception Bay North Joint Council, Trinity-Bay de Verde Mayors' Association and the Isthmus of The Avalon Regional Committee. He will venture to provide a more detailed update at the committee level later in the month.
- b) Upcoming Meetings: Mr. Kelly reminded Board members that there will be a meeting in May and June. He may suggest an additional Board meeting in August to get a budget

approved before the municipal election in September. This may require committee meetings in August. The ERSB has a legislative deadline of October 31 to complete a budget.

7) IN-CAMERA DISCUSSION

Observers were asked to leave to facilitate an in-camera discussion. ERSB staff remained in the room to provide input.

8) UPCOMING MEETINGS

Mr. Grant noted the following meetings which will take place in May:

- Board of Directors – Wednesday, May 31, 2017
- Finance & Audit Committee – Wednesday, May 17, 2017
- Strategy & Policy Committee – Thursday, May 25, 2017
- Governance Committee – Tuesday, May 23, 2017

9) ADJOURNMENT

Seeing no further business to be discussed, it was moved and seconded (Mr. Hickman/Mr. Breen) that the meeting adjourn.

MOTION 2017-28: Carried (unanimously)

The meeting adjourned at 9:12 p.m.

4) COMMITTEE REPORTS

(4)(a) Finance & Audit Committee Report

**(4)(a)(1) Board Expenditures for
March 2017**

Eastern Regional Service Board

BNK2 - Bank of Montreal - EW

Cheques from 000001 to 005754 dated between 03-01-2017 and 03-31-2017

CHEQUE REGISTER

Printed: 4:36:11PM 04/04/2017

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Number	Issued	Amount	SC	Status	Status Date
005678	03/07/2017 AMEC Foster Wheeler Americas Ltd.	71,657.01	A/P	*VOID*	03/07/2017
005679	03/07/2017 AMEC Foster Wheeler Americas Ltd.	71,657.01	A/P	CLEARED	03/15/2017
005680	03/07/2017 Around The Bay Disposals Inc.	74,541.58	A/P	CLEARED	03/15/2017
005681	03/07/2017 Dodd's Diesel Repair Ltd.	0.00	A/P	*VOID*	03/07/2017
005682	03/07/2017 Dodd's Diesel Repair Ltd.	10,471.24	A/P	CLEARED	03/15/2017
005683	03/07/2017 Tulk Tire & Service Ltd.	3,160.52	A/P	CLEARED	03/15/2017
005684	03/07/2017 T2 Ventures Inc.	134,690.65	A/P	CLEARED	03/15/2017
005685	03/07/2017 Royal Garage Ltd.	6,103.80	A/P	CLEARED	03/15/2017
005686	03/08/2017 Bell Aliant	1,933.24	A/P	CLEARED	03/15/2017
005687	03/08/2017 Bradley Power	218.67	A/P	CLEARED	03/15/2017
005688	03/08/2017 Cansel	431.25	A/P	CLEARED	03/15/2017
005689	03/08/2017 Christie Dean	345.47	A/P	CLEARED	03/15/2017
005690	03/08/2017 Coish's Trucking & Excavating Ltd.	14,432.50	A/P	OUT-STD	03/08/2017
005691	03/08/2017 Conception Bay Auto & Tire Centre	30.42	A/P	CLEARED	03/15/2017
005692	03/08/2017 D&L Russell Limited	128.16	A/P	OUT-STD	03/08/2017
005693	03/08/2017 Dicks and Company Limited	878.60	A/P	CLEARED	03/15/2017
005694	03/08/2017 Dynamex Canada Limited	15.05	A/P	CLEARED	03/15/2017
005695	03/08/2017 E K Lomond Auto Solutions Inc	5.50	A/P	CLEARED	03/15/2017
005696	03/08/2017 Gary Loder	106.06	A/P	CLEARED	03/22/2017
005697	03/08/2017 Gordon Stone	205.80	A/P	CLEARED	03/22/2017
005698	03/08/2017 Harbour Construction Limited	7,239.83	A/P	CLEARED	03/22/2017
005699	03/08/2017 Iron Mountain Canada	36.89	A/P	CLEARED	03/22/2017
005700	03/08/2017 Jenkins Anthony Inc.	4,712.96	A/P	CLEARED	03/22/2017
005701	03/08/2017 Ken Kelly	2,843.22	A/P	CLEARED	03/15/2017
005702	03/08/2017 Miller IT Limited	310.50	A/P	CLEARED	03/15/2017
005703	03/08/2017 M J Hickey Construction Ltd.	1,653.70	A/P	CLEARED	03/15/2017
005704	03/08/2017 Newfoundland Exchequer - MVR	180.00	A/P	CLEARED	03/22/2017
005705	03/08/2017 North Atlantic	31,780.82	A/P	CLEARED	03/15/2017
005706	03/08/2017 North Atlantic	83.90	A/P	CLEARED	03/15/2017
005707	03/08/2017 Northern Business Intelligence	2,187.69	A/P	CLEARED	03/15/2017
005708	03/08/2017 Pinnacle Office Solutions Ltd.	1,056.39	A/P	CLEARED	03/22/2017
005709	03/08/2017 Printer Tech Solutions Inc.	97.75	A/P	CLEARED	03/22/2017
005710	03/08/2017 Redline Automotive 0765	36.89	A/P	CLEARED	03/15/2017
005711	03/08/2017 Sam Whalen	303.56	A/P	CLEARED	03/15/2017
005712	03/08/2017 Short's Backhoe & Trucking Ltd	6,468.75	A/P	CLEARED	03/22/2017
005713	03/08/2017 Transcontinental Atlantic Media Group G.P.	431.71	A/P	CLEARED	03/15/2017
005714	03/08/2017 Vardy Villa Limited	35,047.81	A/P	CLEARED	03/22/2017
005715	03/08/2017 Director of Support Enforcement	222.00	G/L	CLEARED	03/15/2017
005716	03/08/2017 Smith, Duane Estate of	151.98	A/R	CLEARED	03/22/2017
005717	03/22/2017 61366 Newfoundland and Labrador Inc.	8,659.50	A/P	OUT-STD	03/22/2017
005718	03/22/2017 62167 Newfoundland and Labrador Inc	7,380.30	A/P	OUT-STD	03/22/2017
005719	03/22/2017 Bell Mobility Inc.	1,773.48	A/P	OUT-STD	03/22/2017
005720	03/22/2017 Bradley Power	124.68	A/P	OUT-STD	03/22/2017
005721	03/22/2017 Christie Dean	1,287.07	A/P	OUT-STD	03/22/2017
005722	03/22/2017 City of St. John's	43,727.98	A/P	OUT-STD	03/22/2017
005723	03/22/2017 Craig's Locksmithing & Auto Glass	437.58	A/P	OUT-STD	03/22/2017

Eastern Regional Service Board

BNK2 - Bank of Montreal - EW

Cheques from 000001 to 005754 dated between 03-01-2017 and 03-31-2017

CHEQUE REGISTER

Printed: 4:36:11PM 04/04/2017

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Number	Issued		Amount	SC	Status	Status Date
005724	03/22/2017	Dicks and Company Limited	437.59	A/P	OUT-STD	03/22/2017
005725	03/22/2017	Dodd's Diesel Repair Ltd.	51,540.22	A/P	OUT-STD	03/22/2017
005726	03/22/2017	Eastern Machining & Welding Inc.	284.63	A/P	OUT-STD	03/22/2017
005727	03/22/2017	Ed Grant	321.14	A/P	OUT-STD	03/22/2017
005728	03/22/2017	Electro Mechanical Services	201.67	A/P	OUT-STD	03/22/2017
005729	03/22/2017	Harold Mallowney	588.64	A/P	OUT-STD	03/22/2017
005730	03/22/2017	Harris Ryan	9,200.00	A/P	OUT-STD	03/22/2017
005731	03/22/2017	Imperial Oil	222.69	A/P	OUT-STD	03/22/2017
005732	03/22/2017	Iron Mountain Canada	4.28	A/P	OUT-STD	03/22/2017
005733	03/22/2017	Ivan Heath	81.38	A/P	OUT-STD	03/22/2017
005734	03/22/2017	Ken Kelly	2,051.12	A/P	OUT-STD	03/22/2017
005735	03/22/2017	Kevin Power	411.94	A/P	OUT-STD	03/22/2017
005736	03/22/2017	Leslie Squires	550.00	A/P	OUT-STD	03/22/2017
005737	03/22/2017	Lynn Tucker	136.31	A/P	OUT-STD	03/22/2017
005738	03/22/2017	Madsen Construction Equipment	30.91	A/P	OUT-STD	03/22/2017
005739	03/23/2017	Newfoundland Exchequer - MVR	1,188.00	A/P	OUT-STD	03/23/2017
005740	03/23/2017	Newfoundland Power Inc.	1,076.69	A/P	OUT-STD	03/23/2017
005741	03/23/2017	Newfoundland Towing & Recovery	207.00	A/P	OUT-STD	03/23/2017
005742	03/23/2017	North Atlantic	252.66	A/P	OUT-STD	03/23/2017
005743	03/23/2017	Northern Business Intelligence	1,457.05	A/P	OUT-STD	03/23/2017
005744	03/23/2017	OMB Parts & Industrial Ltd. 1	108.05	A/P	OUT-STD	03/23/2017
005745	03/23/2017	ORKIN Canada Corporation	388.70	A/P	OUT-STD	03/23/2017
005746	03/23/2017	Receiver General of Canada	1,648.28	A/P	OUT-STD	03/23/2017
005747	03/23/2017	Royal Garage Ltd.	448.16	A/P	OUT-STD	03/23/2017
005748	03/23/2017	Tulk Tire & Service Ltd.	5,724.09	A/P	OUT-STD	03/23/2017
005749	03/23/2017	Wayde Higdon	263.46	A/P	OUT-STD	03/23/2017
005750	03/23/2017	Wedgwood Insurance Limited	4,197.50	A/P	OUT-STD	03/23/2017
005751	03/23/2017	Besso, Randell	324.01	A/R	*VOID*	03/23/2017
005752	03/23/2017	Doyle, Edward and Bernice	235.82	A/R	OUT-STD	03/23/2017
005753	03/23/2017	Peddle, Jacqueline	80.50	A/R	OUT-STD	03/23/2017

Cheque Totals Issued:	560,930.94
Void:	71,981.02
Total Cheques Generated:	632,911.96
Total # of Cheques Listed:	76

EASTERN REGIONAL SERVICE BOARD

PAYROLL EXPENSE

MARCH 2017

Payroll – Staff (<i>3 pay periods – 33 employees</i>).....	\$192,986.76
Payroll – Board (18 members)	\$ 0.00
Total Payroll (<i>33 employees</i>)	\$192,986.76
Payroll CRA Remittance	\$ 67,723.27
TOTAL GROSS PAYROLL	<u>\$260,710.03</u>

PREVIOUS MONTH

FEBRUARY 2017

Payroll – Staff (<i>2 pay periods – 33 employees</i>).....	\$130,929.90
Payroll – Board (18 members)	\$ 0.00
Total Payroll (<i>33 employees</i>)	\$130,929.90
Payroll CRA Remittance	\$ 46,507.95
TOTAL GROSS PAYROLL	<u>\$177,437.85</u>

Eastern Regional Service Board
For Pay Period Ending 2017-03-25

Payroll Register Remittance Summary

Printed: 1:37:50PM 03/27/2017

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Business	# of Emp.	Earnings	Deductions	Tax	Employee's EI	Employee's CPP	Employer's EI	Employer's CPP	Remittance
3US1 861096600RP0001	33	63,153.64	1,397.25	13,486.54	1,092.06	2,940.21	1,528.87	2,940.21	21,987.89
Totals:	33	63,153.64	1,397.25	13,486.54	1,092.06	2,940.21	1,528.87	2,940.21	21,987.89

Business	EI Total	CPP Total
3US1 Eastern Regional Service Board (861096600RP0001)	2620.93	5880.42

*Paid Online (BMO)
Mar 28/17
Buckley*

*Payroll
File #107*



[RETURN](#)

Make a payment - confirmation

EASTERN REGIONAL SERVICE BOARD (11348721)

LYNN (11357440)

Payment to Federal Payroll Deductions - Threshold 1 -- (PD7A)

The transaction is now in Pending Approval status and requires 1 approver(s).

Pay from	10091-1028090 -EASTERN WA
Tax account to pay	861096600RP0001
Date payment made to employees	30-Mar-2017
Due date	10 Apr 2017
Total tax, C.P.P., E.I Remittance	\$21,987.89
Gross period payroll	\$63,154.00
Number of employees	33
Payment date	10-Apr-2017

[Main Menu](#)

* You may wish to save or print this page for future reference.

** Please note: If you need to cancel this transaction, please access the "View / Cancel Future Dated Transactions" link from your main menu

Note:

Tax and Bill Payments are not processed until the Payment Date indicated on your request. The funds must be available in your account at the start of the Payment date; if there are insufficient funds the transaction may be rejected. Please refer to your User Agreement for further details.

Eastern Regional Service Board
For Pay Period Ending 2017-03-11

Payroll Register Remittance Summary

Printed: 3:38:29PM 03/13/2017

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Business	# of Emp.	Earnings	Deductions	Tax	Employee's EI	Employee's CPP	Employer's EI	Employer's CPP	Remittance
BUS1 861096600RP0001	33	62,423.70	1,217.87	13,218.17	1,079.87	2,917.35	1,511.84	2,917.35	21,644.58
Totals:	33	62,423.70	1,217.87	13,218.17	1,079.87	2,917.35	1,511.84	2,917.35	21,644.58

Business	EI Total	CPP Total
BUS1 Eastern Regional Service Board (861096600RP0001)	2591.71	5834.70

Payday - MAR 16/17



RETURN

Make a payment - confirmation

EASTERN REGIONAL SERVICE BOARD (11348721)

LYNN (11357440)

Payment to Federal Payroll Deductions - Threshold 1 -- (PD7A)

The transaction is now in Pending Approval status and requires 1 approver(s).

Pay from	10091-1028090 -EASTERN WA
Tax account to pay	861096600RP0001
Date payment made to employees	16-Mar-2017
Due date	10 Apr 2017
Total tax, C.P.P., E.I Remittance	\$21,644.58
Gross period payroll	\$62,424.00
Number of employees	33
Payment date	10-Apr-2017

[Main Menu](#)

* You may wish to save or print this page for future reference.

** Please note: If you need to cancel this transaction, please access the "View / Cancel Future Dated Transactions" link from your main menu

Note:

Tax and Bill Payments are not processed until the Payment Date indicated on your request. The funds must be available in your account at the start of the Payment date; if there are insufficient funds the transaction may be rejected. Please refer to your User Agreement for further details.

LEGAL SECURITY

Eastern Regional Service Board
For Pay Period Ending 2017-02-25

Payroll Register Remittance Summary

3:58:37PM 02/27/2017

Page 11 of 13

Business	# of Emp.	Earnings	Deductions	Tax	Employee's EI	Employee's CPP	Employer's EI	Employer's CPP	Remittance
JS1 861096600RP0001	34	67,409.42	1,387.47	14,757.37	1,164.98	3,268.74	1,630.97	3,268.74	24,090.80
Totals:	34	67,409.42	1,387.47	14,757.37	1,164.98	3,268.74	1,630.97	3,268.74	24,090.80

Business	EI Total	CPP Total
US1 Eastern Regional Service Board (61096600RP0001)	2795.95	6537.48



RETURN

Make a payment - confirmation

EASTERN REGIONAL SERVICE BOARD (11348721)
LYNN (11357440)

Payment to Federal Payroll Deductions - Threshold 1 -- (PD7A)

The transaction is now in Pending Approval status and requires 1 approver(s).

Pay from	10091-1028090 -EASTERN WA
Tax account to pay	861096600RP0001
Date payment made to employees	02-Mar-2017
Due date	25 Mar 2017
Total tax, C.P.P., E.I Remittance	\$24,090.80
Gross period payroll	\$67,409.00
Number of employees	34
Payment date	27-Mar-2017

[Main Menu](#)

* You may wish to save or print this page for future reference.

** Please note: If you need to cancel this transaction, please access the "View / Cancel Future Dated Transactions" link from your main menu

Note:


Tax and Bill Payments are not processed until the Payment Date indicated on your request. The funds must be available in your account at the start of the Payment date; if there are insufficient funds the transaction may be rejected. Please refer to your User Agreement for further details.

LEGAL SECURITY

**(4)(a)(2) Audited Financial
Statements for the year Ended
December 31, 2016**



EASTERN REGIONAL SERVICE BOARD
Financial Statements
Year Ended December 31, 2016



DRAFT

HARRIS RYAN



EASTERN REGIONAL SERVICE BOARD
Index to Financial Statements
Year Ended December 31, 2016

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INDEPENDENT AUDITOR'S REPORT

To the Members of Eastern Regional Service Board

We have audited the accompanying financial statements of Eastern Regional Service Board, which comprise the statement of financial position as at December 31, 2016 and the statements of operations, changes in net financial assets, changes in accumulated surplus 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

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

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

Basis for Qualified Opinion

Eastern Regional Service Board derives revenue from waste management fees, the completeness of which is not susceptible to satisfactory audit verification. Accordingly, verification of these revenues was limited to the amounts recorded in the records of Eastern Regional Service Board. Therefore, we were not able to determine whether any adjustments might be necessary to waste management fee revenue, annual surplus, and cash flows from operations for the year ended December 31, 2016, current assets and net assets as at December 31, 2016.

Qualified Opinion

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, the financial statements present fairly, in all material respects, the financial position of Eastern Regional Service Board as at December 31, 2016 and the results of its operations and its cash flows for the years then ended in accordance with Public Sector Accounting Standards.

St. John's, Newfoundland and Labrador
April 7, 2017

CHARTERED PROFESSIONAL ACCOUNTANTS

EASTERN REGIONAL SERVICE BOARD
Statement of Financial Position
December 31, 2016

FINANCIAL ASSETS

Cash and cash equivalents	\$ 3,317,199	\$ 4,081,951
Accounts receivable (Note 3)	850,485	659,865
Harmonized sales tax recoverable	321,003	169,818
Guaranteed investment certificates	1,430,546	1,430,546
	5,919,233	6,342,180

LIABILITIES

Accounts payable (Note 5)	569,152	830,717
Employee deductions payable	-	32,761
Deferred income (Note 6)	1,313,472	2,544,758
Obligations under capital lease (Note 8)	388,905	513,944
	2,271,529	3,922,180

NET FINANCIAL ASSETS	3,647,704	2,420,000
-----------------------------	------------------	------------------

NON-FINANCIAL ASSETS

Inventory	-	-
Prepaid expenses	89,449	72,662
Tangible capital assets (Note 4)	4,685,888	4,629,325
	4,775,337	4,701,987

ACCUMULATED SURPLUS	\$ 8,423,041	\$ 7,121,985
----------------------------	---------------------	---------------------

ON BEHALF OF BOARD

Director

Director

EASTERN REGIONAL SERVICE BOARD
Statement of Changes in Accumulated Surplus
Year Ended December 31, 2016

	2016	2015
ACCUMULATED SURPLUS - BEGINNING OF YEAR	\$ 7,121,987	\$ 3,233,228
SURPLUS FOR THE YEAR	1,301,054	3,888,757
ACCUMULATED SURPLUS - END OF YEAR	\$ 8,423,041	\$ 7,121,985

DRAFT

EASTERN REGIONAL SERVICE BOARD
Statement of Changes in Net Financial Assets
Year Ended December 31, 2016

	2016	2015
ANNUAL SURPLUS	\$ 1,301,054	\$ 3,888,757
Amortization of tangible capital assets	935,311	731,972
Purchase of tangible capital assets	(991,871)	(3,737,313)
Proceeds on disposal of tangible capital assets	-	206,673
Loss on disposal of assets	-	28,658
Increase in prepaid expenses	(16,790)	(37,901)
	(73,350)	(2,807,911)
INCREASE IN NET FINANCIAL ASSETS	1,227,704	1,080,846
NET FINANCIAL ASSETS - BEGINNING OF YEAR	2,419,999	1,339,153
NET FINANCIAL ASSETS - END OF YEAR	\$ 3,647,703	\$ 2,419,999

DRAFT

EASTERN REGIONAL SERVICE BOARD
Statement of Operations
Year Ended December 31, 2016

	Budget 2016	Total 2016	Total 2015
REVENUES			
Clarenville transfer station	\$ 554,320	\$ 480,098	\$ -
Government grants	-	240,522	382,831
Tipping fees	3,418,762	3,367,536	2,863,765
Waste management fees	5,140,365	5,219,708	4,061,491
Metals recycling revenue	35,000	51,698	103,307
Capital government grants	-	489,520	3,702,917
	9,148,447	9,849,082	11,114,311
OPERATING EXPENSES			
ADMINISTRATIVE EXPENSES (<i>Schedule 1</i>)	1,503,343	1,590,607	1,405,480
REGIONAL WASTE MANAGEMENT OPERATING EXPENSES (<i>Schedule 2</i>)	2,074,850	2,326,997	1,425,610
WASTE COLLECTION OPERATING EXPENSES (<i>Schedule 3</i>)	5,086,854	4,766,091	4,310,893
Transfer station- site development (<i>Note 6</i>)	-	243,140	236,817
Waste recovery facilities - site development (<i>Note 6</i>)	-	4,356	22,156
Waste site closures (<i>Note 6</i>)	-	-	108,791
	8,665,047	8,931,191	7,509,747
SURPLUS FROM OPERATIONS	483,400	917,891	3,604,564
OTHER INCOME			
Interest income	-	363,305	268,599
Miscellaneous revenue	-	19,858	15,594
	-	383,163	284,193
ANNUAL SURPLUS	\$ 483,400	\$ 1,301,054	\$ 3,888,757

See notes to financial statements

EASTERN REGIONAL SERVICE BOARD**Statement of Cash Flows**

Year Ended December 31, 2016

	2016	2015
OPERATING ACTIVITIES		
Surplus	\$ 1,301,054	\$ 3,888,757
Items not affecting cash:		
Amortization of tangible capital assets	935,311	731,972
Loss on disposal of tangible capital assets	-	28,658
	2,236,365	4,649,387
Changes in non-cash working capital:		
Accounts receivable	(190,620)	(269,539)
Accounts payable	(261,568)	(734,943)
Prepaid expenses	(16,787)	(37,900)
Harmonized sales tax payable	(151,185)	466,106
Employee deductions payable	(32,761)	30,862
	(652,921)	(545,414)
Cash flow from operating activities	1,583,444	4,103,973
INVESTING ACTIVITIES		
Purchase of tangible capital assets	(991,871)	(3,737,313)
Proceeds on disposal of tangible capital assets	-	206,673
Deferred income	(1,231,286)	(2,275,868)
Guaranteed investment certificates	-	(1,430,546)
Cash flow used by investing activities	(2,223,157)	(7,237,054)
FINANCING ACTIVITY		
Repayment of obligations under capital lease	(125,039)	(118,890)
Cash flow used by financing activity	(125,039)	(118,890)
DECREASE IN CASH FLOW	(764,752)	(3,251,971)
Cash - beginning of year	4,081,951	7,333,922
CASH - END OF YEAR	\$ 3,317,199	\$ 4,081,951

See notes to financial statements

EASTERN REGIONAL SERVICE BOARD

Notes to Financial Statements

Year Ended December 31, 2016

1. DESCRIPTION OF OPERATIONS

The Eastern Regional Service Board (the "organization") was established in September of 2011 by the Province of Newfoundland under the authority of the Regional Services Board Act, 2012. The Board has been given the mandate to modernize the waste management system in the region, develop regional fire protection and work with several clusters of communities to improve drinking water and waste water treatment under the Community Sustainability Partnership.

In order to fulfill these mandates the Board has completed a network of infrastructure for the waste management system including a transfer station in Clarenville, ten waste recovery facilities (including one at the Clarenville site), and developed a fleet of vehicles and hired staff for a curbside collection program. To assist communities with drinking water and waste water treatment the Board has hired an engineer to provide advice to communities. As a service provider for fire protection the Board has contracted with one municipality to provide services through their volunteer fire department in the unincorporated area adjacent to the municipality. This model of service delivery will be expanded in 2017.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of presentation

The financial statements were prepared in accordance with Canadian public sector accounting standards (PSAS).

Revenue recognition

Government transfers with stipulations restricting their use are recognized as revenue when the transfer is authorized and the eligibility criteria are met, except when and to the extent the transfer gives rise to an obligation that constitutes a liability. When the transfer gives rise to an obligation that constitutes a liability, the transfer is recognized in revenue when the liability is settled.

Government transfers received with associated stipulations relating to the purchase of capital assets, are recognized as revenue when the related assets are acquired.

Tipping fee revenues are provided to the extent required in the organization's annual budget and are recognized as revenue when received. Tipping fees received in advance are recorded as deferred income.

Waste management fee revenues are invoiced annually and are recognized as revenue when invoiced to customers. Metals recycling revenues are also recognized as revenue when invoiced.

Cash and cash equivalents

Cash and cash equivalents include balances with the bank and investments held in cashable guaranteed investment certificates. Cashable guaranteed investment certificates are valued at cost plus accrued interest.

Guaranteed investment certificates

Guaranteed investment certificates include those certificates which are locked in and have maturities beyond one year. These investments are carried at cost plus accrued interest.

(continues)

EASTERN REGIONAL SERVICE BOARD

Notes to Financial Statements

Year Ended December 31, 2016

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Tangible capital assets

Tangible capital assets are stated at cost or deemed cost less accumulated amortization. Tangible capital assets are amortized over their estimated useful lives on a declining balance basis at the following rates and methods:

Land		non-depreciable
Buildings	4%	declining balance method
Furniture and equipment	20%	declining balance method
Computer equipment	55%	declining balance method
Computer software	100%	declining balance method
Heavy equipment	30%	declining balance method
Heavy equipment under capital lease	30%	declining balance method
Leasehold improvements	5 years	straight-line method
Motor vehicles	30%	declining balance method

The organization regularly reviews its tangible capital assets to eliminate obsolete items.

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

Leases

Leases are classified as either capital or operating leases. A lease that transfers substantially all of the benefits and risks of ownership is classified as a capital lease. At the inception of a capital lease, an asset is recorded with its related long-term obligation to reflect the acquisition and financing. All other leases are accounted for as operating leases and rental payments are expensed as incurred.

Non-financial assets

Non-financial assets include all assets of a fixed or permanent nature, claims to goods and services, and consumable goods.

Deferred income

Deferred income is comprised of the unspent portions of government grants designated for the construction and engineering of the Clarendville waste transfer station, waste recovery facilities, as well as costs associated with the closure of various dump sites previously used in the eastern region. Due to the nature of this liability, these amounts will be recognized into income as the funds are spent on approved projects.

Measurement uncertainty

The preparation of financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Such estimates are periodically reviewed and any adjustments necessary are reported in earnings in the period in which they become known. Actual results could differ from these estimates.

EASTERN REGIONAL SERVICE BOARD**Notes to Financial Statements****Year Ended December 31, 2016****3. ACCOUNTS RECEIVABLE**

	2016	2015
Waste management fees receivable	\$ 1,339,596	\$ 934,651
Other receivables	-	5,089
Allowance for doubtful accounts	(489,111)	(279,875)
	\$ 850,485	\$ 659,865

4. TANGIBLE CAPITAL ASSETS

	Cost	Accumulated amortization	2016 Net book value	2015 Net book value
Land	\$ 724,417	\$ -	\$ 724,417	\$ 548,115
Buildings	1,427,037	56,361	1,370,676	1,337,178
Computer equipment	33,092	30,441	2,651	6,578
Computer software	5,544	5,016	528	486
Furniture and equipment	69,135	35,323	33,812	28,935
Heavy equipment	3,719,158	1,471,857	2,247,301	2,304,820
Heavy equipment under capital lease	874,864	696,317	178,547	255,067
Leasehold improvements	3,106	1,553	1,553	2,174
Motor vehicles	268,649	142,246	126,403	145,972
	\$ 7,125,002	\$ 2,439,114	\$ 4,685,888	\$ 4,629,325

5. ACCOUNTS PAYABLE

	2016	2015
Trade payables	\$ 400,311	\$ 714,863
Other accruals	168,841	115,854
	\$ 569,152	\$ 830,717

EASTERN REGIONAL SERVICE BOARD

Notes to Financial Statements

Year Ended December 31, 2016

6. DEFERRED REVENUE

	2016	2015
Deferred income - beginning of year	\$ 2,544,758	\$ 4,820,626
Government funding	-	1,794,915
Transfer station - site development	-	(236,817)
Waste recovery facilities - site development	-	(22,156)
Waste site closures	-	(108,791)
Revenue recognized for government funded capital assets	(489,520)	(3,702,917)
Funding overpayment from City of St. John's	-	767,167
Funding overpayment from City of St. John's - prior year	(715,941)	(812,469)
Regional Water/Wastewater Operator	19,375	45,200
Regional Water/Wastewater Operator prior year	(45,200)	-
	\$ 1,313,472	\$ 2,544,758

In prior year, the organization received government funding in the amount of \$1,794,915 for the construction and engineering of waste recovery facilities, costs associated with the closure of various dump sites previously used in the eastern region, construction and engineering of the Clarenville Transfer Station, and the purchase of land in Whitbourne where the organization is planning to build a depot for its trucks near the Whitbourne waste recovery facility. This deferred income will be recognized as revenue when spent on approved projects.

During the year, the organization also received \$77,500 from the Provincial government to fund a Regional Water/Wastewater Operator Pilot Program. At December 31, 2016, \$19,375 of this funding remained unspent.

7. TIPPING FEES

The Government of Newfoundland and Labrador has officially designated the Robin Hood Bay Waste Management Facility, which is owned and operated by the City of St. John's, as the site for the Eastern Region's Integrated Waste Management Facility. Eastern Regional Service Board contracts with the City of St. John's to provide waste disposal services for other municipalities in the Eastern Region.

Tipping fees charged per tonne at the Robin Hood Bay Waste Management Facility are determined annually by Eastern Regional Service Board based on estimated tonnage and budgeted costs to operate both Eastern Regional Service Board and the Robin Hood Bay Waste Management Facility. Operational funding is provided to Eastern Regional Service Board from tipping fees collected from facility users to the extent required in its annual budget.

EASTERN REGIONAL SERVICE BOARD**Notes to Financial Statements****Year Ended December 31, 2016****8. OBLIGATIONS UNDER CAPITAL LEASE**

	2016	2015
TD Equipment Finance lease bearing interest at 4.78% per annum, repayable in monthly blended payments of \$12,274. The lease matures on November 1, 2019 and is secured by equipment.	\$ 388,905	\$ 513,944
Amounts payable within one year	-	-
	\$ 388,905	\$ 513,944

Future minimum capital lease payments are approximately:

2017	\$ 147,289
2018	147,289
2019	<u>122,991</u>
Total minimum lease payments	417,569
Less: amount representing interest at 5%	<u>(28,664)</u>
	<u>\$ 388,905</u>

9. ACCUMULATED SURPLUS

	2016	2015
Accumulated net assets from operations	\$ 3,695,071	\$ 3,006,606
Net assets invested in tangible capital assets	4,685,888	4,115,381
Accumulated surplus	\$ 8,380,959	\$ 7,121,987

10. LEASE COMMITMENTS

The organization has a long term lease with respect to its premises, which expires April 1, 2017. Future minimum lease payments as at December 31, 2016, are as follows:

2017	<u>\$ 29,439</u>
------	-------------------------

EASTERN REGIONAL SERVICE BOARD

Notes to Financial Statements

Year Ended December 31, 2016

11. FINANCIAL INSTRUMENTS

The organization is exposed to various risks through its financial instruments and has a comprehensive risk management framework to monitor, evaluate and manage these risks. The following analysis provides information about the organization's risk exposure and concentration as of December 31, 2016.

(a) Credit risk

Credit risk arises from the potential that a counter party will fail to perform its obligations. The organization is exposed to credit risk from customers. In order to reduce its credit risk, the organization reviews a new customer's credit history before extending credit and conducts regular reviews of its existing customers' credit performance. An allowance for doubtful accounts is established based upon factors surrounding the credit risk of specific accounts, historical trends and other information. The organization has a significant number of customers which minimizes concentration of credit risk.

(b) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The organization is exposed to this risk mainly in respect of its receipt of funds from its customers and other related sources, long-term debt, obligations under capital leases, contributions to the pension plan, and accounts payable.

(b) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency rate risk, interest rate risk and other price risk.

Unless otherwise noted, it is management's opinion that the organization is not exposed to significant other price risks arising from these financial instruments.

EASTERN REGIONAL SERVICE BOARD**Notes to Financial Statements****Year Ended December 31, 2016****12. EXPENSES BY OBJECT**

	2016	2015
Advertising and promotion	\$ 139,472	\$ 115,919
Amortization	935,311	731,972
Bad debts	209,236	21,384
Business taxes, licenses and memberships	19,497	25,959
Directors fees	97,355	89,773
Insurance	86,824	58,803
Interest and bank charges	35,114	17,290
Interest on obligations under capital lease	22,250	28,399
Loss on disposal of tangible capital assets	-	28,658
Office	53,400	44,513
Professional fees	66,778	73,389
Regional travel and professional development	72,544	66,657
Regional waste management operations	176,889	278,245
Rental	150,880	144,617
Repairs and maintenance	40,719	42,652
Salaries and wages	2,003,296	1,550,140
Telephone	37,455	28,672
Training	57,545	37,477
Transfer station - site development	-	236,817
Vehicle	836,514	661,682
Waste collection operations	3,357,931	3,095,782
Waste recovery facilities - site development	-	22,156
Waste recovery facilities - site development	247,496	367,764
Waste site closures	-	108,791
	\$ 8,646,506	\$ 7,877,511

13. COMPARATIVE FIGURES

Some of the comparative figures have been reclassified to conform to the current year's presentation.

EASTERN REGIONAL SERVICE BOARD**Administrative expenses****(Schedule 1)****Year Ended December 31, 2016**

	2016	2015
Advertising and promotion	\$ 108,695	\$ 115,919
Amortization	12,728	13,930
Bad debts	209,236	21,384
Business taxes, licenses and memberships	19,497	25,959
Directors fees	97,355	89,773
Insurance	21,091	58,803
Interest and bank charges	35,115	17,291
Office Supplies	52,175	44,513
Professional fees	61,355	73,389
Rental	87,468	144,617
Repairs and maintenance	5,740	5,500
Salaries and wages	744,259	661,596
Telephone	21,021	28,672
Staff Training/Professional Development	55,208	37,477
Travel	59,664	66,657
Total	\$ 1,590,607	\$ 1,405,480

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EASTERN REGIONAL SERVICE BOARD
Regional Waste Management operating expenses
Year Ended December 31, 2016

(Schedule 2)

	2016	2015
Amortization - transfer station	\$ 633,047	\$ 274,074
Amortization - waste recovery facilities	135,112	194,152
Regional waste management operations	176,889	278,245
Interest on obligations under capital lease	22,250	28,399
Loss on disposal of tangible capital assets	-	28,658
Repairs and maintenance	34,566	4,713
Salaries and wages	544,199	380,113
Vehicle	364,123	237,256
Tipping Fees Paid by Clarenville Transfer Strn	284,683	-
Advertising & Promotion	28,709	-
Insurance	40,079	-
Professional Services	5,344	-
Staff Training	1,741	-
Rent	32,778	-
Travel and Meetings	8,951	-
Telephone	13,884	-
Office Supplies	642	-
Total	\$ 2,326,997	\$ 1,425,610

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EASTERN REGIONAL SERVICE BOARD**Waste collection operating expenses****(Schedule 3)****Year Ended December 31, 2016**

	2016	2015
Amortization - waste collection	\$ 154,424	\$ 249,815
Waste collection operations	3,357,931	3,095,782
Repairs and maintenance	414	32,439
Salaries and wages	714,838	508,431
Vehicle	472,391	424,426
Advertising & Promotion	2,067	-
Insurance	25,654	-
Professional Services	80	-
Staff training	595	-
Rent	30,634	-
Travel and Meetings	3,928	-
Telephone	2,551	-
Office-Supplies	584	-
Total	\$ 4,766,091	\$ 4,310,893

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**(4)(a)(3) Fire and Emergency
Services Report**



FIRE AND EMERGENCY SERVICES

Financial Collections to March 27 2017

For Salmonier Line and surrounding areas including: Middle Gull Pond, South West Pond, The Wilds, Belbin Mill Pond and Old Prison Camp area.

Service Implemented: January 1, 2017

Service provided by: Holyrood Volunteer Fire Department, Town of Holyrood

Accounts Receivable

Total of Invoices to January 31	\$18,750.00
(Total of 375* properties @ \$50 per property)	
Interest applied.....	\$ 348.30
TOTAL INVOICES.....	\$19,098.30
<u>Less:</u> Total Payments Received to Date	\$10,065.18
(201 properties paid)	
<u>Less:</u> Total Adjustments* to Date (17 properties)	\$ 860.10
TOTAL PAYMENTS/ADJUSTMENTS	<u>\$10,925.28</u>
Amount Remaining to Collect (43%).....	<u>\$ 8,173.02</u>

* As we continue to identify property owners the amount invoiced will change.

*Adjustments:

- Error correction (property located in LSD of Deer Park/Vineland Road, property vacant, etc.)
- Misc Adjustments (incorrect name on account; owner deceased; etc.)
- Transfer of Fees (property transferred to another family member, owner deceased, etc.)

Accounts Payable

January 2017:

Town of Holyrood invoiced ERSB for 347 properties at \$45.00 per property	
January 12, 2017 – cheque No. 5590 sent as payment	\$15,615.00

We will continue to identify and invoice customers in these areas for fire and emergency services. In addition, we will report to the Town of Holyrood regarding the number of properties identified.

**(4)(b) Strategy and Policy
Committee Report**

(4)(b)(2) Brief on Regional Governance Proposal

Briefing Note: Proposal for Regional Governance and Shared Service Delivery

Our proposed Regional Governance and Shared Service Delivery is based on two key concepts:

- The local area municipality which includes cities, incorporated towns and local service districts is at the center of all decision making; and
- The sharing of services across local area municipalities and unincorporated areas to achieve a set minimum service standard, ensure all contribute to the services they receive and benefit from, to maximize efficiency and minimize costs is accomplished through the a regional service board.

The current regional service board model acts as a consolidated support organization for municipalities, local service districts, unincorporated areas and joint councils. The RSB has a governance structure that is based on appointing and electing a mixture of board members from the municipal representatives within the region.

The development of the various RSB's across the province to consolidate and implement the Provincial Waste Management Strategy (PWMS) has created a network of organizations that can be the backbone on which other initiatives are built. This leverages one corporate body for the benefit of many purposes and eliminates the creation of another layer of government.

There are a number of services that are delivered at the municipal level which require no political involvement beyond the initial setting of service standards. For instance, do we plow the snow or not, fix potholes, run the recreation programs, pick up the garbage, or treat the water. Day to day operations and corporate organization are not political. However, there are a host of municipal functions that need to be guided by a council or political body. This leadership is granted through the electoral process. These functions include economic development, land use planning, budget setting/approval, levels of taxation/fees, and service delivery policies.

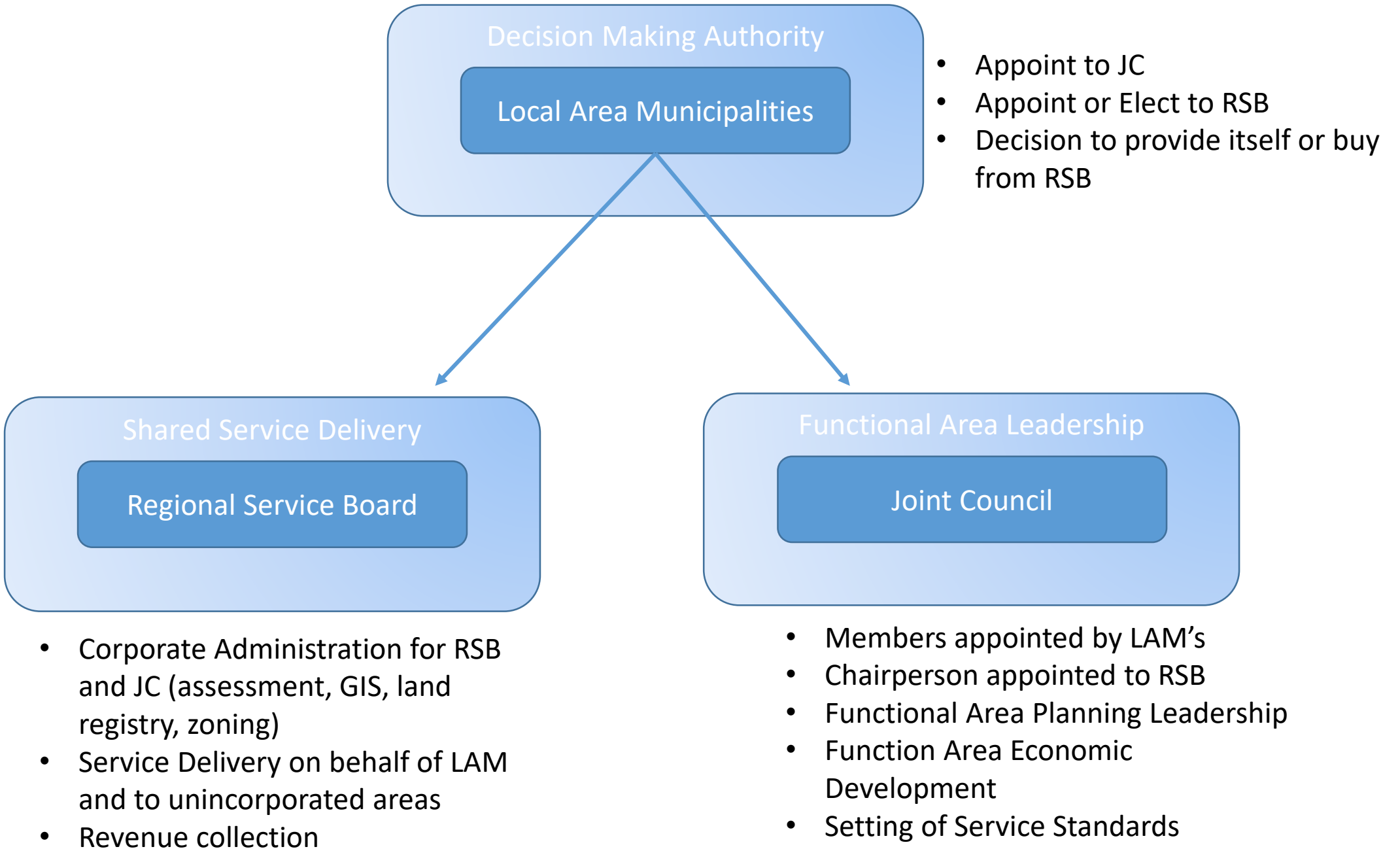
So the act of making a one-time decision to provide a service and the choice of the level of service can be separate from the function of service delivery. This is where the creation of RSB's provide the ability of a municipal entity to make the decision to provide a service and then make the decision how it will provide the service – internally through the municipality or buy from a RSB. The RSB can provide services at a lower cost by spreading the cost of developing/operating a service over a larger number of residents/properties. This can allow the cost of specialized resources (staff/equipment) to be shared thus allowing communities that may not require a full time or dedicated resource to purchase only what they need– for instance the cost of providing a building inspector or recreation programmer.

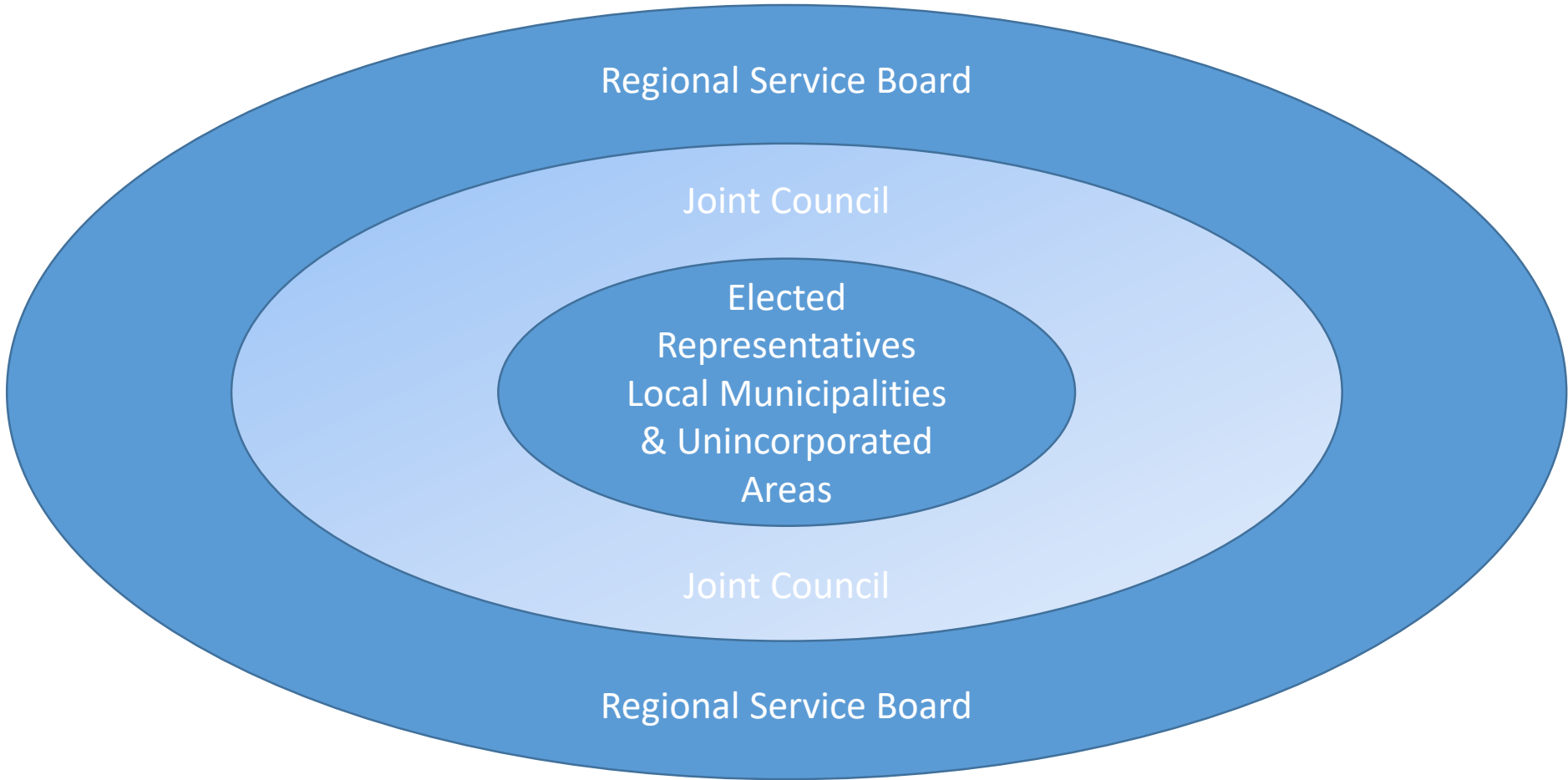
The RSB provides the economies of scale for things such as corporate administration (audit, financial software, billing, etc.), equipment purchasing, specialized staff (engineering, planning, recreation, facilities management, water technicians, human resources, policing, and regional fire chief).

This proposal would see the election of representatives to a council or local service district executive as the direct or federal level of representation. The Council or LSD Executive would then elect to

Functional Leadership Area (Joint Council) and then to the Regional Service Board. There would also have to be allowance made for the unincorporated areas to elect representation to the Function Leadership Area.

The RSB would be the corporate backbone, support the FLA and be the shared service provided. There could be legislated services for high priority objectives of the Province such as water treatment, waste management, wastewater treatment mandated to RSB. Other areas would be partnership driven with the RSB receiving the mandate for delivery through the authority (decision) of the local area municipality. The FLA would have legislative for leadership areas such as functional area planning, functional area emergency management planning and economic development.





Regional Service Board

Joint Council

Elected
Representatives
Local Municipalities
& Unincorporated
Areas

Joint Council

Regional Service Board

**(4)(c) Governance Committee
Report**

(4)(c)(1) Video Surveillance Guidelines

Briefing Note: Use and Management of Video and Audio Surveillance

At the March 14, 2017 meeting of the Governance Committee a draft policy to guide the use and management of video and audio surveillance equipment was tabled. The policy was again discussed at the April 18 Governance Committee meeting.

The original intention of the policy was to implement the guidelines of the Office of the Privacy and Information Commission with regards to ensuring individual privacy at the same time as using modern technology to deter crime, monitor facilities operated by the Board, and record interactions between client and staff that take place in public spaces of the Board such as reception, customer service areas, working areas of a facility such as a waste recovery facility or transfer station.

The discussion at Committee included options to record meetings of Committee, Board and other general meetings.

This type of recording of events has a different purpose than the recording for purposes of security. For instance, the recording for the purposes of maintaining a record or minutes would also have to address issues such as which is the official record, is it publically available, can a Board member or member of the public asked to view the files, how long would these be kept, and can they be broadcast.

The current policy is meant to protect privacy and to address the use of video and audio surveillance in situations in which a person would have a reasonable expectation of privacy and how this information would be used. We would not be broadcasting security footage but we may live stream a video of a meeting to the public. Would minutes be verbatim or

These seem to be two different purposes and the use of the video and audio recording in each situation should be directed by different policies. The policies may be aligned in certain aspects such as signage will be posted, length of time a recording is maintained, etc.

The draft Use and Management of Video and Audio Surveillance Policy is attached.

Recommendation:

Staff recommend that two separate policies be developed and tabled for consideration – one to address use and management of video and audio surveillance for the purposes of security and a second policy that would include use of video and audio recording at Board, Committee and other general meetings and how it will be used for purposes of minutes, public accessibility, etc.

Use and Management of Video and Audio Surveillance Policy

Purpose

1.0 The purposes of the Policy are: i) to ensure the safe and secure daily operations of the Board's programs and activities; ii) to ensure a secure and safe environment for all users of Board facilities; iii) to deter criminal activity in and around Board facilities; iv) to reduce the fear of crime among Board staff and all users of Board facilities; v) to protect Board facilities, assets and personal property from damage or destruction; vi) to defend Board staff and all users of Board facilities from injury caused by criminal acts at Board facilities; vii) to assist in the identification of individuals who commit criminal acts or engage in unlawful, dangerous and/or unsafe activities against persons and/or personal property. viii) to assist law enforcement agencies with regard to the investigation and prosecution of any crime that may occur on Board facilities.

Policy Statement

2.0 SCOPE

2.1 The Board recognizes the need to strike a balance between an individual's right to privacy and the Board's duty to promote a safe environment for all employees and users of Board facilities and to protect the Board's infrastructure.

2.2 It is also recognized that each Board department, service or facility has unique needs and practices. While these requirements will remain, it is necessary to standardize our procedures in order that all employees of the Board have an expectation of consistency, regardless of where the equipment is utilized.

2.3 The procurement and installation of video cameras and monitoring equipment must be strictly controlled. As such, all video cameras, audio recording equipment and monitoring equipment procurement and installations will be administered by the Chief Administrative Officer.

2.4 The installation, use and monitoring of all video cameras, audio recording equipment and monitoring equipment complies with the applicable legislation including but not limited to the Privacy Act and the Access to Information and Protection of Privacy Act.

3.0 PUBLIC AWARENESS OF CAMERAS AND USE OF AUDIO RECORDING

3.1 Signs will be posted in appropriate areas, either at the entrance to the area being monitored (e.g. on the door entering a Board facility) or in close proximity to the camera informing the employees and the general public that the area is or may be under surveillance. The sign shall state that the surveillance is being conducted.

3.2 This policy does not cover the use of covert cameras or recordings installed on Board

facilities, to be used on a case specific basis and will be removed once the investigation is complete.

3.3 Use of telephone recording equipment will be announced through the initial greetings to callers into the Board.

3.4 There is no expectation that video cameras and audio recordings will be monitored in real time.

3.5 This policy does not include video conferencing used for meetings.

4.0 LIMITING USE, DISCLOSURE AND RETENTION OF PERSONAL INFORMATION

4.1 Only limited personnel who are authorized by the Board shall have access to the monitors or to the recordings made through video and audio surveillance.

4.2 The information collected through video and audio surveillance is used only:

- (i) to assess the effectiveness of safety and security measure taken at a particular facility;
- (ii) to investigate an incident involving the safety and security of people, facilities or assets;
- (iii) to provide evidence as required to protect the Board's legal rights; or
- (iv) to investigate an incident involving an insurance claim.

4.3 Personal information obtained through video and audio surveillance shall not be disclosed except to aid in an investigation from which a law enforcement proceeding is likely to result, in response to an individual access request made pursuant to the Access to Information and Protection of Privacy Act or in accordance with the provisions of the Access to Information and Protection of Privacy Act or other applicable laws of the Province of Newfoundland or Canada.

4.4 Personal information contained on the recordings shall not be used or disclosed for purposes other than those for which it was collected, except with the consent of the individual, or as required by law.

4.5 Cameras shall not be directed through windows of a residential dwelling or a location where an individual has a reasonable expectation of privacy.

4.6 The Board shall maintain a log documenting who has accessed and viewed recordings of surveillance, if the surveillance has been disclosed and the authority under which the surveillance has been disclosed.

4.7 Audio recording of meetings will not be used without the consent of all of those attending the meeting.

5.0 CONFIDENTIALITY

5.1 Video camera monitoring and audio recording of Board facilities shall be conducted in a professional, ethical and legal manner, and information obtained is to be kept in strictest confidence and retained in a locked area in a secure place that is only accessible to limited authorized personnel.

6.0 SAFEGUARDS

6.1 Video and audio recordings will be released to proper law enforcement officials only when an incident occurs and/or to aid in an investigation from which a law enforcement proceeding is likely to result.

6.2 If a copy of a recording must be made for evidentiary purposes, it must be copied onto a permanent storage medium such as a CD, DVD or other storage component and physically labeled with the date, time and location of the recorded incident. No copies of monitoring files, other than those needed for back-ups or evidentiary purposes, may be made.

6.3 If the incident appears to be criminal in nature, the Chief Administrative Officer or his designate will contact the appropriate law enforcement official, who will review the recording in his presence. If necessary and lawful, the Chief Administrative Officer will turn a copy of the recording over to law enforcement officials.

6.4 All records of surveillance shall be destroyed in such a manner as to prevent retrieval or reconstruction within a minimum of 45 days to one year except as outlined in this policy.

6.5 Records of surveillance that have been used by the Board in relation to an ongoing investigation by the Board or law enforcement officials shall be retained for a period not exceeding 7 years.

7.0 INDIVIDUAL ACCESS

7.1 A person has a right to access their personal information collected by the Board's video and audio surveillance recording, in whole or in part, depending upon applicable statutory exemptions and if exempt information can be reasonably severed.

7.2 Where a person has been the subject of video monitoring and/or audio recording and makes a request to view his or her recorded images or files, the person shall identify the time and location of the recording.

7.2 Access in full or part may be refused only in accordance with the Access to Information and Protection of Privacy Act or an applicable law in force in the Province of Newfoundland and Labrador or in the Country of Canada.

8.0 ACCOUNTABILITY

8.1 The Board collects personal information by Closed Circuit Television (CCTV) or audio

recordings in accordance with this policy, the provisions of the Privacy Act, Access to Information and Protection of Privacy Act, the Canadian Charter of Rights and Freedoms and all other applicable legislation.

8.2 The Board provides access to personal information recorded by video and/or audio surveillance in accordance with this policy, the Access to Information and Protection of Privacy Act and all other applicable legislation.

8.3 The authorization for the installation of cameras or audio recording equipment and subsequent monitoring, recording and release of information collected shall be in accordance with this policy and Board direction.

9.0 AUDITS

9.1 The Board may require that periodic audits are conducted to ensure compliance with this policy.

9.2 The results of each audit will be documented and will be available to the general public.

10.0 Video and Audio Surveillance Locations

10.1 Please see attached Chart entitled “Surveillance Camera and Audio Recording Locations – May 2017” for the specific location, type, purpose, area of vision, data storage and data control of video surveillance in place in Board facilities.

11.0 Enforcement

11.1 All Board staff including, employees, contractors and management shall comply with this policy.

11.2 Any breach or violation of this policy by Board staff including, employees, contractors or management may subject the person who breached or violated the policy to discipline, taking into account all the circumstances of the violation or breach.

11.3 In the event of an inadvertent security or privacy breach(s), the Chief Administrative Officer shall investigate the circumstances of the breach and prepare a written report as to the cause of the breach and remedies to ensure that the breach is not repeated.

11.4 Any individual who wishes to comment on or challenge any aspect of the within policy shall submit their comments or complaints in writing to the Chief Administrative Officer who shall conduct an investigation and reply in writing to the individual within a reasonable period of time.

11.5 If the reply from the Chief Administrative Officer is not satisfactory to the individual they may submit their objections to the Board by writing to the Office of the Board Clerk.

(4)(c)(2) Remote Attendance Policy

Briefing Note: Meeting Attendance Policy

The ability to attend meetings remotely via conference call or other electronic means is available to municipal councilors under the *Municipalities Act* or through the Cities Act for Mount Pearl and St. John's.

At the Board meeting of March 29, 2017, the Governance Committee tabled a draft policy outlining when Board members would be able to attend meetings remotely either through conference call or some form of video conference. The policy was further discussed at the recent committee meeting on April 18.

While it is recognized that attending remotely may assist with issues of ensuring quorum for meetings the Board does not seem to have any issue achieving quorum for either committee meetings or the monthly Board meeting.

There is also an issue of perception with regards to Board members attending meetings remotely and being paid a per diem for attending that meeting. In the case of municipal councilors any remuneration is not linked to meeting attendance it is instead a factor of a set amount annually.

Therefore, it was decided that meeting attendance must be in person for both committee meetings and the monthly board meeting in order to maintain the integrity of the remuneration set by the Province.

Section from the Adopted Rules and Procedures by-law:

Attendance at Meetings

All members are expected to attend Board and Committee meetings.

Proposed Amended version:

Attendance at Meetings

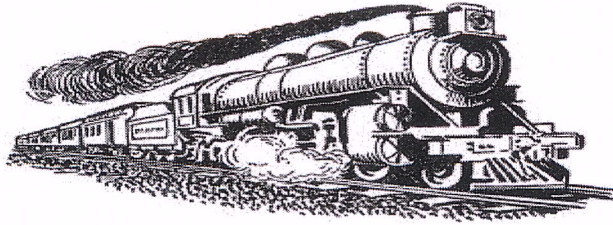
All members are expected to attend Board and Committee meetings. Board members must be physically present in order to be considered in attendance for the meeting for purposes of quorum and voting privileges.

Recommendation:

The committee recommends that the Rules and Procedures Bylaw of the Board be amended to reflect the definition of meeting attendance to reflect physical presence.

(5) CORRESPONDENCE

**(5)(a) Letter from Mayor Hilda
Whalen re: Whitbourne
Maintenance Depot**



WHITBOURNE TOWN COUNCIL
(Inc. 1968)

April 27, 2017

Dear Eastern Regional Service Board members;

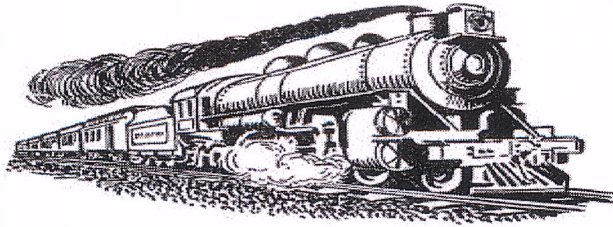
I have two important questions that I would like answered regarding the new waste recovery site in the centre of our town. Might I add, as you will see after reading this letter this needs to be addressed immediately if your recovery site is to remain where it is.

1. Why did your board members deem it important to have METAL bins at the recovery site at Robin Hood Bay and none at our town's recovery site?

At the time that we, the town council agreed to have this site where it is located in our town. The town council thought that the bins that was planned in the project was metal bins. A big misunderstanding, now to find that the bins are the soil berms separating the materials. The council thought that they would have the same set up as the site at Robin Hood Bay, Why the difference? This is a very unsightly site for those entering our community and passing by. People think it is a new dump site because that is what it looks like. In fact our previous dump site was never so unsightly.

At our council meeting on January 18, 2017, Mr. Ken Kelly attended. During that meeting councillors and myself expressed our disappointment regarding the site. We were assured that the site would be made less visible with the planned building , a fence and trees surrounding the site.

Since then our issues regarding the site has changed. During the past wind storm we came to realize that the unsightly issue is less important than the danger to those driving on the TCH. During the storm we had pieces of lumber, aluminum siding and material blowing across the TCH that could have caused an accident or worst case, death. There was a mattress blown close by. We were lucky that it was only near misses. The only response that we had from ERSB when we called to pick up the garbage that was blown outside near the road, this would be picked up. There is still garbage blown in the treed area behind the site and of course blown across the TCH which is not in your jurisdiction to pick up.



WHITBOURNE TOWN COUNCIL

(Inc. 1968)

I suggest if you cannot afford to put metal bins on this site, take the bins from Robin Hood Bay for our site and place soil berms to divide their collection. It's more important to have them on the Whitbourne site Robin Hood Bay. Robin Hood Bay site is not unsightly for any town or persons or dangerous to those travelling the TCH.

At our regular council meeting last night that was attended by a number of residents who strongly voiced their opinions and concerns that I have outlined. Some of the questions that were asked:

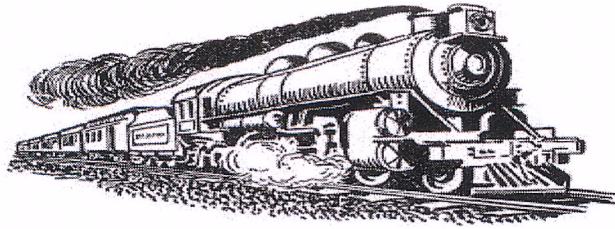
Why did they take out our garbage site years ago and put something as unsightly and dangerous as this site here?

Why did the ERSB pay such an enormous price for this property when they could have moved down the highway and acquired crown land? They do not approve of this waste of tax payers' dollars. The residents ask that the council demand metal bins for the site and the entrance to the site be changed so the garbage is not seen. The public didn't have a problem taking their material to the New Harbour dump. So convenience for them was not an issue.

Why is this board top heavy with St. Johns councilors and so under represented by other towns in this eastern region?

If the Eastern Waste Management and board is handling all waste management of the eastern region why are they not responding to the proposed compost site on Argentinia Road? Is this solid waste material not under their jurisdiction, is it only recycling and town household garbage that goes to Robin Hood Bay they control. Since the board is costing towns and the public of NL such a high price for garbage collection, should not all waste including the proposed compost waste be under their jurisdiction?

As you can see opposition to this site as is without bins are growing. ***They demanded that they and the public are in such opposition that council should not approve any further development until our concerns have been addressed. It was motioned by councillor and passed that the Town council of Whitbourne not approve any further development of this site until these concerns have been addressed.***



WHITBOURNE TOWN COUNCIL
(Inc. 1968)

I did express that I was very busy attending to the opposition of the compost site. I said I would write and let you know our concerns regarding the recycling site and future development.

As Mayor, I have asked for time to address this and I will do a much more in depth opposition after we have settled the compost site issue.

The opposition to this site as is will not go away, in fact it is increasing. The public opinion is fix it or move it. As a council we must adhere to their wishes.

I suggest you meet as a board sooner rather than later and discuss possible solutions to this problem. Once this is done, I would like to meet with the board to discuss these possible solutions.

Thanking you in advance for your cooperation in this matter. I look forward to settling this issue once and for all.

Thank you!

Yours truly,

Mrs. Hilda Whelan
Mayor

**(5)(b) Letter from Town of St.
Bride's re: Unoccupied Homes**

RECEIVED MAY 02 2017

Town of St. Bride's

37 Main Road, St. Bride's, NL A0B 2Z0
(709)337-2160

April 24, 2017

Eastern Regional Service Board
255 Majors Path, Suite 3
St. John's, NL A1A 0L5

Attention Mr. Grant:

The Town of St. Bride's would like to address the issue of invoicing our town for homes that are NOT OCCUPIED for waste collection.

Our present invoice is charging for 146 households and in our community we have documented 125 households that are using the service of waste collection; and this figure includes approximately 15 households that are only used as vacation homes, which basically means these people are there perhaps 2 - 3 weeks per summer.


The empty houses total 20 and ARE NOT and WILL NOT pay for waste collection. Several of these are being used as sheds only, several have never been lived in at all; the homeowners live on the mainland and only bought these older homes for use in the future, if they choose to return to the area.

There is 1 on the list that burned down in 2016, 1 there that is a repossessed home by the bank and has been unoccupied since 2015.

The Town has no way of collecting these fees and really feel that these households should be removed from the list. We will make the committment that should any of the unoccupied homes become occupied then we will notify your office and we will invoice them for waste collection.

We trust you will review this matter and please feel free to call the office to discuss the issue.

Thank you.


Joan Morrissey
Town Clerk

cc: Sherry Gambin-Walsh, MHA Placentia-St. Mary's