

Appendix 1

Summary of Findings – Glenmore Landfill

Engagement Objective:

Evaluate the effectiveness and efficiency of core elements in the Landfill's financial and administrative processes.

Criteria: Financial Controls and Reporting

Findings:

While there are existing controls in place for financial and reporting matters, there are opportunities to strengthen the delineation of responsibilities and establish well-defined procedures for all activities. The variance analysis processes are conducted regularly and while valuable, there is an opportunity to enhance their effectiveness by documenting and formalizing processes and responsibilities.

Criteria: Capital Reserve Balance and Strategy

Findings:

Policies and procedures are in place to effectively manage capital expenditures and maintain capital reserve balances. However, there is an opportunity to enhance the clarity of documentation for determining the allocation to the capital reserve and formalizing a well-defined methodology.

Criteria: Financial Models and 10-Year Capital Plan

Findings:

There are opportunities to strengthen the support for inflation rate assumptions in the closure plan model. The model currently assumes a constant inflation rate. Additionally, it was also recognized that inflation rates can vary across different sectors, with the construction sector typically experiencing higher inflation rates than the average.

Criteria: Closure Reserve and Post Closure Plan

Findings:

By documenting a comprehensive end-to-end process for fund allocation to the post-closure reserve fund, determination of the appropriate allocation for operational, emergency, and capital expenses can be streamlined, helping ensure adequate funding for the post-closure phase and contributing to financial stability when the landfill is closed. In conjunction with this, enhancing transparency in the allocation of funds for various spending categories, such as operations, emergencies, post-closure, and capital planning, can facilitate a clearer understanding of how reserves are distributed among these expenses.