

**CENTRAL REGIONAL SERVICE BOARD**

**Financial Statements**

**Year Ended December 31, 2019**

**CENTRAL REGIONAL SERVICE BOARD**

**Index to Financial Statements**

**Year Ended December 31, 2019**

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	Page
MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING	1
INDEPENDENT AUDITOR'S REPORT	2 - 3
FINANCIAL STATEMENTS	
Statement of Financial Position	4
Statement of Operations and Accumulated Surplus	5
Statement of Changes in Net Financial Assets	6
Statement of Cash Flows	7
Notes to Financial Statements	8 - 12
Schedule of Tangible Capital Assets ( <i>Schedule 1</i> )	13
Statement of Operations by Function ( <i>Schedule 2</i> )	14

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## MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

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The financial statements of Central Regional Service Board have been prepared in accordance with Canadian public sector accounting standards. When alternative accounting methods exist, management has chosen those it deems most appropriate in the circumstances. These statements include certain amounts based on management's estimates and judgments. Management has determined such amounts based on a reasonable basis in order to ensure that the financial statements are presented fairly in all material respects.

The integrity and reliability of Central Regional Service Board's reporting systems are achieved through the use of formal policies and procedures, the careful selection of employees and an appropriate division of responsibilities. These systems are designed to provide reasonable assurance that the financial information is reliable and accurate.

The Board of Directors is responsible for ensuring that management fulfills its responsibility for financial reporting and is ultimately responsible for reviewing and approving the financial statements. The Board carries out this responsibility principally through its Finance Committee. The Finance Committee is appointed by the Board and meets periodically with management and the directors' auditors to review significant accounting, reporting and internal control matters. Following its review of the financial statements and discussions with the auditors, the Finance Committee reports to the Board of Directors prior to its approval of the financial statements. The Committee also considers, for review by the Board and approval by the directors, the engagement or re-appointment of the external auditors.

The financial statements have been audited on behalf of the directors by Richard K Power, CPA, Professional Corporation, in accordance with Canadian public sector accounting standards.

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Mr Robert Elliott, Chairperson

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Mr Edward Evans, Chief  
Administrative Officer

Norris Arm, NL  
September 3, 2020



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## INDEPENDENT AUDITOR'S REPORT

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### To the Directors of Central Regional Service Board

#### Opinion

I have audited the financial statements of Central Regional Service Board (the Board), which comprise the statement of financial position as at December 31, 2019, and the statements of operations and accumulated surplus, changes in net financial assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Board as at December 31, 2019, and the results of its operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

#### Basis for Opinion

I conducted my audit in accordance with Canadian generally accepted auditing standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the Board in accordance with the ethical requirements that are relevant to my audit of the financial statements in Canada, and I have fulfilled my other ethical responsibilities in accordance with those requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

#### Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the 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.

In preparing the financial statements, management is responsible for assessing the Board's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless management either intends to liquidate the Board or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Board's financial reporting process.

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**Auditor's Responsibilities for the Audit of the Financial Statements**

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. As part of an audit in accordance with Canadian generally accepted auditing standards, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Board's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Board's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Board to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.



Clarenville, Newfoundland and Labrador  
September 3, 2020

Chartered Professional Accountant  
Richard K Power, FCPA, Professional Corporation

**CENTRAL REGIONAL SERVICE BOARD****Statement of Financial Position****December 31, 2019**

	2019	2018
<b>FINANCIAL ASSETS</b>		
Cash (Note 2)	\$ 1,387,741	\$ 694,164
Accounts receivable (Note 3)	1,527,565	2,303,784
Long term receivable (Note 4)	112,233	-
Long term investments (Note 5)	4,478,239	4,470,044
	<b>7,505,778</b>	<b>7,467,992</b>
<b>LIABILITIES</b>		
Accounts payable (Note 6)	598,310	810,722
Current portion of long term debt (Note 8)	150,000	150,000
Long term debt (Note 8)	2,237,500	2,387,500
Deferred income (Note 7)	100,000	-
Landfill closure and post closure care (Note 9)	1,287,000	1,001,000
Deferred capital reserve (Note 10)	55,457	-
	<b>4,428,267</b>	<b>4,349,222</b>
<b>NET FINANCIAL ASSETS</b>	<b>3,077,511</b>	<b>3,118,770</b>
<b>NON-FINANCIAL ASSETS</b>		
Tangible capital assets (Schedule 1)	45,309,560	48,663,440
<b>ACCUMULATED SURPLUS</b>	<b>\$ 48,387,071</b>	<b>\$ 51,782,210</b>

**ON BEHALF OF THE BOARD**\_\_\_\_\_  
*Chairperson*\_\_\_\_\_  
*Treasurer*

**CENTRAL REGIONAL SERVICE BOARD**  
**Statement of Operations and Accumulated Surplus**  
**Year Ended December 31, 2019**

	Budget 2019	2019	2018
<b>REVENUES</b>			
Collections fees	\$ 1,475,010	\$ 1,425,411	\$ 1,397,900
Disposal fees (Note 12)	6,686,372	6,391,821	5,956,101
Interest income	-	68,074	155,764
Other (Note 13)	-	189,338	151,082
	8,161,382	8,074,644	7,660,847
<b>EXPENSES</b>			
Advertising and promotion	40,000	25,469	41,118
Amortization	-	4,343,553	4,283,868
Bad debts	-	142,693	544,160
Capital reserve	1,604,600	-	-
Environmental landfill expenses	20,000	90,385	38,193
Fuel and related transportation services	280,000	85,678	136,212
Household hazardous waste handling	35,000	59,210	35,617
Insurance	245,300	260,312	224,528
Interest and bank charges	10,000	13,147	15,192
Interest on long term debt	225,000	61,942	66,208
Landfill closure & post-closure care	-	286,000	143,000
Material recovery facility	1,330,000	1,394,744	1,497,596
Memberships	10,000	2,394	1,217
Office	28,000	43,113	38,679
Professional fees	150,000	140,065	168,312
Professional fees - special audit	-	12,500	-
Repairs and maintenance	1,192,871	1,158,794	1,061,842
Salaries and wages	2,387,211	2,661,750	2,436,120
Telephone	86,000	89,259	81,872
Travel	27,400	27,823	26,634
Utilities	120,000	133,277	96,122
Vehicle	370,000	437,675	423,901
	8,161,382	11,469,783	11,360,391
<b>ANNUAL DEFICIT</b>	-	(3,395,139)	(3,699,544)
ACCUMULATED SURPLUS - BEGINNING OF YEAR	55,481,754	51,782,210	55,481,754
<b>ACCUMULATED SURPLUS - END OF YEAR</b>	\$ 55,481,754	\$ 48,387,071	\$ 51,782,210

The accompanying notes are an integral part of these financial statements

**CENTRAL REGIONAL SERVICE BOARD**  
**Statement of Changes in Net Financial Assets**  
**Year Ended December 31, 2019**

	Budget 2019	2019	2018
<b>ANNUAL DEFICIT</b>	\$ -	\$ (3,395,139)	\$ (3,699,544)
Amortization of tangible capital assets	-	4,343,553	4,283,868
Purchase of tangible capital assets	-	(989,673)	(181,777)
	-	3,353,880	4,102,091
<b>INCREASE (DECREASE) IN NET FINANCIAL ASSETS</b>	-	(41,259)	402,547
<b>NET FINANCIAL ASSETS - BEGINNING OF YEAR</b>	3,118,770	3,118,770	2,716,223
<b>NET FINANCIAL ASSETS - END OF YEAR</b>	\$ 3,118,770	\$ 3,077,511	\$ 3,118,770

The accompanying notes are an integral part of these financial statements



**CENTRAL REGIONAL SERVICE BOARD****Statement of Cash Flows****Year Ended December 31, 2019**

	2019	2018
<b>OPERATING ACTIVITIES</b>		
Annual Deficit	\$ (3,395,139)	\$ (3,699,544)
Item not affecting cash:		
Amortization of tangible capital assets	4,343,553	4,283,868
	<b>948,414</b>	584,324
Changes in non-cash working capital:		
Accounts receivable	776,219	(217,837)
Accounts payable	(212,413)	377,019
Landfill closure and post closure care	286,000	143,000
	<b>849,806</b>	302,182
Cash flow from operating activities	<b>1,798,220</b>	886,506
<b>CAPITAL ACTIVITY</b>		
Purchase of tangible capital assets	(989,673)	(181,777)
Purchase of long term assets	(684,556)	(883,948)
Proceeds from sale of long term assets	776,362	165,000
Addition to long term receivable	(112,233)	-
Cash flow used by capital activity	<b>(1,010,100)</b>	(900,725)
<b>FINANCING ACTIVITIES</b>		
Deferred capital reserve	55,457	-
Repayment of long term debt	(150,000)	(150,000)
Cash flow used by financing activities	<b>(94,543)</b>	(150,000)
<b>INCREASE (DECREASE) IN CASH FLOW</b>	<b>693,577</b>	(164,219)
Cash - beginning of year	694,164	858,383
<b>CASH - END OF YEAR</b>	<b>\$ 1,387,741</b>	\$ 694,164
<b>CASH CONSISTS OF:</b>		
Cash - operating bank account	\$ 1,103,728	\$ 410,151
Cash - capital bank account	284,013	284,013
	<b>\$ 1,387,741</b>	<b>\$ 694,164</b>

The accompanying notes are an integral part of these financial statements

# CENTRAL REGIONAL SERVICE BOARD

## Notes to Financial Statements

Year Ended December 31, 2019

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### 1. Nature of operations

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

The Board is exempt from income tax under the Income Tax Act of Canada and is designated a municipality under the Excise Tax Act of Canada.

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### 2. Summary of significant accounting policies

#### Basis of Presentation

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

#### Basis of Accounting

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

#### Cash and cash equivalents

Cash includes cash and cash equivalents. Cash equivalents are investments in treasury bills and are valued at cost plus accrued interest. The carrying amounts approximate fair value because they have maturities at the date of purchase of less than ninety days.

#### Non Financial Assets

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They have useful lives extending beyond the current year and are not intended for sale in the ordinary course of operations. The change in non-financial assets during the year, together with the excess of revenues over expenses, provides the change in net financial assets for the year.

#### Revenue recognition policy

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

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

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# CENTRAL REGIONAL SERVICE BOARD

## Notes to Financial Statements

Year Ended December 31, 2019

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### 2. Summary of significant accounting policies *(continued)*

#### Landfill Closure and Post-closure Care

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

#### Tangible capital assets

Tangible capital assets are recorded at cost which includes all amounts that are directly attributable to the acquisition, construction, development or betterment of the asset. Assets under construction are not amortized until the asset is put into use and one-half of the annual amortization is charged in the year of acquisition and in the year of disposal. The cost, less residual value, of the tangible capital assets is amortized on a straight-line basis over their estimated useful lives as follows:

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

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

#### Financial instruments policy

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

#### Use of Estimates

The preparation of financial statements in conformity with Canadian generally accepted accounting principles for the public sector requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from these estimates.

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**CENTRAL REGIONAL SERVICE BOARD****Notes to Financial Statements****Year Ended December 31, 2019****3. Accounts receivable**

	2019	2018
Operating	\$ 1,437,899	\$ 2,633,912
Harmonized sales tax	243,541	215,787
	<b>1,681,440</b>	2,849,699
Allowance for Doubtful Accounts	<b>(153,875)</b>	(545,915)
	<b>\$ 1,527,565</b>	\$ 2,303,784

**4. LONG TERM RECEIVABLE**

	2019	2018
Long-term portion of receivable from Dump Depot Waste Disposal to be recovered in December 2021.	\$ 112,233	\$ -

**5. Long term investments**

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

	2019	2018
Capital projects	\$ 374,559	\$ 372,085
Capital reserve - Landfill equipment	914,523	550,545
Capital reserve - Collection equipment	1,107,117	1,510,161
Capital reserve - Landfill construction	1,079,592	1,058,259
Capital reserve - Landfill close and post closure	884,313	863,632
Vendor security bond	118,135	115,362
	<b>\$ 4,478,239</b>	\$ 4,470,044

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

Capital reserves relates to replacement of equipment, collection trucks and landfill cell construction and capping. The board reserved \$684,556 including interest in 2019 for its capital reserve. During the year, \$776,362 was drawn down from the collection trucks reserve.

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

**6. Accounts payable and accrued liabilities**

	2019	2018
Accounts payable and accrued liabilities	\$ 467,126	\$ 624,846
Wages payable	-	48,898
Contract security to vendor	118,135	115,362
Employee deductions payable	13,049	21,616
	<b>\$ 598,310</b>	\$ 810,722

# CENTRAL REGIONAL SERVICE BOARD

## Notes to Financial Statements

Year Ended December 31, 2019

### 7. Deferred income

Deferred income relates to funds advanced from the Department of Municipal Affairs for future operating expenditure related to water specialist funding.

### 8. Long term debt

	2019	2018
Bank of Montreal loan bearing interest at 2.51% per annum, repayable in monthly principal payments of \$12,500 plus interest. The loan matures on November 30, 2035 and is secured by a government guarantee by the Province of Newfoundland and Labrador.	\$ 2,387,500	\$ 2,537,500
Amounts payable within one year	(150,000)	(150,000)
	<b>\$ 2,237,500</b>	<b>\$ 2,387,500</b>

Principal repayment terms are approximately:

2020	\$ 150,000
2021	150,000
2022	150,000
2023	150,000
2024	150,000
Thereafter	<u>1,487,500</u>
	<b>\$ 2,237,500</b>

### 9. Landfill closure and post-closure care

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

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

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

As of December 31, 2019, cash reserves of \$884,313 (2018 - \$883,632) (Note 4) were set aside for closure and post-closure activities. The Board recognizes a future liability for closure and post-closure care costs. The liability is based on the best available information at the reporting date, which include estimated total capacity of the landfill, estimated capacity used and expected future cash outflows as outlined in the Board's proactive closure plan. The amount estimated and accrued at December 31, 2019 for the current year closure and post-closure liability is \$286,000 (2018 - \$143,000). The total amount accrued for future liability for closure and post-closure care costs is \$1,287,000 (2018 - \$1,001,000).

# CENTRAL REGIONAL SERVICE BOARD

## Notes to Financial Statements

Year Ended December 31, 2019

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### 10. Deferred capital reserve

Deferred capital reserve relates to funds received from the Western Regional Service Board during 2019 as a reserve for equipment replacement. No funds from the reserve were utilized during the year.

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### 11. Financial instruments

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

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### 12. Disposal fees

	2019	2018
Disposal	\$ 5,931,844	\$ 5,545,178
Sale of recyclable materials	459,977	410,923
	\$ 6,391,821	\$ 5,956,101

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### 13. Other revenue

	2019	2018
Water specialist grant	\$ 60,000	\$ 77,500
Revenue - enforcement officer MMSB	-	67,500
Other	129,338	6,082
	\$ 189,338	\$ 151,082

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### 14. Subsequent event

On March 11, 2020, the World Health Organization assessed the coronavirus outbreak (COVID-19) as a pandemic. The outbreak has resulted in governments worldwide enacting emergency measures to combat the spread of the virus. These measures, which include the implementation of travel bans, self-imposed quarantine periods and social distancing, have caused material disruption to businesses globally resulting in an economic slowdown. The extent to which COVID-19 impacts the future financial results of Central Regional Services Board will depend on future developments, which are highly uncertain and cannot be predicted, including new information which may emerge concerning the severity of COVID-19 and actions taken to contain the virus or its impact, among others.

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**CENTRAL REGIONAL SERVICE BOARD  
SCHEDULE OF TANGIBLE CAPITAL ASSETS  
YEAR ENDED DECEMBER 31, 2019**

**SCHEDULE 1**

<b>Cost</b>	<b>Land and Land Improvements</b>	<b>Buildings and Leasehold Improvements</b>	<b>Motor Vehicles and Heavy Equipment</b>	<b>Asphalt and Parking Areas</b>	<b>Furniture and Fixtures</b>	<b>Computers and Data Management</b>	<b>2019</b>	<b>2018</b>
Opening costs	15,116,761	27,967,513	17,859,977	11,840,763	150,112	751,536	73,686,662	73,504,885
Additions during the year	-	-	974,849	-	-	14,824	989,673	181,777
Disposals and write downs	-	-	-	-	-	-	-	-
Closing costs	<b>15,116,761</b>	<b>27,967,513</b>	<b>18,834,826</b>	<b>11,840,763</b>	<b>150,112</b>	<b>766,360</b>	<b>74,676,335</b>	<b>73,686,662</b>
<b>Accumulated Amortization</b>								
Opening accum'd amortization	600,086	6,879,085	8,901,077	7,741,326	150,112	751,536	25,023,222	20,739,354
Amortization	194,783	1,118,701	1,844,141	1,184,075	-	1,853	4,343,553	4,283,868
Disposals and write downs	-	-	-	-	-	-	-	-
Closing accum'd amortization	<b>794,869</b>	<b>7,997,786</b>	<b>10,745,218</b>	<b>8,925,401</b>	<b>150,112</b>	<b>753,389</b>	<b>29,366,775</b>	<b>25,023,222</b>
<b>Net Book Value of Tangible Capital Assets</b>	<b>14,321,892</b>	<b>19,969,727</b>	<b>8,089,608</b>	<b>2,915,362</b>	<b>-</b>	<b>12,971</b>	<b>45,309,560</b>	<b>48,663,440</b>

The accompanying notes are an integral part of these financial statements

CENTRAL REGIONAL SERVICE BOARD  
STATEMENT OF OPERATIONS BY PROGRAM  
YEAR ENDED DECEMBER 31, 2019

SCHEDULE 2

	Disposal Program		Collection Program		Capital		Total	
	2019	2018	2019	2018	2019	2018	2019	2018
<b>REVENUE</b>								
Collections	-	-	\$ 1,425,411	\$ 1,397,900			\$ 1,425,411	\$ 1,397,900
Disposal	\$ 6,391,821	\$ 5,956,101					6,391,821	5,956,101
Interest					68,074	155,764	68,074	155,764
Other	189,338	151,081					189,338	151,081
<b>Total revenue</b>	<b>6,581,159</b>	<b>6,107,182</b>	<b>1,425,411</b>	<b>1,397,900</b>	<b>68,074</b>	<b>155,764</b>	<b>8,074,644</b>	<b>7,660,846</b>
<b>EXPENSES</b>								
Advertising	17,279	31,744	8,190	9,373	-	-	25,469	41,118
Amortization					4,343,553	4,283,868	4,343,553	4,283,868
Bad debt	142,693	544,160					142,693	544,160
Insurance	240,312	206,528	20,000	18,000			260,312	224,528
Interest and bank charges	13,147	15,192					13,147	15,192
Interest on long term debt	61,942	66,208					61,942	66,208
Landfill closure and post closure	286,000	143,000					286,000	143,000
Environment landfill expenses	69,727	17,478	20,658	20,714			90,385	38,193
Household hazardous waste handling	59,210	35,617					59,210	35,617
Material recycling facility	1,394,744	1,497,596					1,394,744	1,497,596
Membership	2,394	1,217					2,394	1,217
Office	43,113	38,658		21			43,113	38,679
Professional fees	140,065	168,312					140,065	168,312
Professional fees - special audit	12,500	-					12,500	-
Repairs and maintenance	860,504	833,438	298,290	228,404			1,158,794	1,061,842
Salaries and wages	1,989,045	1,888,715	672,705	547,405			2,661,750	2,436,120
Telephone	81,722	73,136	7,537	8,736			89,259	81,872
Fuel and related transportation services	85,678	136,212					85,678	136,212
Travel	27,783	26,546	40	87			27,823	26,634
Utilities	133,277	96,122					133,277	96,122
Vehicle	196,892	190,670	240,783	233,231			437,675	423,901
	<b>5,858,027</b>	<b>6,010,551</b>	<b>1,268,203</b>	<b>1,065,972</b>	<b>4,343,553</b>	<b>4,283,868</b>	<b>11,469,783</b>	<b>11,360,391</b>
<b>Surplus (Deficit) per Statement of Operations</b>	<b>723,132</b>	<b>96,631</b>	<b>157,208</b>	<b>331,928</b>	<b>(4,275,479)</b>	<b>(4,128,104)</b>	<b>(3,395,139)</b>	<b>(3,699,544)</b>
Capital reserve allocation (See Note 4)								
Equipment	304,097	331,352	350,000	329,000	-	-	654,097	660,352
Landfill construction	41,987	200,564	-	-	-	-	41,987	200,564
	<b>346,084</b>	<b>531,916</b>	<b>350,000</b>	<b>329,000</b>	<b>-</b>	<b>-</b>	<b>696,084</b>	<b>860,916</b>
<b>Surplus (Deficit) after capital reserve allocation</b>	<b>\$ 377,048</b>	<b>\$ (435,285)</b>	<b>\$ (192,792)</b>	<b>\$ 2,928</b>	<b>\$ (4,275,479)</b>	<b>\$ (4,128,104)</b>	<b>(4,091,223)</b>	<b>(4,560,460)</b>

The accompanying notes are an integral part of these financial statements