



Future Forward.



About Divert NS

For more than 20 years, Divert NS has helped drive the culture of recycling in Nova Scotia. In addition to operating two recycling programs - for beverage containers and used tires - we work in partnership with business, like-minded environmental organizations, government and academia to foster stewardship, fund innovation, educate Nova Scotians, and support municipal waste programs province-wide. Divert NS is always looking for opportunities to improve our province's environment and economy. We believe Nova Scotians are ready to take on the challenge of changing our culture from one that recycles to one that refuses to waste.



Our Mandates

- Develop and implement industry stewardship programs
- Fund municipal or regional diversion programs
- Develop and operate a deposit-refund system for beverage containers
- Develop education and awareness of source reduction, reuse, recycling and composting
- Promote the development of value-added manufacturing in the province.

Our Mission

To work with Nova Scotians to improve our environment, economy and quality of life by reducing, reusing, recycling and recovering resources.

Our Pillars

- **Stewardship:** foster industry stewardship to reduce or divert waste from landfill and encourage Nova Scotia's culture of refusing to waste.
- **Innovation:** enable new opportunities and approaches to waste diversion and reduction.
- **Catalyst for Change:** create relationships built on trust, lead by example, and bring together environmental change-makers.

CEO Message

This was a year of laying groundwork, rebuilding and focussing on the journey ahead. A time to take a future-forward view of Divert NS' evolving role as we continue to deliver more efficient and innovative ways of reducing waste in our province.

An integral part of our evolution is Divert NS' new Strategic Plan, which was the focus of much work this year and will be ready to launch in 2020. The five-year plan includes working more closely with municipalities to help them increase the efficiency of their facilities and programs, greening Divert NS' operations to reduce our carbon footprint, and driving greater innovation and efficiencies in our depot system. The Strategic Plan will also see us taking a stronger advocacy and leadership role on critical issues such as plastic waste and packaging. Consultation with our stakeholders this year confirmed that Divert NS is a trusted leader in waste diversion, and we look forward to taking on that expanded advocacy role.

Divert NS continued to build important relationships with like-minded partners this year. Our Discovery Centre sponsorships, annual Mobius Awards and continuing Summit Series helped Divert NS build deeper connections, expand our reach and reinforce our leadership role in the waste diversion sphere. Our focus on 'Reduce' remained a primary theme in Divert NS' education and communications efforts. For a second year, our 'Reduce' advertising and social media campaigns targeted Nova Scotians with important messages about single-use plastics and food waste. The campaign's reach and the public response were very encouraging.

Divert NS' financial and operational performance was strong in 2019-20, with total revenues of almost \$60 million. Our beverage container recycling system – the economic driver of our business – created just over \$47 million in revenues. The tire collection program also had a solid year: 1.4 million passenger tire equivalents were diverted from landfills, with 112,514 of those tires used as tire-derived fuel for a pilot project at Lafarge's

CEO Message



cement plant in Brookfield. We also had unexpected surplus net resources this year. \$450,000 of these excess funds were directed to the Discovery Centre for an exciting new partnership that will see the development of the “Divert NS Ocean Action Zone” exhibit and education initiatives for students, and to support the Clean Foundation’s “Clean Leaders” internship program.

Like many organizations in Nova Scotia, our operations were impacted by the COVID-19 pandemic, which struck at the end of the fiscal year. Although our planning and operations were interrupted, we will continue to adapt to ensure we protect our employees and partners. We anticipate that going forward, our revenues, processes and operations in 2020-21 will be affected by the pandemic. However, predicting the breadth and scope of these impacts is challenging. Divert NS has a strong financial foundation, deep experience and an exceptional network of employees, partners and stakeholders. I’m very optimistic that Divert NS has a robust future.

I want to thank our inspiring Divert NS employees who work tirelessly to deliver our mission and waste diversion goals. I’d also like to thank our board of directors for their continued counsel, guidance and steady governance.

On behalf of the board of directors and the employees of Divert NS, I am pleased to present this annual report for the fiscal year ended March 31, 2020.

Jeff MacCallum
CEO, Divert NS

Innovation.

Investing in future-forward solutions for today's waste challenges.

Too many waste materials end up in landfills simply because we do not yet have a way to reduce, reuse or recycle them. Divert NS provides funding to businesses, municipalities, and university students across Nova Scotia to explore new approaches to waste diversion and reduction.

Lobster Shells and Laying Hens

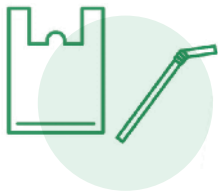
Meteghan-based processor Riverside Lobster has hatched a novel use for lobster shells. The company worked with St. Laurent Gulf Products Ltd. and Dalhousie University's Faculty of Agriculture to show that processed lobster shells can be used as a substitute source of calcium in the feed for laying hens. This year, Divert NS approved a \$8,515 contribution to Riverside Lobster to help them complete final testing for their CFIA application to add lobster shells to the list of approved dietary ingredients for livestock.



Turning Waxed Cardboard into Fire Logs

Waxed cardboard's water-repelling properties make it a popular choice for transporting food products. But the same qualities that make it useful for keeping moisture out also make it hard to decompose. That means some municipalities don't allow it in their organics stream, and instead landfill it as waste. Dartmouth's LakeCity Woodworkers is developing a prototype fire log made from waxed cardboard and waste wood materials. Divert NS provided \$35,000 to LakeCity to research and develop safe manufacturing procedures and production methods to create a value-added fire log that diverts waxed cardboard and wood waste from the landfill.





Funding Innovation

From straws to bags to packaging, single-use plastic waste poses an increasing threat to our local ecosystems. This year, Divert NS funded studies that will help reduce food waste, and help turn the rising tide of plastic waste.

Divert NS Summit Series: Connecting People and Ideas

Plastic Packaging Reduction Summit

As part of its ongoing summit series, Divert NS brought together leaders from the grocery, restaurant, and retail sectors, along with government and environmental stakeholders to share best practices and explore ways to reduce plastic packaging. In March, representatives from industry – including Loblaw Companies Ltd., Walmart Canada, and Sobeys – discussed their companies' efforts to reduce plastic packaging and food waste, as well as the importance of extended producer responsibility.



Thermal Treatment Summit

In May, Divert NS and Nova Scotia Environment hosted the Thermal Treatment Summit: Technology for Resource Recovery. The event was designed to educate attendees about new clean technologies and processes. It also highlighted jurisdictions that have adopted these technologies, and provided evidence on their success and lessons learned.

“Industry players, food retailers, and government coming together like this to find solutions at all levels across the supply chain is key.”

- Violet MacLeod, Sobeys

Innovation

“Nova Scotia businesses must begin to take action towards reducing waste. Plastic consumption at all levels of production and distribution are at unacceptable levels, and food waste is a key issue to tackle.”



– Maria Duynisveld

Champions of the Environment – We all win

Each year, Divert NS offers up to \$20,000 in scholarships to Grade 12 students across the province who exemplify leadership and demonstrate a commitment to protecting our environment. Students submit an essay on a waste management topic and an overview of their involvement in environmental activities.

\$5,000 Provincial Scholarship Winner from Colchester, Cumberland and East Hants: MARIA DUYNISVELD, Pugwash District High

\$2,500 Regional Scholarship Winner for Cape Breton: FINLAY KOROL-O'DWYER, Riverview Rural High in Sydney

\$2,500 Regional Scholarship Winner for Antigonish, Guysborough and Pictou: SARAH CAMPBELL, Northumberland Regional High in Westville

\$2,500 Regional Scholarship Winner for Halifax: LOGAN ODERKIRK, Sackville High

\$2,500 Regional Scholarship Winner for South Shore and West Hants: IRAWATI KHEDKAR, Parkview Education Centre in Bridgewater

\$2,500 Regional Scholarship Winner for Digby and Yarmouth: LAYLA ABBOUD, École secondaire de Clare in La Butte

The Zero Waste Pod

Dartmouth-based Outcast Foods Inc. (formerly Beyond Food Inc.) aims to reduce food waste at the retail level through an innovative process that takes aging fruits and vegetables and transforms them into fine powder that can be used as an all-natural, nutritious ingredient in food manufacturing. Divert NS approved a \$54,750 contribution to Outcast Foods for a one-year project to optimize their process and pilot their Zero Waste Pod with a grocery chain. Outcast Foods also received a 2019 Innovator of the Year Mobius Award for developing this unique solution that diverts grocery and farm waste from the landfill.



Stewardship.

Championing a future-forward approach to recycling and environmental leadership.

Lafarge Used-Tire Pilot Project

In August, the first shipment of used tires arrived at Lafarge's plant in Brookfield as part of a one-year pilot project to use tire-derived fuel in the cement-making process. Should the pilot prove successful, Lafarge will continue to receive used tires under their multi-year agreement with Divert NS. In fiscal year 2019-20, 112,514 used tires were diverted for use as a fuel source.



112,514

used tires were diverted
for use as a fuel source

Counting On Accuracy

The integrity of our deposit-refund program depends on the accuracy of container counts. The control process randomly selects bags of beverage containers for audit and quality-control counting at our Kemptown facility. The objective: achieve + or - 2% accuracy. This year our depot partners scored a -1.2 % variance – an excellent result. Our Enviro-Depot™ partners' engagement and participation are key to the quality control process. Plus, they benefit by using the results to monitor their operations and streamline their business practices.

Depot Day – Sharing Best Practices

Depot Day is a networking event for Enviro-Depot™ owners/operators to come together for professional development and information sharing. In October, Divert NS hosted Depot Day with 46 attendees, representing 27 depot locations. In addition to updates from Divert NS departments, presentations included:

- Enviro-Depot™ Funding
- Bookkeeping for Small Businesses, Developing Best Practices and Good Habits, & Cloud Accounting
- Depot Improvements: Dealing with Contractors
- HR Support for Small Business

Stewardship

A Winning Attitude To Enviro-Depot™ Knowledge

Each year, Divert NS holds an Enviro-Depot™ Contest to raise awareness about the beverage container deposit-refund program, and to encourage Nova Scotians to visit their local Enviro-Depot™. This year we received 2,317 entries; this was slightly down compared to last year, but understandable as the contest dates coincided with the start of the COVID-19 pandemic.



2020 Enviro-Depot™ Contest Winners

\$500



Grand Prize Winner -
Joan Pemberton, Ellershouse

\$250

1st runner-up winner -
Christine Hirtle,
West Northfield

2nd runner-up winner -
Sherry McCallum,
Salmon River

Waste Reduction Week: Reducing Single-Use Items

Waste Reduction Week and Small Business Week coincide each year in October. To celebrate both events, Divert NS partnered with the municipal solid waste management regions to host 17 *Reduce Single-Use Workshops* across the province. We invited local businesses to learn ways to reduce single-use items and share their successes in reducing waste. Businesses also learned simple steps they can take to help customers make better choices for our environment – and stop waste before it starts.



Enforcement + Compliance - Keeping a Watch on Waste

Divert NS provides \$700,000 annually in enforcement funds for the seven solid waste regions across the province. The funding is used for activities such as investigating illegal dumping, auditing waste at facilities and undertaking compliance activities with residents and businesses on waste management. In November, we hosted the Annual Enforcement Meeting with 30 enforcement and compliance stakeholders from across the province.



Catalyst for Change.

Shaping a future-forward culture of waste reduction and diversion.

Divert NS continues to deliver education and awareness programs province-wide to encourage Nova Scotians to reduce, reuse, recycle and compost. Campaigns developed in 2019-2020 emphasized the “Reduce” theme, focusing on single-use plastics and food waste.



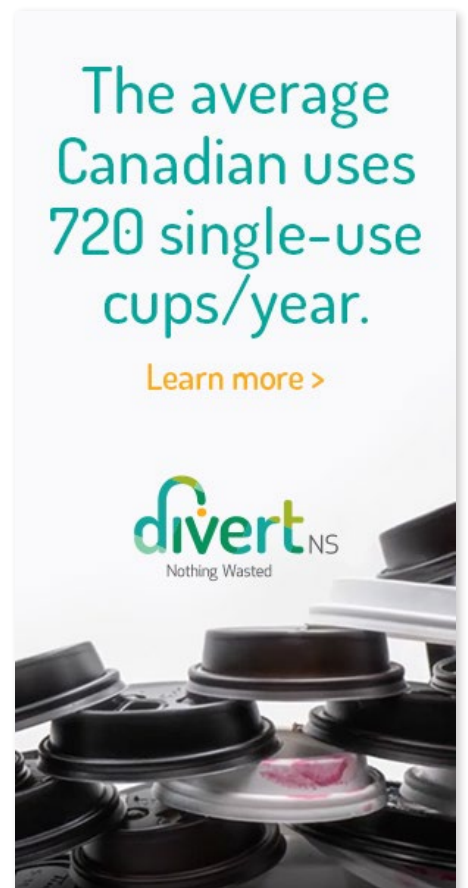
In Canada, up to 15 billion plastic bags are used every year, almost 57 million straws are used daily. The little things we do each day can be either big problems or big solutions for our environment. The choice is ours! #NothingWasted #RefuseToWaste

Recyclables Get A Fresh Start

In August, Divert NS ran a two-week social media campaign to build awareness about the Beverage Container Deposit-refund program and encourage Nova Scotians to return their empty beverage containers to an Enviro-Depot™ for a refund – and a fresh start. The campaign garnered over 188,400 viewers and drove more than 1,125 users to our website.

“Reduce” Campaign – Getting The Message

From October 2019 to February 2020, Divert NS continued its province-wide, multi-year ‘Reduce/Refuse’ awareness campaign with online digital ads, social media ads, cinema placements and radio spots that garnered over 11 million impressions.



Catalyst for Change

“Winning the Mobius Award helps us confirm we’re on the right path. It’s an opportunity for our people to recognize the good things we’re doing here to divert waste.”

Trevor Hunt, Environment and Protection Manager – Michelin, Pictou County.
Mobius Award Winner, Large Business of the Year

Mobius Awards – Inspiring Ideas

For over two decades, Divert NS has celebrated and recognized the achievements of Nova Scotians who are innovators in reducing and diverting waste. The annual Mobius Awards bring together the province’s environmental elite from businesses, government, organizations and communities. In October, 177 guests gathered to salute the 2019 Mobius Awards recipients and their inspiring work. The event featured an insightful keynote speech from entrepreneur Andrew Isaac Thornton, owner of Thornton’s Budgens supermarket in London, England, and the founder of Heart in Business Limited. Thornton’s Budgens is one of the first supermarkets in the world to introduce completely plastic-free zones throughout the store. Thornton’s vision of a future business world that puts people and the planet first truly resonated with the awards crowd.



2019 MOBIUS WINNERS

Small Business of the Year: Be aMAZEd Art Maze, Bridgewater

Large Business of the Year: Michelin, Pictou County

Community Project of the Year: Wolfville Farmers’ Market

Institution of the Year: The Sisters of St. Martha, Antigonish

Innovator of the Year: Beyond Food Inc., Halifax

Emerging Environmental Leader: Dylan Yates, Glace Bay

Hall of Fame: Lise LeBlanc, Lower Sackville



Reduce Food Waste

Food waste is a growing problem. A 2017 waste audit led by Divert NS showed that food makes up 11.5% of Nova Scotia's landfills. It puts a strain on our environment – and our wallets. It is estimated that wasted food costs the average Canadian household \$1,100 per year.

Getting Schooled On The New 3Rs

Divert NS develops curriculum-based lesson plans tailored to the learning outcomes for Grades Primary to 6 in Nova Scotia. These fun, interactive plans help teach youth about the importance of reducing, reusing and recycling – and inspire students to become environmental champions. In February, we added three new learning experiences that focus on refusing to waste. The involvement of staff from Mi'kmawey Green Communities Program in the project was instrumental in weaving Mi'kmaw culture into the lesson plans.



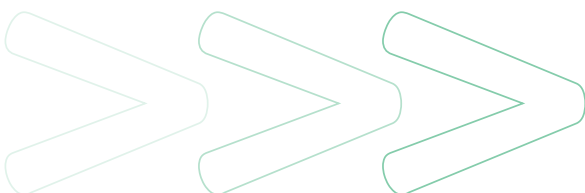
Food Waste: The Journey from Mother Earth to Table (Grade 4)

The Reduce through Upcycling Challenge (Grade 6)

Single-Use Plastic: From Producer to "Pro Reducer"

Beverage Containers: Where Do They Go?

Many Nova Scotians have told Enviro-Depot™ owners that recycling did not matter because it all ended up in the landfill. This year we created an infographic to educate stakeholders about what really happens to the beverage containers returned to Enviro-Depots. We shared it via social media and made signs for depots and municipalities to share with their customers and the public.



Catalyst for Change

Survey Says... Nova Scotians Are Engaged

In August 2019, Divert NS surveyed Nova Scotians on their shopping habits and environmental actions, and if they saw our Reduce/Refuse campaign ads from the winter of 2018-2019. The survey revealed that at that time, Nova Scotians were most concerned about: single-use plastics, excess packaging, how waste is processed, water/ocean pollution, and the environmental impacts of pollution in general. Respondents also saw themselves as having a personal role in reducing waste, and believed individual actions have an impact.

Nova Scotians placed personal importance on reduction and recycling, believed individual actions have an impact on the future, and generally felt they were reusing as much as possible:

73%

highly agreed that reducing waste and recycling was important to them

72%

agreed that an individual's environmental actions will have an impact on the future



Nova Scotians clearly felt that greater importance was placed on reducing waste and recycling than in decades past:

77%

felt reducing and recycling was more important today compared to 20 years ago.

The vast majority of Nova Scotians had been exposed to advertisements focusing on reduction of plastics and food waste:

75%

of residents saw or heard such advertisements, videos or messaging in the past year.

Nova Scotians were making conscious decisions to use reusable shopping bags and packaging:

87%

of Nova Scotia residents were using reusable shopping bags when shopping for groceries

45%

always considered potential food waste during grocery shopping

However:

62%

of residents rarely or never used reusable mugs when buying take-out coffee/beverages

Bicycle Tire Recycling: Driving Results

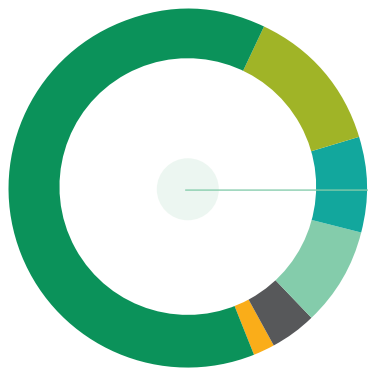
Our summer 2019 social media campaign encouraged Nova Scotians to recycle their bicycle tires at local participating shops. Campaign ads ran on Facebook, Instagram and through Google Search. The results? The campaign drove 905 users to our website and the list of participating bicycle shops was downloaded 206 times.



Accomplishments.

Counting on Success: Our Accomplishments in 2019-20

Municipal + Regional Diversion Programs



\$8 Million

in funding to 50 municipalities

\$5.06 Million

in diversion credit funding (to Nova Scotia's 50 municipalities for diversion credits and funding for local recycling, composting and other programs)

\$1.05 Million

for Municipal Approved Program (MAP)

\$700,000

for enforcement funding

\$700,000

distributed towards regional education contracts

\$342,443

for regional chairs and coordinators to meet about waste management activities

\$140,000

for household hazardous waste collection

Beverage Program



Divert NS collects beverage containers through a network of 78 Enviro-Depots and mobile service locations across the province. This system has enabled Nova Scotia to achieve one of the highest redemption rates in the country at approximately 81%.

484 Million

containers on which deposits were received (463 million in 2019)

392 Million

containers returned for recycling (384 million in 2019)

80.9%

Recovery rate (82.9 % in 2019)

426.1 Tonnes

CO₂ reduction in greenhouse gas emissions from using compaction trailers

-1.2%

Variance in container counts from Enviro-Depots (quality control target is -2 to +2 %)

Accomplishments

Education and Awareness



Divert NS works closely with our partners province-wide to encourage Nova Scotians to reduce, reuse, recycle and compost.

\$139,841

to support Clean Foundation and Adopt-A-Highway programs

\$17,500

awarded in scholarships

97,085

visits to Divert NS websites

74,363

Nova Scotians reached through regional education contract initiatives

Enforcement Results



Divert NS provides funding to the seven waste management regions for enforcement activities such as investigating illegal dumpsites, improving compliance with residents and businesses, auditing waste at facilities, and issuing warnings and tickets.

843

Illegal dumps site reports

7,848

Inspections and audits

532

Offense tickets issues

4

Court convictions

Used Tire Management Program



Through this program, approximately 88% of the 1.5 million Passenger Tire Equivalents sold in Nova Scotia are recovered each year.

980

Registered tire retailers in the province

1.4 Million

passenger tire equivalents collected (1.3 million in 2019)

89.7%

Recovery rate (82.6% in 2019)

Bicycle Tire Recycling Program



2,550

Bicycle tires and tubes collected

29

Bicycle shops participating in program

Accomplishments

Promote the Development of Value-Added Manufacturing

We actively support projects designed to commercialize new technology, products or services to repurpose waste-resources. We support research and develop that drives innovation in the solid waste sector, with focus areas that include increased diversion, enhanced end markets, or increased efficiency of existing diversion processes.



\$127,430

approved in Research and Development Program funding

4

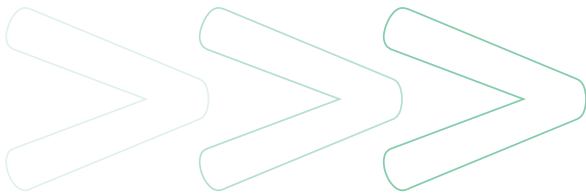
research and development projects approved

\$58,432

funding Student R&D Grants

5

Student R&D Grants approved



Municipal Program Success*

110,000 Tonnes

of organic waste collected through residential, commercial and institutional collection at municipal composting facilities

119,000 Tonnes

of construction and demolition waste diverted from disposal at landfills

44,000 Tonnes

of recyclable material marketed through municipal curbside programs

* supported through Divert NS funding and programs 2018-2019
statistics provided by Nova Scotia Environment

To the Board of Directors of the Resource Recovery Fund Board Inc. and Resource Recovery Fund (operating as Divert NS)

Opinion

We have audited the accompanying combined financial statements of the Resource Recovery Fund Board Inc. and Resource Recovery Fund (operating as Divert NS) ("Resource Recovery Fund"), which comprise the combined statement of financial position as at March 31, 2020, the combined statements of operations, changes in net resources, changes in net financial resources and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying combined financial statements present fairly in all material respects, the financial position of Resource Recovery Fund Board Inc. and Resource Recovery Fund (operating as Divert NS) as at March 31, 2020, and its results of operations, its changes in its net resources, and changes in net financial resources and cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

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

Other matter

Our audit was conducted for the purpose of forming an opinion on the combined financial statements taken as a whole. The schedule included on Page 16 is presented for purposes of additional information and is not a required part of the combined financial statements. Such supplementary information has been subjected to the auditing procedures applied, only to the extent necessary to express an opinion, in the audit of the combined financial statements taken as a whole.

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

Management is responsible for the preparation and fair presentation of these combined 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 combined financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Financial Statements

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

Our objectives are to obtain reasonable assurance about whether the combined 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 our 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 combined financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the combined 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 our 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 Entity'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 Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the combined financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the combined financial statements, including the disclosures, and whether the combined financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We 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 we identify during our audit.

Truro, Canada
May 28, 2020

Grant Thornton LLP

Chartered Professional Accountants

Financial Statements

Combined Statement of Operations

Year ended March 31

	Budget 2020 (Note 10)	2020	2019
Revenues			
Deposits	\$ 46,357,000	\$ 47,188,918	\$ 45,284,263
Sales of recyclable materials (Note 11)	5,662,000	5,989,625	7,186,095
Tire program	6,165,000	5,695,373	6,474,787
Investment and other income	762,000	707,887	729,016
Rental income	188,000	187,940	184,810
Total revenues	59,134,000	59,769,743	59,858,971
Expenses			
Operating	46,052,000	46,433,456	45,430,202
Administrative	1,855,000	1,818,393	1,839,045
Other expenditures and funding:			
Approved program grants	1,200,000	1,081,761	1,061,835
Education and communication	2,062,000	1,819,348	1,525,621
Household hazardous waste program	140,000	140,000	112,000
Municipal enforcement program funding	700,000	700,000	700,000
Regional chairs and coordinators	346,000	342,443	332,453
Research, development and special projects	250,000	212,329	103,272
	52,605,000	52,547,730	51,104,428
Excess of revenues over expenses before allocations	6,529,000	7,222,013	8,754,543
Municipal solid waste diversion credits	4,570,300	5,055,409	6,128,180
Nova Scotia Environment (Note 8)	1,305,800	1,211,325	1,750,909
Excess net resources allocation	-	450,000	-
Excess of revenue over expenditures	652,900	505,279	875,454
Net resources, beginning of period	9,234,148	9,234,148	8,358,694
Net resources, end of period (Note 9 and 12)	\$ 9,887,048	\$ 9,739,427	\$ 9,234,148

See accompanying notes to the combined financial statements

Financial Statements

Combined Statement of Financial Position

March 31

	2020	2019
Financial assets		
Cash and cash equivalents	\$ 9,380,942	\$ 14,328,816
Receivables	6,368,063	6,218,970
Accrued receivables	843,328	730,582
Notes receivable (Note 3)	115,110	121,486
Investments (Note 4)	22,009,437	16,001,739
Inventory	126,874	82,803
	38,843,754	37,484,396
Financial liabilities		
Payables and accruals	1,921,692	2,098,406
Municipal solid waste diversion credits payable	8,139,926	7,487,251
Payable to Nova Scotia Environment (Note 8)	1,444,402	1,751,291
Unearned revenue	21,893,000	20,888,500
	33,399,020	32,225,448
Net financial resources	5,444,734	5,258,948
Non-financial assets		
Prepays	3,100	8,591
Tangible capital assets (Note 5)	4,291,593	3,966,609
	4,294,693	3,975,200
Net resources	\$ 9,739,427	\$ 9,234,148

Commitment (Note 7)
Subsequent event (Note 13)

On Behalf of the Board



Director



Director

See accompanying notes to the combined financial statements

Financial Statements

Combined Statement of Changes in Net Financial Resources

March 31

	Budget 2020 (Note 10)	2020	2019
Excess of revenue over expenditures	\$ 652,900	\$ 505,279	\$ 875,454
Purchase of tangible capital assets	(922,000)	(1,012,194)	(835,255)
Amortization of tangible capital assets	713,795	687,210	757,998
Proceeds on disposal of tangible capital assets	-	925	2,492
Gain on disposal of tangible capital assets	-	(925)	-
	(208,205)	(324,984)	(74,765)
Usage of prepaids	5,491	5,491	35,333
Increase in net financial resources	\$ 450,186	\$ 185,786	\$ 836,022
Net financial resources, beginning of year		\$ 5,258,948	\$ 4,422,926
Increase in financial resources		185,786	836,022
Net financial resources, end of year		\$ 5,444,734	\$ 5,258,948

See accompanying notes to the combined financial statements

Financial Statements

Combined Statement of Cash Flows

Year ended March 31

	2020	2019
Increase (decrease) in cash and cash equivalents:		
Operating		
Excess of revenue over expenditures	\$ 505,279	\$ 875,454
Amortization	687,210	757,998
Gain on disposal of tangible capital assets	(925)	-
	1,191,564	1,633,452
Change in non-cash operating working capital		
Receivables	(261,839)	(190,019)
Inventory	(44,071)	9,380
Prepays	5,491	35,333
Payables and accruals	169,073	618,379
Unearned revenue	1,004,500	202,200
	2,064,718	2,308,725
Capital		
Proceeds on disposal of tangible capital assets	925	2,492
Purchase of tangible capital assets	(1,012,194)	(835,255)
	(1,011,269)	(832,763)
Investing		
Purchase of investments, net	(6,000,000)	-
Interest in joint venture	(7,699)	1,560
Issue of notes receivable	(32,529)	(16,720)
Repayment of notes receivable	38,905	35,689
	(6,001,323)	20,529
Net (decrease) increase in cash and cash equivalents	(4,947,874)	1,496,491
Cash and cash equivalents, beginning of year	14,328,816	12,832,325
Cash and cash equivalents, end of year	\$ 9,380,942	\$ 14,328,816

See accompanying notes to the combined financial statements

1. Nature of operations

The Resource Recovery Fund Board Inc., operating as Divert NS ("Resource Recovery Fund"), is a not-for-profit organization established by the Nova Scotia government to develop and administer industry stewardship programs that increase waste diversion; enable the establishment of new industries based on the processing of materials diverted from the waste stream; and work in partnership with Nova Scotians to improve the province's environment, economy and quality of life by reducing, reusing, recycling and recovering resources.

Under regulation, all revenues earned are deposited to the Resource Recovery Fund, which is the property of the Province of Nova Scotia. All expenditures incurred by the Resource Recovery Fund Board Inc. to operate, administer and fulfil the mandates of the Province of Nova Scotia Solid Waste Management Strategy are expenditures of the Resource Recovery Fund. Accordingly, all assets, liabilities and net resources reported in these financial statements are the property of the Resource Recovery Fund and are held on behalf of the Province of Nova Scotia by the Resource Recovery Fund Board Inc.

2. Summary of significant accounting policies

Basis of presentation

The combined financial statements include the accounts of the Resource Recovery Fund Board Inc. and the Resource Recovery Fund. Significant inter-entity loans and transactions have been eliminated in these combined financial statements. These combined financial statements are the representations of management prepared in accordance with generally accepted accounting principles for provincial governments as established by the Canadian Public Sector Accounting Board (PSA) of Chartered Professional Accountants (CPA) Canada.

Use of estimates

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires the Resource Recovery Fund's management to make estimates and assumptions that affect the amounts of assets and liabilities and disclosure of contingent

liabilities at the date of the financial statements and reported amounts of revenue and expenditures during the year. Certain of these estimates require subjective or complex judgements by management that may be uncertain. Some of these items include allowance for doubtful accounts, amortization and unearned revenue. Actual results could differ from those reported.

Revenue recognition

Resource Recovery Fund follows the deferral method of accounting for revenue. Revenue is recognized in the month it is receivable (or received) if the amount can be reasonably estimated and collection is reasonably assured. Interest income is recognized as it is earned.

Tangible capital assets

Tangible capital assets are recorded at cost. Rates and bases of amortization applied to write-off the cost of tangible capital assets over their estimated lives are as follows:

Building	5%, straight-line
Paving	8%, straight-line
Field equipment	20%, straight-line
Processing equipment	12.5%, 20%, straight-line
Leasehold improvements	10%, straight-line
Office and warehouse equipment	20%, straight-line
Computer hardware and software	20%, 33 1/3%, straight-line
Containers	
• Bags	33 1/3%, straight-line
• Tubs	10%, straight-line
Vehicles	33 1/3%, straight-line
Trailers	14.2%, straight-line

When conditions indicate that a tangible capital asset no longer contributes to the Resource Recovery Fund's ability to provide goods and services, or that the value of future economic benefits associated with the tangible capital asset is less than its net book value, the cost of the tangible capital asset is reduced to reflect the decline in the asset's value. Write-downs are not reversed.

2. Summary of significant accounting policies (continued)

Inventory

Inventory is valued at the lower of cost and net realizable value.

Forgivable loans

The Resource Recovery Fund accounts for forgivable loans as conditional grants. The forgivable loans are non-interest bearing and are advanced with repayment not to be expected unless certain conditions are not met.

Unearned revenue and measurement uncertainty

Unearned revenue represents deposits received for beverage containers that have not been returned for redemption and fees received for tires which will be returned for disposal at a future date. Unearned beverage revenue is sixty (60) days' worth of revenue calculated on the last twelve (12) months' average daily revenue adjusted by the current year's return rate. Unearned tire revenue is calculated on the last three (3) years of tire revenue adjusted by the past six (6) years' average return rate. The actual revenue the Resource Recovery Fund may collect compared to the unearned revenue calculation is uncertain as the calculation is affected by the above management assumptions. However, in the past, the unearned revenue has remained consistent even with updated inputs for the calculation for each fiscal year. As a result, it is expected that the range of uncertainty for the unearned revenue is not significant.

Cash and cash equivalents

Cash and cash equivalents include cash on hand, balances with banks and short-term investments with maturity dates of 90 days or less. Bank borrowings are considered to be financing activities.

Foreign currency translation

The Resource Recovery Fund does not enter into foreign currency futures and forward contracts to reduce its exposure to foreign currency fluctuations. Monetary assets and liabilities denominated in foreign currencies are translated at the period end exchange rate. Revenue and expenditures denominated in foreign currencies are translated at the exchange rate prevailing at the time of the transaction. Translation gains or losses are recognized in the period in which they occur.

Budget figures

The budget figures contained in these combined financial statements were approved by the Board in its original fiscal plan.

Financial instruments

The Resource Recovery Fund classifies its financial instruments at amortized cost.

This category includes cash and cash equivalents, receivables, notes receivable, investments, payables and accruals and municipal solid waste diversion credits payable. They are initially recognized at cost and subsequently carried at amortized cost using the effective interest rate method, less any impairment losses on financial assets.

Management assesses each financial instrument to determine whether there is any impairment losses, if there are they are reported in the statement of operations.

Transaction costs related to financial instruments in the amortized cost category are added to the carrying value of the instrument.

There are no unrealized gains or losses, therefore, the statement of remeasurement gains and losses has not been presented.

Income taxes

The Resource Recovery Fund is exempt from income taxes under Section 149(1)(d) of the *Canadian Income Tax Act*.

Joint venture

The Resource Recovery Fund is part of a joint venture in the Canadian Association of Tire Recycling Agencies (CATRA). This investment is recognized using the modified equity method.

3. Notes receivable

	2020	2019
Non-interest bearing notes with variable payments, maturing between fiscal 2021 and 2029	\$ 115,110	\$ 121,486

4. Investments

Investments consist of the following:

- i) Loans receivable from the Province of Nova Scotia – Department of Finance. These loans are issued at interest rates ranging from 1.63% to 2.3% and mature as follows:

2021	2022	2023	2020 Total	2019 Total
\$ 4,000,000	\$ 10,000,025	\$ 4,000,000	\$ 18,000,025	\$ 16,000,025
ii) Principal protected notes, at cost, maturing in April 2024			4,000,000	-
iii) Joint venture with Canadian Association of Tire Recycling Agencies (CATRA)			9,412	1,714
Total investments			\$ 22,009,437	\$ 16,001,739

5. Tangible capital assets

	Cost	Accumulated Amortization	2020 Net Book Value	2019 Net Book Value
Land	\$ 294,100	\$ -	\$ 294,100	\$ 294,100
Field equipment	122,201	75,098	47,103	41,109
Processing equipment	462,060	364,982	97,078	150,252
Building	3,876,305	1,527,627	2,348,678	1,900,112
Paving	272,945	50,950	221,995	243,831
Office and warehouse equipment	322,728	262,384	60,344	81,001
Containers	1,242,722	948,871	293,851	205,634
Leasehold improvements	9,508	5,133	4,375	5,325
Computer hardware and software	578,727	565,092	13,635	33,441
Vehicles	65,643	31,432	34,211	7,516
Trailers	2,399,381	1,523,158	876,223	1,004,288
	\$ 9,646,320	\$ 5,354,727	\$ 4,291,593	\$ 3,966,609

6. Bank indebtedness

The Resource Recovery Fund has an operating credit facility of \$2,000,000 of which nil is used at March 31, 2020 (2019 – \$ nil). Interest is calculated at prime plus 0.5%.

7. Commitment

The Resource Recovery Fund has entered into agreements with specific organizations and businesses to provide funding for various recycling programs across Nova Scotia. At March 31, 2020, \$193,181 (2019 – \$399,004) of the restricted for approved programs resources has been committed under these agreements.

8. Related party transaction

The Resource Recovery Fund reimburses Nova Scotia Environment up to a maximum of 20% of the net revenues of the Fund for services and expenses incurred on the Resource Recovery Fund's behalf. During the year, a reimbursement expense of \$1,211,325 (2019 – \$1,750,909) was recorded. The total liability at the end of 2020 is \$1,444,402 (2019 – \$1,751,291).

9. Net resources

				2020	2019
	Invested in Capital Assets	Restricted	Unrestricted	Total	Total
Balance, beginning of year	\$ 3,966,609	\$ 1,779,076	\$ 3,488,463	\$ 9,234,148	\$ 8,358,694
(Deficiency) excess of revenues over expenditures	(686,285)	(250,473)	1,442,037	505,279	875,454
Transfers	1,011,270	979,650	(1,990,920)	-	-
Balance, end of year	\$ 4,291,594	\$ 2,508,253	\$ 2,939,580	\$ 9,739,427	\$ 9,234,148

Restricted funds represented by:

Committed funds (Note 7)	\$ 193,181
Future projects	2,315,072
	<u>\$ 2,508,253</u>

Net resources under the Resource Recovery Fund restricted for future projects, represents funds committed to approved programs and funds internally restricted for funding various future projects as approved and in accordance with the goals and objectives of the Resource Recovery Fund (Divert NS).

10. Budget figures

The budgeted figures presented are approved annually by the Board and represent planned revenues and expenses for entity wide operations. The budgeted figures presented are consistent with Public Sector Accounting Standards ("PSAS").

11. Financial instruments risk management

Credit risk

Credit risk is the risk of financial loss to the Resource Recovery Fund if a debtor fails to make payments when due. The Fund is exposed to this risk relating to its receivables and notes receivable.

Credit risk is mitigated by management's review of aging and collection of receivables, only 2.5% of receivables are over 60 days. The Fund recognizes a specific allowance for doubtful accounts when management considers the expected amounts to be recovered is lower than the actual receivable.

The Resource Recovery Fund is exposed to investment credit risk through its investments. The maximum exposure to investment credit risk is outlined in Note 4.

There have been no significant changes from the previous year in exposure to risk or policies, procedures and methods used to measure the risk.

Liquidity risk

Liquidity risk is the risk that the Resource Recovery Fund will encounter difficulty in meeting the obligations associated with its financial liabilities. The Resource Recovery Fund is exposed to this risk mainly in respect of its payables and accruals and municipal solid waste diversion credits payable. At balance date, the Resource Recovery Fund has available financial assets to meet these obligations and there was no significant change in exposure from the prior year.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of market factors. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk. The Resource Recovery Fund is mainly exposed to currency and price risk related to its sales of recyclable materials.

The currency risk is predominately US funds. The average US exchange rate was \$1.3308 for the twelve-month period. As at March 31, 2020 the receivables denominated in US currency were approximately \$566,089 (2019 - \$864,377).

The price risk is related to fluctuations in commodities. During the year commodity prices for PET and aluminium fluctuated by approximately 9.17%. This fluctuation could result in an increase or decrease of sales by approximately \$603,233. The Resource Recovery Fund participates in a national buying group on certain of its commodity sales to minimize the risk.

There have been no significant changes from the previous year in the exposure to risk or policies, procedures and methods used to measure the risk.

12. Excess Net Resources

As stipulated in the agreement with Nova Scotia Environment (NSE), the Board shall endeavour to limit its unrestricted net resources to 5% of gross revenues during any particular fiscal year. In the current year, unrestricted net resources exceeded 5% of gross revenues by \$48,907 (2019 - \$495,189). In the event that unrestricted net resources exceeds 5% of gross revenues by \$100,000 or more, the Board shall recommend to the Minister a proposed distribution of the excess. An excess net resources allocation in the amount of \$450,000 was distributed in fiscal 2020 as a result of the excess in 2019.

13. Subsequent event

Subsequent to year end the spread of COVID-19 has severely impacted many local economies around the globe. In many countries, including Canada, businesses are being forced to cease or limit operations for long or indefinite periods of time. Measures taken to contain the spread of the virus, including travel bans, quarantines, social distancing, and closures of non-essential services have triggered significant disruptions to businesses worldwide, resulting in an economic slowdown.

To date the impact on the company has been minimal. Beverage revenue was not adversely affected for the last month of the year and is not anticipated to decrease in the upcoming year. The organization's investments are comprised of promissory notes with the province (\$18 million) at locked in rates and the remainder (\$4 million) is held in principal protected notes which guarantees the principal upon maturity. Rental income is tied to a lease agreement that is in place for the next seven years.

13. Subsequent event (continued)

Some of the Enviro-depots have been advanced handling fees in the amount of \$151,639; these funds are repayable over the twelve months after the depot re-opens.

Divert NS has determined that these events are non-adjusting subsequent events. Accordingly, the financial position and operations as of the year ended March 31, 2020 have not been adjusted to reflect their impact. The duration and impact of the COVID-19 outbreak is unknown at this time, as is the efficacy of the government and central bank interventions. It is not possible to reliably estimate the length and severity of these developments and the impact on the financial results and condition of Divert NS in future periods.

14. Comparative figures

Certain of comparative figures have been adjusted to conform to changes in the current year presentation.

Combined Statement of Operating Expenses

Year ended March 31	Budget 2020 (Note 10)	2020	2019
Inventory, beginning of year	\$ 82,803	\$ 82,803	\$ 92,183
Amortization	280,000	289,708	293,020
Central processing expenses			
Amortization	142,200	117,557	121,987
Building	57,000	41,505	40,455
Forklift – maintenance and propane	18,000	22,550	14,412
Meetings and travel	24,500	22,994	12,379
Postage, delivery and office	1,300	1,357	903
Professional fees	25,000	13,657	-
Repairs and maintenance:			
Bulk bags and containers	18,000	1,000	940
Salaries and benefits	429,500	440,610	444,560
Shipping supplies	40,000	46,659	46,131
Telecommunications	8,000	5,345	6,101
Training	5,000	4,680	2,966
Vehicle	2,500	221	2,436
Deposit refunds	20,192,000	20,247,289	19,868,380
Enviro-Depot handling fees	17,710,000	17,673,568	17,004,872
Insurance	38,000	66,404	36,399
Local cartage	2,426,000	2,373,694	2,518,535
Non-deposit materials	52,000	48,337	48,845
Other	64,000	42,424	145,996
Regional processing	634,000	631,617	617,102
Used tire management program	3,885,000	4,386,351	4,194,403
	46,134,803	46,560,330	45,513,005
Inventory, end of year	82,803	126,874	82,803
	\$ 46,052,000	\$ 46,433,456	\$ 45,430,202

Combined Statement of Administrative Expenses

Year ended March 31

	Budget 2020 (Note 10)	2020	2019
Amortization	\$ 165,000	\$ 165,760	\$ 238,154
Bad debt	6,000	7,838	2,549
Bank charges and interest	14,500	13,169	13,990
Board fees and expenses	60,000	75,879	56,117
Building	180,000	148,628	157,130
Dues and fees	6,500	6,961	7,968
Insurance	17,000	87,222	11,079
Meetings and travel	52,000	37,281	32,054
Office	22,000	23,377	24,269
Postage and delivery	7,000	3,555	5,254
Professional development	35,000	37,457	31,306
Professional fees	155,000	98,401	136,562
Public relations	55,000	55,838	72,391
Salaries and benefits	983,000	978,382	980,457
Technology support and licensing	62,000	65,315	54,895
Telecommunications	15,000	13,330	13,895
Website development and hosting	20,000	-	975
	\$ 1,855,000	\$ 1,818,393	\$ 1,839,045

Supplementary Schedule of Individual and Combined Statements of Operation

Year ended March 31, 2020

	Resource Recovery Fund Board Inc.	Resource Recovery Fund	Combined
Revenues			
Administrative ¹	\$ 49,280,380	\$ -	\$ -
Deposits	-	47,188,918	47,188,918
Sales of recyclable materials	-	5,989,625	5,989,625
Tire program	-	5,695,373	5,695,373
Investment and other income	-	707,887	707,887
Rental income	-	187,940	187,940
Total revenues	49,280,380	59,769,743	59,769,743
Expenses			
Operating	45,956,078	477,378	46,433,456
Administrative ¹	1,644,794	49,453,979	1,818,393
Other expenditures and funding			
Approved program grants	-	1,081,761	1,081,761
Education and communication	1,679,508	139,840	1,819,348
Household hazardous waste program	-	140,000	140,000
Municipal enforcement program funding	-	700,000	700,000
Regional chairs and coordinators	-	342,443	342,443
Research, development and special projects	-	212,329	212,329
	49,280,380	52,547,730	52,547,730
Excess of revenues over expenses before allocations	-	7,222,013	7,222,013
Municipal solid waste diversion credits	-	5,055,409	5,055,409
Nova Scotia Environment	-	1,211,325	1,211,325
Excess net resources allocation	-	450,000	450,000
Excess of revenues over expenditures	\$ -	\$ 505,279	\$ 505,279

¹ Administrative revenue and expenses of \$49,280,380 have been eliminated at consolidation.



Divert NS Revenue

- 79% Beverage Deposits
- 10% Sales of recyclable materials
- 10% Tire program
- 1% Rental, investment and other income



Program Expenditures Detail

- \$7,987,852 Municipal Funding
- \$1,211,325 Nova Scotia Environment



Total Operational & Program Expenditures

- \$46,433,456 Operation Costs
- \$1,813,438 Other Mandates
- \$9,199,177 Program Expenditures
- \$1,818,393 Administration

Governance

Ken Meech, Board Chair

Ken Meech has an MPA from the University of Western Ontario and an extensive background in public administration, having served in senior positions in the municipal and provincial sectors. Ken has the distinction of being the first Chief Administrative Officer for Halifax Regional Municipality, thereby leading the amalgamation process to achieve the combined HRM. Ken's connection to municipal government is comprehensive. He served as CAO for rural and urban municipalities, from small to the largest in the province; and served on both the provincial and national municipal associations, including as president of the Association of Municipal Administrators and the Canadian Association of Municipal Administrators. He served as Executive Director of the Nova Scotia School Boards Association and was CEO for the Strait Regional School Board for three years, assuming responsibility for finances and support service. Ken was also an ADM in the Health department at the provincial level, and a member and chair of the Halifax Water Commission. Ken is proud to have been a co-champion of the solid waste strategy for HRM that commenced in Halifax County and finalized by HRM.



Marc Britney, Board Vice Chair

Marc Britney graduated from Dalhousie University in 1987 with a Bachelor of Arts and earned his Certified Financial Planner designation in 1998. He was a financial planner and branch manager with SISIP Financial Services from 2001 until his retirement in 2017. Marc was first elected to the Council of the Town of Middleton in 1993 and served almost 20 years, during which time he was active on various boards



and committees for the town. Marc was appointed to the Municipal Finance Corporation (MFC) Board of Directors on the recommendation of the Union of Nova Scotia Municipalities in 2010, serving six years on the MFC board and was chair of the MFC audit committee. In 2019, Marc was appointed to the Divert NS Board of Directors as board member and vice chair.

Leland Anthony, Warden, Municipality of the District of Yarmouth

Leland Anthony was born in Yarmouth, NS and has lived his entire life in the small rural community of Chebogue. He works in his family business, and he and his wife have three sons. They are fortunate to have all three boys and their families still working in their area. Before running for municipal council, Leland served on several committees and boards, including Director and Past President of the Western Nova Scotia Exhibition, and Director on the boards of the YRBC, YCEA, Community Futures, and the Yarmouth branch of the Cystic Fibrosis Foundation. Leland was elected councillor for the Municipality of Yarmouth in 1995, and served four years as Warden. He is the Chair of Region 7 Waste Check, and has sat on Regional Chairs for the last nine years, serving as Vice Chair for three years, and Chair for the last two years. During his term on the Divert NS Board of Directors, Leland has sat on the executive and finance committees, and was interim chair.



Governance

Angus Bonnyman, CPA, CA, ICD.D, President, Bonnymans' Wild Blueberries & Natural Products Ltd.



Angus Bonnyman hails from Tatamagouche and is a third-generation wild blueberry grower and the Executive Director of the Christmas Tree Council of Nova Scotia. Angus is a Chartered Professional Accountant (CPA) and has a Bachelor of Business Administration degree from Acadia University. He earned his ICD.D designation from the Institute of Corporate Directors through the Rotman School of Business in 2018. He has been an Employer Representative on the Workers' Compensation Board of Nova Scotia and chairs its Finance, Audit and Risk Committee; has served as Treasurer of The Marguerite Centre, Nova Scotia's only recovery house for women recovering from addictions and abuse; and served as Treasurer of the Public Accountants' Board of Nova Scotia for six years.

Calla Farn, Vice President, Corporate Affairs, Canadian Stewardship Services Alliance



Calla Farn is a senior business leader with extensive experience managing environmental and sustainability issues. Prior to joining the Canadian Stewardship Services Alliance, Calla worked at McCain Foods (Canada), where she served on both the Canadian Leadership Team and the North American Crisis Management Team. She also worked as Vice President of the Atlantic Region for the soft drink industry. Prior to joining the beverage industry, Calla was a journalist, and a Senior Producer at CBC Newsworld in Toronto and Halifax. She was a writer and producer at Global News in Toronto, and a

writer/editor at The Canadian Press. Calla has an MBA from Saint Mary's University and is a graduate of the Chartered Director program at McMaster University's Directors College. She has served on several boards, including Stewardship Ontario.

Cari Gray, Production Shop Manager, Michelin North America (Canada) Inc.



Cari Gray is employed with Michelin North America (Canada) Inc. at the manufacturing facility in Bridgewater. She currently holds the position of Production Shop Manager, and has extensive experience in Industrial Engineering, continuous improvement, project management and manufacturing. Cari is a Professional Engineer and is a graduate of Acadia University and Dalhousie University.

Craig Lake, Geotechnical Engineering Professor, Dalhousie University



Craig Lake is a professor and past Department Head in the Department of Civil and Resource Engineering at Dalhousie University. He has been interested in solid waste management issues for the past 20 years through research and consulting. His research in landfill and geoenvironmental engineering resulted in past awards from Engineers Nova Scotia (2006 Young Engineer Award), Canadian Geotechnical Society (2011 Colloquium Winner) and The Canadian Society of Civil Engineering (Thomas C. Keefer Medal). Prior to joining Dalhousie, he was a geotechnical consultant with Jacques Whitford and Associates. Craig is a member of Engineers Nova Scotia and has a Bachelors of Civil Engineering from Dalhousie (TUNS) and a PhD from the University of Western Ontario.

Governance

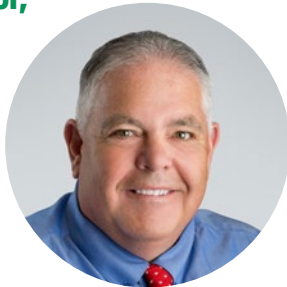
Pam MacInnis, Councillor, Municipality of East Hants

Pam MacInnis was first elected to council in 2008. Pam is the representative for the Nova Scotia Federation of Municipalities on the Divert NS board. Pam has lived in Shubenacadie for more than 30 years, and recently retired from the post office where she was employed for 27 years. She has been a community volunteer on boards, running youth activities and coaching, amongst others. When working for National Sea Products in the 1980s, she began the first paper recycling program. Fostering the sustainable use of resources and caring for the environment have always been passions for her. She and her husband enjoy living in rural Nova Scotia.



Phil Mooney, Deputy Mayor, Town of Yarmouth

Phil Mooney spent most his life working in his family's small business on Main Street, Yarmouth. Over the years, he has volunteered countless hours in his community, supporting dozens of local charities and non-profit groups. Phil was elected Mayor of Yarmouth in 2008. He has since served as Town Councillor starting in 2012. As Mayor, he helped spearhead a comprehensive downtown revitalization plan released in 2010. Successes of the plan include a historic mural program, Main Street building façade program, and the start of a popular local Farmer's Market in a refurbished heritage warehouse on Hawthorne Street. While on Yarmouth Town Council, Phil has been active on his local Waste Check board, and has served on the Waste Check board policy committee. He also served as board member of the Yarmouth County Solid Waste Park and on the South West Nova UNESCO Biosphere Committee, among others.



Bill Morash, CPA, CA, Chief Executive Officer, Farnell Packaging Limited

Bill Morash is the Chief Executive Officer at Farnell Packaging Limited, an environmentally responsible manufacturer of flexible packaging materials in Dartmouth, NS. His input and commitment to the strategic management team has contributed to Farnell Packaging being recognized as a leader in the flexible packaging industry, as well as having award winning environmental and sustainable manufacturing best practices and systems. Prior to joining Farnell Packaging in 1997, he was a Senior Manager at Grant Thornton LLP. Bill is a member of the Chartered Professional Accountants of Nova Scotia and has a Bachelors of Commerce degree from Saint Mary's University.



Nick Moryto, Consultant

Over the past 30 years, Nick Moryto has held senior marketing and sales roles with the world's largest beverage companies, including Pepsi-Cola, Coca-Cola, and ABInbev, the world's largest brewer. His involvement with beverage container recycling dates back to the first beverage container recycling company in Atlantic Canada, EnCorp New Brunswick, where he was a board member. Nick has also served as Chairman of the Canadian Soft Drink Association of Atlantic Canada. He holds a degree in Economics from the University of Toronto and a management development diploma from Penn State University. Nick was appointed to the Divert NS Board of Directors in June 2014.



Governance

Laurel Schut, Co-Director of FOUND Forgotten Food and Instructor/ Curriculum Development at Dalhousie University's College of Sustainability

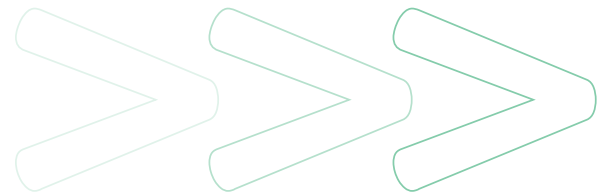


Laurel Schut's interdisciplinary background and work experience focuses on sustainable development, food systems and food security, and effective teaching and learning. Since 2007, Laurel has conducted environmental sustainability research and led communication strategies with a variety of non-governmental organizations, co-operatives, and academic institutions. A passionate educator, Laurel has taught and designed undergraduate classes and tutorials at Dalhousie University's Department of Biology, Department of Environmental Science, and College of Sustainability. Laurel is currently employed at Dalhousie University's College of Sustainability and is the Co-Director of FOUND Forgotten Food, a volunteer-driven community initiative aimed at reducing food waste in Nova Scotia. Laurel holds a Bachelor of Social Science in International Development, a Masters of Environmental Studies, and a Certificate in Teaching & Learning.

Tom Taggart, Councillor, Municipality of Colchester

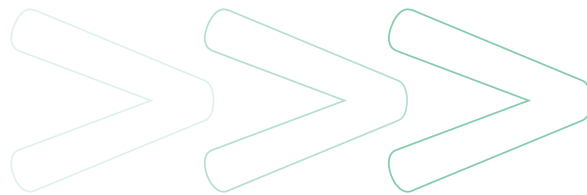


Tom Taggart is a lifetime resident of Bass River and is employed as a realtor. As an active member of Council, Tom serves as Chair of the Planning Advisory Committee and is a member of the Executive and Audit Committee. He also Chairs the Northern Region's Waste Management Board, representing his region on the Regional Chairs Committee, and is a member of the Solid Waste-resources Priorities Group. On a national level, Tom sits on the Board of the Federation of Canadian Municipalities. He is Vice Chair of the Standing Committee on Social Economic Development, a member of the Standing Committee on Community Safety and Crime Prevention, a member of the Rural Forum and Conference Planning Committee, and a member of the joint Community Stakeholder Committee.



This annual report was revised from
the version presented on June 25, 2020.

Page numbers referenced within the
Financial Statements were removed.



Toll-free 1.877.313.7732 | Local 902.895.7732
35 Commercial Street, Suite 400
Truro, Nova Scotia B2N 3H9

info@divertns.ca | DivertNS.ca

Divert NS is the registered business name of the
Resource Recovery Fund Board, Inc.

