



The Village of
PORT CLEMENTS
"Gateway to the Wilderness"

36 Cedar Avenue West
PO Box 198
Port Clements, BC
V0T1R0
OFFICE :250-557-4295
Public Works :250-557-4326
FAX :250-557-4568
Email : office@portclements.ca
Web : www.portclements.ca

Regular Meeting of Council Monday, May 7, 2012
AGENDA

1. ADOPT AGENDA.

2. PETITIONS, DELEGATIONS & OPENING OF SEALED TENDERS.

3. MINUTES.

M-1-Regular meeting of Council April 23, 2012

M-2-Court of Revision meeting April 23, 2012

4. BUSINESS ARISING FROM THE MINUTES & UNFINISHED BUSINESS.

BA-1-Report re: Town Beautification

BA-2-How to move forward with the Industrial Park Road issue

5. ORIGINAL CORRESPONDENCE.

C-1-

6. GOVERNMENT.

G-1-Bylaw No. 391, 2012 – Levying of rate for Municipal, Hospital and Regional District purposes

7. FINANCE.

F-1-Alan K. Hooper Inc. Chartered Accountant

F-2-Consolidated Financial Statements for year ended December 31, 2011

F-3- Cheque Listing May 2, 2012

8. NEW BUSINESS.

NB-1- Request for Motion to support the application to the General Strategic Priorities Fund

9. REPORTS & DISCUSSIONS.

10. QUESTIONS FROM THE PUBLIC & PRESS.

ADJOURNMENT.



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Minutes of the regular meeting of the Port Clements Council held Monday April 23, 2012 in the Council Chambers.

Present:

Mayor Cheer
Councillor Gaspar
Councillor Gould
Councillor Falconbridge

Clerk/Treasurer Kim Mushynsky

Mayor Cheer called the meeting to order at 7:30pm

1. ADOPT AGENDA.

2012-102 - Moved by Councillor Gaspar, seconded by Councillor Falconbridge
THAT the agenda be adopted with the additions of D1 Corrina Hornidge Delegate, C7 Honeybees and R1 RCMP Quarterly Report.

CARRIED

2. PETITIONS, DELEGATIONS & OPENING OF SEALED TENDERS.

D-1 - Corrina Hornidge expressed Concern to Council in regards to cancelled Doctor's clinics in Port Clements recently. Administration to follow up with Northern Health and report back to Council.

3. MINUTES.

M-1-Regular meeting of Council April 2, 2012

2012-103 - Moved by Councillor Falconbridge, seconded by Councillor Gaspar
THAT the minutes of the Regular Council meeting of April 2, 2012 be adopted as presented.

CARRIED

4. BUSINESS ARISING FROM THE MINUTES & UNFINISHED BUSINESS.

BA-1- Live Aboard Policy Discussion

2012-104 – Moved by Councillor Falconbridge, seconded by Councillor Gould
THAT we have Administration draft a live-aboard policy for review by Council.

CARRIED

2012-105 – Moved by Councillor Gould, seconded by Councillor Falconbridge
THAT we do not accept live aboards until issues around sewer, water, garbage, electrical and moorage are addressed. Further, that we grandfather the current live aboard pursuant to him being sewage compliant within six months of notification.

CARRIED

BA-2 – Industrial Park Road Users Meeting

2012-106 – Moved by Councillor Gould, seconded by Councillor Gaspar

THAT we table this discussion until Councillor Thomas is present.

CARRIED

5. ORIGINAL CORRESPONDENCE.

C-1-Community Hall Society – projector issue

2012-107 – Moved by Councillor Falconbridge, seconded by Councillor Gaspar

THAT we exchange screens with the Community Hall provided there is no charge for the small screen.

CARRIED

2012-108 – Moved by Councillor Gould, seconded by Councillor Falconbridge that we refer the issue of where to hold movie night to the Rec Commission.

CARRIED

C-2 – Community Hall Society – funding application

2012-109 – Moved by Councillor Gould, seconded by Councillor Falconbridge

THAT the Village work with the Community Hall Society to forward a funding proposal to the Northern Development Initiative Community Hall Program, understanding that the Community Hall Society will write the proposal and the Village will submit it.

CARRIED

C-3 – Emergency Management Commission

2012-110 – Moved by Councillor Gould, seconded by Councillor Falconbridge

THAT we write a letter to the Emergency Management Commission in support of continuation of the JEPP fund.

CARRIED

C-4 – NHA – Letter of Support for Mental Health Walk

2012-111 – Moved by Councillor Gaspar, seconded by Councillor Falconbridge

THAT we write a letter of support for this walk.

CARRIED

C-5 – MIEDS March Report

2012-112 – Moved by Councillor Falconbridge, seconded by Councillor Gould

That we receive the MIEDS report.

CARRIED

C-6 – CHN – All Islands Energy Committee

2012-113 – Moved by Councillor Falconbridge, seconded by Councillor Gaspar

THAT we receive the Community Energy Committee letter.

CARRIED

C-7 – Honeybee Proclamation

2012-114 – Moved by Councillor Gould, seconded by Councillor Falconbridge

THAT the Village of Port Clements declare May 29th, 2012 be recognized as the Day of the Honeybee.

CARRIED

6. GOVERNMENT.

G-1 – Bylaw 391 – 2012 Tax Rate Bylaw

2012-115 – Moved by Councilor Falconbridge, seconded by Councilor Gould

THAT we have 1st, 2nd & 3rd reading of Bylaw #391, 2012 – the 2012 Tax Rate Bylaw

CARRIED

G-2 – Bylaw 389 – Financial Plan for Years 2012-2016

2012-116 – Moved by Councillor Gould, seconded by Councillor Gaspar

THAT we Reconsider and Adopt Bylaw #389-2012 – Financial Plan for Years 2012-2016
CARRIED

7. FINANCE.

F-1-Village Revenue and Expense to April 18, 2012

2012-117 – Moved by Councillor Falconbridge, seconded by Councillor Gould

THAT we receive the report as presented.

CARRIED

8. NEW BUSINESS.

NB-1 – Defibrillator for Fire Department

2012-118 – Moved by Councillor Falconbridge, seconded by Councillor Gaspar

THAT Council authorize the Administrator to trade 3 Aluminum rails for the Defibrillator.

CARRIED

NB-2 – Funding for Clean Energy Committee

2012-119 – Moved by Councillor Gaspar, seconded by Councillor Gould

THAT we approve up to \$120 in funding for the CEC for the next six months operation.

CARRIED

9. REPORTS & DISCUSSIONS.

R-1 – RCMP Quarterly Report

2012-120 – Moved by Councillor Gould, seconded by Councillor Gaspar

THAT we encourage the RCMP to meet with Council twice annually in a Committee of the Whole rather than make quarterly presentations to Council.

CARRIED

Councillor Gould- Regional District

Mayor Cheer- FrontCounter BC grand opening, Rec. Meeting and Hospital funding announcement

Councillor Gaspar- Rec. Mtg, next Rec. Mtg. May 4

Councillor Falconbridge- EPC Meeting

Clerk/Treasurer- LED light upgrade proposal, cemetery ownership, RCMP Mtg, EPC Mtg

10. QUESTIONS FROM THE PUBLIC & PRESS.

ADJOURNMENT.

2012-121 - Moved by Councillor Gaspar, seconded by Councillor Falconbridge

THAT the meeting be adjourned at 9:30pm

CARRIED

Wally Cheer,
Mayor

Kim Mushynsky,
Clerk/Treasurer



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Minutes of the Court of Revision meeting held Monday April 23, 2012 in the Council Chambers.

Present:

Mayor Cheer
Councillor Falconbridge
Councillor Gaspar

Clerk/Treasurer Kim Mushynsky

The meeting was called to order at 6:45pm

1. ADOPT AGENDA.

Moved by Councillor Gaspar, seconded by Councillor Falconbridge that the agenda be adopted as presented.

CARRIED

2. NEW BUSINESS.

BA-1- Certify Frontage Tax Assessment Roll for Water Purposes

Moved by Councillor Gaspar, seconded by Councillor Falconbridge that the Water Frontage Assessment Roll be certified as presented.

CARRIED

BA-2 – Certify Frontage Tax Assessment Roll for Sewer Purposes

Moved by Councillor Falconbridge, seconded by Councillor Gaspar that the Sewer Frontage Assessment Roll be certified as presented.

CARRIED

BA-3 – Certify Frontage Tax Assessment Roll for Port Clements East Sewer Purposes

Moved by Councillor Gaspar, seconded by Councillor Falconbridge that the Port Clements East Sewer Frontage Assessment Roll be certified as presented.

CARRIED

3. ADJOURN

Moved by Councillor Gaspar, seconded by Councillor Falconbridge that the meeting be adjourned at 7:00pm.

CARRIED

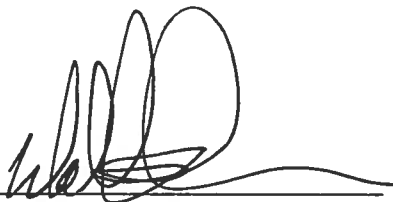
Mayor Cheer

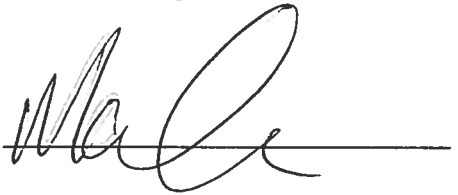
Kim Mushynsky – Clerk/Treasurer

Parcel Tax Assessment Certificate

This parcel tax assessment roll as amended, comprising a total taxable parcels of 4, is confirmed by the local court of revision of the Village of Port Clements, and except as may be amended on further appeal, is certified to be the parcel tax assessment roll for Port Clements East sewer purposes.

Dated April 23, 2012


_____ Chairperson



_____ Member

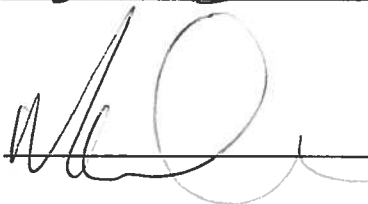

_____ Member

Frontage Tax Assessment Certificate

This frontage tax assessment roll as amended, comprising a total taxable frontage of 18,082 feet, is confirmed by the local court of revision of the Village of Port Clements, and except as may be amended on further appeal, is certified to be the frontage tax assessment roll for sewer purposes.

Dated April 23, 2012


_____ Chairperson


_____ Member

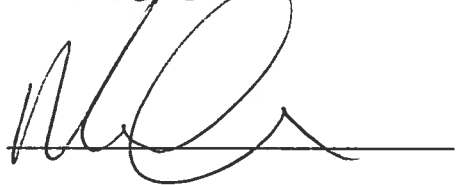

_____ Member

Frontage Tax Assessment Certificate

This frontage tax assessment roll as amended, comprising a total taxable frontage of 24,014 feet, is confirmed by the local court of revision of the Village of Port Clements, and except as may be amended on further appeal, is certified to be the frontage tax assessment roll for water purposes.

Dated April 23, 2012


_____ Chairperson


_____ Member


_____ Member



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REPORT TO COUNCIL

Author: Kim Mushynsky

Date: May 1, 2012

Re: Town Beautification

Background:

For 3 years we have had a "Blooming in Port Clements" program each summer that has been very successful. The costs of this program come out of our beautification budget which is \$2500.00 for 2012. We have approximately 10 volunteers who look after local gardens and then the gardens are judged as a part of the Canada Days Celebration and prizes are awarded.

10 gardens – each volunteer receives \$100.00 for bedding plants/supplies	\$1000.00
1 st , 2 nd & 3 rd prizes for best gardens (voted on at Canada Day)	\$ 175.00
Misc.	<u>\$ 75.00</u>

Total cost of program **\$1250.00**

Recommendation:

Proceed with program for 2012.

Respectfully submitted:

At the February 20, 2012 Regular Meeting a motion was made by Councillor Thomas and seconded by Councillor Falconbridge that after the budget process was completed we facilitate a meeting between Industrial Road Users and the Council to discuss road repairs. As the Budget process, with the Reconsider & Adoption of Bylaw #389, 2012 done at this meeting, will now be complete for 2012 a decision should now be made on how to move forward with the Industrial Park Road issue.

G-1



VILLAGE OF PORT CLEMENTS

BYLAW NO. 391, 2012

Being a bylaw for the levying of rates for Municipal, Hospital and Regional District purposes for the year 2012.

The Council of the Village of Port Clements, in open meeting assembled, enacts as follows:

1. The following rates are hereby imposed and levied for the year 2012:
 - a) For all lawful general purposes of the municipality on the assessed value of land and improvements taxable for general municipal purposes, rates appearing in column "A" of the schedule attached hereto and forming a part hereof.
 - b) For Vancouver Island Regional Library purposes on the assessed value of land and improvements taxable for general municipal purposes, rates appearing in Column "B" of the Schedule attached hereto and forming a part hereof.
 - c) For Skeena-Queen Charlotte Regional Hospital purposes on the assessed value of land and improvements taxable for Hospital purposes, rates appearing in Column "C" of the Schedule attached hereto and forming a part hereof.
 - d) For Skeena-Queen Charlotte Regional District purposes on the assessed value of land and improvements taxable for general Regional District purposes, rates appearing in Column "D" of the Schedule attached hereto and forming a part hereof.
 - e) For North West Regional Hospital District purposes on the assessed value of land and improvements taxable for Hospital purposes, rates appearing in Column "E" of the Schedule attached hereto and forming a part hereof.
2. The minimum amount of Taxation upon a parcel of Real Property shall be one dollar (\$1.00).
3. This Bylaw may be cited as "Tax Rates Bylaw No. 391, 2012"

READ A FIRST TIME THIS 23RD DAY OF APRIL, 2012
 READ A SECOND TIME THIS 23RD DAY OF APRIL, 2012
 READ A THIRD TIME THIS 23RD DAY OF APRIL, 2012

RECONSIDERED AND FINALLY ADOPTED THIS DAY OF , 2012

Wally Cheer – MAYOR

Kim Mushynsky – CLERK/TREASURER

CERTIFIED TO BE A TRUE COPY OF VILLAGE OF PORT CLEMENTS TAX RATE BYLAW #391, 2012.

G-1

**VILLAGE OF PORT CLEMENTS
SCHEDULE FOR TAX RATE BYLAW NO. 391, 2012**

Rates per \$1000 of taxable assessed value

	“A” General Municipal	“B” VIRL	“C” SQCRD Hospital	“D” SQCRD	“E” NW Reg. Hospital
Class:					
1. Residential	4.3375	0.43451	0.0658	1.0973	0.70637
2. Utilities	8.675	0.86902	0.2303	2.1946	2.472295
5. Light Industrial	8.675	0.86902	0.22372	2.1946	2.401658
6. Business	8.675	0.86902	0.16121	2.1946	1.730607
7. Managed Forest	8.675	0.86902	0.1974	2.1946	2.11911
8. Rec/Non Profit	4.3375	0.43451	0.0658	1.0973	0.70637
9. Farm	4.3375	0.43451	0.0658	1.0973	0.70637

ALAN K. HOOPER INC.
Chartered Accountant

May 1, 2012

Village of Port Clements
PO Box 198
Port Clements, B.C.
V0T 1R0

Attention: Mayor and Council

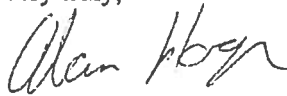
Dear Sirs/Madams:

The enclosed memorandum includes suggestions for improving the municipality's accounting/reporting procedures, that came to my attention during the audit of the municipality.

I would like to point out that, while certain matters came to my attention during my audit and are presented in the memorandum, my audit was not designed for the purpose of making detailed recommendations and would not necessarily detect all weaknesses in the municipality's accounting system.

Please convey my thanks to your accounting staff for her assistance and cooperation during this audit.

Yours very truly,



Alan K. Hooper
Chartered Accountant

AKH/akh

253 - 3rd Avenue West
Prince Rupert, BC V8J 1L2
Tel (250) 627-5495 Fax (250) 627-5497 Toll Free 1-877-212-0022
akhooper@citytel.net
Alan K. Hooper, CA

1) Office Accounting Staff

Issue:

Currently your office staff and accounting department, is reduced to two individuals. There will be some overlap of duties as individuals will take holidays, call in sick, or have appointments. This allows for very little "segregation of duties" which is crucial for an organization to maintain internal controls over the accounting system. Lack of "segregation of duties" can lead to increased accounting errors and increases the opportunities for theft.

Recommendation:

Currently the only internal control the "Village" has in place is the dual signing authority on cheques. Council will have to be diligent when signing cheques, to ensure that they represent legitimate "village costs" and are for the correct amounts. When reviewing cheque listings review the general ledger codes, that the expenses were allocated to and ensure they make sense.

Kim will also ensure that copies of bank statements will be included with "reading material" presented at council meetings. This is for your review, to ensure no unusual transactions are occurring.

Management's Comments:

ALAN K. HOOPER INC.
Chartered Accountant



Village of Port Clements
Consolidated Financial Statements
For the year ended December 31, 2011

DRAFT

ALAN K. HOOPER INC.
Chartered Accountant

ALAN K. HOOPER INC.
Chartered Accountant

DRAFT

Independent Auditor's Report

To the Mayor and Council of
Village of Port Clements
Port Clements, BC

I have audited the accompanying consolidated financial statements of the Village of Port Clements ("The Entity"), which comprise the consolidated statement of financial position as at December 31, 2011 and the consolidated statements of changes in municipal position, consolidated statement of operations, consolidated changes in net financial assets, and consolidated statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

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

Auditor's responsibility

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

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

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Village of Port Clements as at December 31, 2011 and its results of operations, net financial assets and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

May 1, 2012

Prince Rupert, BC

DRAFT

Village of Port Clements
Consolidated Statement of Financial Position
As at December 31, 2011

	General Operating Fund	Water Operating Fund	Sewer Operating Fund	Invested in Capital Assets	<u>2011</u> Total	<u>2010</u> Total
Financial assets						
Cash and term deposit (Note 2)	\$ 1,753,865	\$ -	\$ -	\$ -	\$ 1,753,865	\$ 1,315,758
Accounts receivable	6,633	-	-	-	6,633	15,229
GST Receivable	26,553	-	-	-	26,553	29,065
Land held for resale	32,646	-	-	-	32,646	25,936
Taxes receivable	<u>111,729</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>111,729</u>	<u>122,830</u>
	<u>1,931,426</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,931,426</u>	<u>1,508,818</u>
Due from general fund	<u>-</u>	<u>479,455</u>	<u>342,071</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>1,931,426</u>	<u>479,455</u>	<u>342,071</u>	<u>-</u>	<u>1,931,426</u>	<u>1,508,818</u>
Liabilities						
Accounts payable (Note 3)	55,093	-	-	-	55,093	57,979
Deferred revenue	<u>224,782</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>224,782</u>	<u>68,460</u>
	<u>279,875</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>279,875</u>	<u>126,439</u>
Due to sewer/water fund	<u>821,526</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>1,101,401</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>279,875</u>	<u>126,439</u>
Net Financial Assets	<u>830,025</u>	<u>479,455</u>	<u>342,071</u>	<u>-</u>	<u>1,651,551</u>	<u>1,382,379</u>
Physical Assets						
Inventory of supplies	29,728	54,405	2,092	-	86,225	95,099
Prepaid expenses	11,553	-	-	-	11,553	8,327
Tangible capital assets (Note 4)	<u>-</u>	<u>-</u>	<u>-</u>	<u>7,674,176</u>	<u>7,674,177</u>	<u>7,766,294</u>
	<u>41,281</u>	<u>54,405</u>	<u>2,092</u>	<u>7,674,176</u>	<u>7,771,954</u>	<u>7,869,720</u>
Accumulated surplus	<u>\$ 871,306</u>	<u>\$ 533,860</u>	<u>\$ 344,163</u>	<u>\$ 7,674,176</u>	<u>\$ 9,423,505</u>	<u>\$ 9,252,099</u>
Municipal Position						
Unrestricted	\$ 854,048	\$ -	\$ -	\$ -	\$ 854,048	\$ 668,709
Internally restricted water operating	-	533,860	-	-	533,860	460,389
Internally restricted sewer operating	-	-	344,163	-	344,163	323,728
Invested in tangible capital assets	<u>-</u>	<u>-</u>	<u>-</u>	<u>7,674,176</u>	<u>7,674,176</u>	<u>7,766,293</u>
	854,048	533,860	344,163	7,674,176	9,406,247	9,219,119
Internally restricted reserves (Note 5)	<u>17,258</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>17,258</u>	<u>32,980</u>
Accumulated surplus	<u>\$ 871,306</u>	<u>\$ 533,860</u>	<u>\$ 344,163</u>	<u>\$ 7,674,176</u>	<u>\$ 9,423,505</u>	<u>\$ 9,252,099</u>

Approved by: _____ Mayor and Council

DRAFT

Village of Port Clements
Consolidated Statement of Changes in Municipal Position
For the year ended December 31, 2011

	General Operating Fund	Water Operating Fund	Sewer Operating Fund	General Capital Fund	<u>2011</u> Total	<u>2010</u> Total
Accumulated surplus, beginning of year	701,689	460,389	323,728	7,766,293	9,252,099	9,701,020
Annual surplus (deficit)	<u>3,599</u>	<u>182,138</u>	<u>(14,331)</u>	<u>-</u>	<u>171,406</u>	<u>(448,921)</u>
	705,288	642,527	309,397	7,766,293	9,423,505	9,252,099
Transfer from water to capital	-	(138,637)	-	138,637	-	-
Amortization of property and equipment (Note 1c)	<u>166,018</u>	<u>29,970</u>	<u>34,766</u>	<u>(230,754)</u>	<u>-</u>	<u>-</u>
Accumulated surplus, end of year	<u>\$ 871,306</u>	<u>\$ 533,860</u>	<u>\$ 344,163</u>	<u>\$ 7,674,176</u>	<u>\$ 9,423,505</u>	<u>\$ 9,252,099</u>

DRAFT

Village of Port Clements
Consolidated Statement of Operations
For the year ended December 31, 2011

	General Operating Fund (Schedule '1')	Water Operating Fund (Schedule '2')	Sewer Operating Fund (Schedule '3')	<u>2011</u> Total	<u>2010</u> Total
Revenue					
Taxes	\$ 124,865	\$ 52,953	\$ 34,501	\$ 212,319	\$ 208,968
Payments in lieu of taxes	6,910	-	-	6,910	7,114
Services	9,615	-	-	9,615	8,049
Revenue from own sources	60,843	49,106	24,931	134,880	120,776
Multi purpose building rental	13,760	-	-	13,760	14,222
Unconditional grants	389,940	-	49,997	439,937	114,190
Conditional grants	56,940	167,654	-	224,594	69,544
Collections for other agencies	<u>206,945</u>	<u>-</u>	<u>-</u>	<u>206,945</u>	<u>199,050</u>
	<u>869,818</u>	<u>269,713</u>	<u>109,429</u>	<u>1,248,960</u>	<u>741,913</u>
Expenditures					
Amortization of tangible capital assets	166,018	29,970	34,766	230,754	228,638
Legislative	28,428	-	-	28,428	26,973
General administration	175,151	-	-	175,151	155,135
Protective services	35,325	-	-	35,325	39,343
Emergency services	-	-	-	-	3
Common services	14,688	-	-	14,688	18,944
Wharf	1,390	-	-	1,390	(786)
Small Craft Harbour	23,310	-	-	23,310	7,869
Roads	64,146	-	-	64,146	54,191
Environmental health	1,575	-	-	1,575	4,503
Environmental development	886	-	-	886	14,275
Parks and recreation	59,527	-	-	59,527	64,434
Cultural buildings and facilities	3,614	-	-	3,614	8,123
Multi-Purpose Building	20,356	-	-	20,356	27,988
Fiscal services - debt service	1,012	-	-	1,012	85
Capital expenditures	63,125	-	-	63,125	84,797
Taxes levied - other governments	207,668	-	-	207,668	199,062
Other	<u>-</u>	<u>57,605</u>	<u>88,994</u>	<u>146,599</u>	<u>231,568</u>
	<u>866,219</u>	<u>87,575</u>	<u>123,760</u>	<u>1,077,554</u>	<u>1,165,145</u>
Annual operating surplus (deficit)	3,599	182,138	(14,331)	171,406	(423,232)
Loss on disposal of capital asset	-	-	-	-	25,689
Annual surplus (deficit)	<u>\$ 3,599</u>	<u>\$ 182,138</u>	<u>\$ (14,331)</u>	<u>\$ 171,406</u>	<u>\$ (448,921)</u>

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ALAN K. HOOPER INC.
Chartered Accountant

Village of Port Clements
Consolidated Statement of Changes in Net Financial Assets
For the year ended December 31, 2011

	<u>2011</u>	<u>2010</u>
Annual Surplus (Deficit)	\$ 171,406	\$ (448,921)
Acquisition of tangible capital assets	-	-
Amortization of tangible capital assets	230,754	228,639
Loss on sale of tangible capital assets	-	25,689
Proceeds on sale of capital assets	-	4,000
	<u>402,160</u>	<u>(190,593)</u>
Use (acquisition) of supply inventory	8,875	(380)
Use (acquisition) of prepaid expenses	<u>(3,226)</u>	<u>8,581</u>
	<u>5,649</u>	<u>8,201</u>
Investing activity		
Proceeds on disposal of capital assets	-	-
Acquisition of property and equipment	<u>(138,637)</u>	<u>-</u>
	<u>(138,637)</u>	<u>-</u>
Change in net financial assets	269,172	(182,392)
Net financial assets, beginning of year	<u>1,382,379</u>	<u>1,564,771</u>
Net financial assets, end of year	<u>\$ 1,651,551</u>	<u>\$ 1,382,379</u>

**Village of Port Clements
Consolidated Statement of Cash Flows
For the year ended December 31, 2011**

	<u>2011</u>	<u>2010</u>
Operating activities		
Cash receipts from Government grants, donations and fundraising	\$ 1,424,979	\$ 781,600
Cash paid to suppliers and employees	<u>(848,235)</u>	<u>(953,701)</u>
	<u>576,744</u>	<u>(172,101)</u>
Investing activity		
Proceeds on disposal of tangible capital assets	-	4,000
Acquisition of property and equipment	<u>(138,637)</u>	<u>-</u>
Increase (decrease) in cash	438,107	(168,101)
Cash at beginning of year	<u>1,315,758</u>	<u>1,483,859</u>
Cash at end of year	<u>\$ 1,753,865</u>	<u>\$ 1,315,758</u>

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Village of Port Clements
Notes to the Consolidated Financial Statements
December 31, 2011

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1. Significant accounting policies

The preparation of these consolidated financial statements requires management to make estimates and assumptions that affect the reported amounts in the financial statements and the disclosure of contingent liabilities. Areas requiring significant estimation are post-employment benefits, compensated absences and termination benefits. Actual results as determined by future events may affect these estimates. The consolidated financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality in accordance with Canadian generally accepted accounting principles, as prescribed by the Public Sector Accounting Board ("PSAB") of the Canadian Institute of Chartered Accountants.

The significant account policies are summarized below:

(a) Fund accounting

The resources and operations of the Village have been segregated for accounting purposes into the following funds:

General operating fund

The purpose of the general operating fund is to reflect the operating activities, administration and debt servicing functions of the Village, not including sewer and water.

Water operating fund

The purpose of the water operating fund is to reflect the operating activities, administration and debt servicing functions of the Village, related to the water system.

Sewer operating fund

The purpose of the sewer operating fund is to reflect the operating activities, administration and debt servicing functions of the Village, related to the sewer system.

Tangible capital asset fund

The purpose of the tangible capital asset fund is to reflect tangible capital assets and the related financing and equity therein.

(b) Basis of presentation

The consolidated financial statements reflect the assets, liabilities, revenues and expenditures, and changes in fund balances and the financial position of the reporting entity which comprises all the organizations that are accountable for the administration of their financial affairs and resources to the Council and are owned or controlled by the Village.

ALAN K. HOOPER INC.
Chartered Accountant

Village of Port Clements
Notes to the Consolidated Financial Statements-continued
December 31, 2011

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Note 1 - continued

(c) Tangible capital assets

Tangible capital assets are recorded at cost on acquisition, or market value when contributed. Amortization is calculated on a straight line basis at the following rates, buildings 25 years, automotive and other equipment 10 years, fire department equipment 20 years, infrastructure 40 years. Amortization is charged against operations.

(d) Comparative figures

Certain 2009 comparative figures have been reclassified to conform with presentation adopted for 2010.

2. Cash and short term investments

	<u>2011</u>	<u>2010</u>
General Revenue Fund		
Cash	\$1,638,078	\$1,203,692
Cash - building fund	-	-
Harbour Account		
Municipal finance authority	<u>115,787</u>	<u>112,065</u>
	<u>\$1,753,865</u>	<u>\$1,315,757</u>

3. Accounts payable

	<u>2011</u>	<u>2010</u>
Accounts payable - general	\$ 53,819	\$ 52,307
Payroll trust amounts	<u>1,274</u>	<u>5,672</u>
	<u>\$ 55,093</u>	<u>\$ 57,979</u>

Village of Port Clements
Notes to the Consolidated Financial Statements-continued
December 31, 2011

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4. Tangible capital assets

Tangible capital assets consist of the following:

	Cost/Contributed Amount	Accumulated Amortization	Net 2011	Net 2010
Land	\$ 349,954	\$ -	\$ 349,954	\$ 349,954
Buildings	3,636,754	364,010	3,272,744	3,374,589
Automotive	19,334	7,734	11,600	13,534
Fire department equipment	495,285	98,225	397,060	421,616
Office equipment	19,594	7,838	11,756	13,716
Tools & equipment	70,248	7,025	63,223	64,979
Parks & Recreation	1,012,218	100,631	911,587	936,795
Roads and Sidewalks	350,386	35,039	315,347	324,107
Water system	1,198,818	109,484	1,089,334	980,667
Sewer system	1,390,634	139,063	1,251,571	1,286,336
	<u>\$ 8,543,225</u>	<u>\$ 869,049</u>	<u>\$ 7,674,176</u>	<u>\$ 7,766,293</u>

5. Internally restricted reserves

	<u>2011</u>	<u>2010</u>
Building fund reserve	\$ 4,295	\$ 4,295
Latecomers' fee reserve	9,369	22,157
Planning fund reserve	3,594	6,528
	<u>\$ 17,258</u>	<u>\$ 32,980</u>

These internally restricted amounts are not available for other purposes without approval of the mayor and council.

Village of Port Clements
Notes to the Consolidated Financial Statements-continued
December 31, 2011

6. Contingent liability

The municipality and its employees contribute to the Municipal Pension Plan (Plan), a jointly trustee pension plan. The Board of Trustees, representing plan members and employers, is responsible for overseeing the management of the Plan, including investment of the assets and administration of benefits. The pension plan is a multi-employer contributory pension plan. Basic pension benefits provided are defined. The plan has about 173,000 active members and approximately 63,000 retired members. Active members include approximately 35,000 contributors from local governments.

Every three years an actuarial valuation is performed to assess the financial position of the Plan and the adequacy of Plan funding. The most recent valuation as at December 31, 2009 indicated an unfunded liability of \$1,024 million for basic pension benefits. The next valuation will be as at December 31, 2012 with results available in 2013. Define contribution plan accounting is applied to the Plan as the Plan exposes the participating entities to actuarial risks associated with the current and former employees of other entities, with the result that there is no consistent and reliable basis for allocating the obligation, Plan assets and cost to individual entities participating in the Plan.

The Village of Port Clements paid \$11,026 for employer contributions to the plan in fiscal 2011.

7. Financial instruments

The municipality's financial instruments consist of cash and term deposits, accounts and taxes receivable, grants receivable, and accounts payable. Unless otherwise noted, it is management's opinion that the municipality is not exposed to significant interest, currency or credit risks arising from these financial instruments. The fair value of these financial instruments approximate their carrying values.

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Village of Port Clements
General Operating Fund - Statement of Operations
For the year ended December 31, 2011

	<u>2011</u> Actual	<u>2011</u> Budget	<u>2010</u> Actual
Revenue			
Taxes	\$ 124,865	\$ 124,865	\$ 123,370
Payments in lieu of taxes	6,910	7,113	7,114
Services	9,615	12,028	8,049
Revenue from own sources	60,843	50,530	48,862
Multi-Purpose Building Rental	13,760	14,700	14,222
Unconditional grants	389,940	406,000	114,190
Conditional grants	56,940	186,933	69,544
Collections for other agencies	<u>206,945</u>	<u>193,936</u>	<u>199,050</u>
	<u>869,818</u>	<u>996,105</u>	<u>584,401</u>
Expenditures			
Amortization of tangible capital assets	166,018	154,896	167,367
Legislative	28,428	35,300	26,973
General administration	175,151	190,450	155,135
Protective services	35,325	46,250	39,343
Emergency services	-	10,750	3
Common services	14,688	19,000	18,944
Wharf	1,390	10,400	(786)
Small Craft Harbour	23,310	27,224	7,869
Roads	64,146	92,300	54,191
Environmental health	1,575	2,080	4,503
Environmental development	886	6,000	14,275
Parks and recreation	59,527	68,600	64,434
Cultural buildings and facilities	3,614	-	8,123
Multi-Purpose Building operating	20,356	58,000	27,988
Fiscal services - debt service	1,012	1,400	85
Capital expenditures	63,125	179,012	84,797
Taxes levied - other governments	<u>207,668</u>	<u>194,936</u>	<u>199,062</u>
	<u>866,219</u>	<u>,096,598</u>	<u>872,306</u>
Excess of revenues over expenses (Exhibit 'C')	<u>\$ 3,599</u>	<u>\$ (100,493)</u>	<u>\$ (287,905)</u>

ALAN K. HOOPER INC.
Chartered Accountant

Village of Port Clements
Water Operating Fund - Statement of Operations
For the year ended December 31, 2011

	<u>2011</u> Actual	<u>2011</u> Budget	<u>2010</u> Actual
Revenue			
Taxes	\$ 52,953	\$ 48,000	\$ 51,097
Revenue from own sources	49,106	50,566	46,804
Conditional grants	<u>167,654</u>	<u>586,000</u>	<u>-</u>
	<u>269,713</u>	<u>684,566</u>	<u>97,901</u>
Expenditures			
Capital expenditures	-	586,089	-
Amortization of tangible capital	29,970	21,177	26,505
Other - operating expenses	<u>57,605</u>	<u>77,300</u>	<u>98,817</u>
	<u>87,575</u>	<u>684,566</u>	<u>125,322</u>
Excess of revenues over expenses (Exhibit 'C')	<u>\$ 182,138</u>	<u>\$ -</u>	<u>\$ (27,421)</u>

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ALAN K. HOOPER INC.
Chartered Accountant

Village of Port Clements
Sewer Operating Fund - Statement of Operations
For the year ended December 31, 2011

	<u>2011</u> Actual	<u>2011</u> Budget	<u>2010</u> Actual
Revenue			
Taxes	\$ 34,501	\$ 33,000	\$ 34,501
Revenue from own sources	24,931	26,316	25,111
Unconditional grants	49,997	62,086	-
Transfer from surplus	<u>-</u>	<u>-</u>	<u>-</u>
	<u>109,429</u>	<u>121,402</u>	<u>59,612</u>
Expenditures			
Capital expenditures	-	54,366	-
Amortization of tangible capital assets	34,766	15,036	34,766
Other - operating expenses	<u>88,994</u>	<u>52,000</u>	<u>132,751</u>
	<u>123,760</u>	<u>121,402</u>	<u>167,517</u>
Excess of revenues over expenses (Exhibit 'C')	<u>\$ (14,331)</u>	<u>\$ -</u>	<u>\$ (107,905)</u>

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ALAN K. HOOPER INC.
Chartered Accountant

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VILLAGE OF PORT CLEMENTS

Cheque Listing For Council With GL Numbers

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Cheque	Date	Name	Expense GL Number	Invoice	Description	Invoice Amount	Cheque Amount
20120905	2012-04-26	Apple Electric Ltd.	40-2-42-90-50	17712	PAYMENT 3 PULL PITS	320.25	336.00
20120886	2012-04-24	BIG RED	10-2-71-21-15	12071	PAYMENT WKLY CONTAINER SERVICE MARCH 20	257.80	270.48
20120900	2012-04-26	BLUE CROSS	10-2-12-10-10	May 2012	PAYMENT PACIFIC BLUE CROSS PREMIUMS MAY	565.22	565.22
20120887	2012-04-24	Board of School Trustees	10-2-71-21-10 10-2-71-21-11 10-2-71-21-15 10-2-71-21-15	01-12-108 01-12-108 01-12-108 01-12-108	PAYMENT UTILITIES/FUEL OF MPBC TO SCHOOL UTILITIES/FUEL OF MPBC TO SCHOOL UTILITIES/FUEL OF MPBC TO SCHOOL UTILITIES/FUEL OF MPBC TO SCHOOL	9,904.90 346.56 2,089.61 2,069.94	15,119.76
20120888	2012-04-24	BRITISH COLUMBIA LIFE & CASUALTY C	10-4-27-00-30	April 2012	PAYMENT BENEFIT PREIUMS	348.10	348.10
20120901	2012-04-26		10-4-27-00-30	May 2012	PAYMENT BENEFIT PREMIUMS MAY 2012	151.08	151.08
20120902	2012-04-26	C. AND C. BEACHY CONTRACTING LTD	10-2-32-37-00	41-O	PAYMENT MARCH 12+19 PLOW SNOW + SANDING	587.12	616.00
20120881	2012-04-23	Canadian Western Mechanical	30-2-41-10-20	Progress #	PAYMENT FINAL PROGRESS PAYMENT	189,821.14	199,156.61
20120889	2012-04-24	CORPORATE EXPRESS	10-2-12-11-00	29830795	PAYMENT STATIONERY OFFICE SUPPLIES	281.91	295.78
20120890	2012-04-24	DRIFTECH MECHANICAL SERVICES	10-2-24-70-20	7930	PAYMENT FIRETRUCK ANNUAL INSPECTION	190.01	199.36
20120903	2012-04-26	FAST FUELS SERVICES LTD	10-2-31-90-00 30-2-41-40-10 40-2-42-90-60	CL8230 CL8230 CL8230	PAYMENT DYED DIESEL DYED DIESEL DYED DIESEL	211.08 211.10 105.54	527.72
20120904	2012-04-26	ICBC	10-2-12-99-60 10-2-24-70-20 10-2-32-31-00 10-3-73-90-00 30-2-41-30-40 40-2-42-90-50 40-2-42-90-70	May 1 2012 May 1 2012 May 1 2012 May 1 2012 May 1 2012 May 1 2012 May 1 2012	PAYMENT FLEET INSURANCE MAY 1 2012 - APR 30 FLEET INSURANCE MAY 1 2012 - APR 30 FLEET INSURANCE MAY 1 2012 - APR 30 FLEET INSURANCE MAY 1 2012 - APR 30 FLEET INSURANCE MAY 1 2012 - APR 30 FLEET INSURANCE MAY 1 2012 - APR 30 FLEET INSURANCE MAY 1 2012 - APR 30	663.72 2,102.30 240.97 1,731.61 221.24 85.92 221.24	5,267.00
20120891	2012-04-24	Inlet Networking Computer Services	10-2-12-11-00	005	PAYMENT COMPUTER SUPPORT	90.00	90.00
20120882	2012-04-23	MINISTER OF FINANCE	10-2-31-00-10	Thwaites.	PAYMENT MSP TO JUNE 30 FOR C. THWAITES	260.00	260.00
20120892	2012-04-24	MUNICIPAL INFORMATION SYSTEMS IN	10-2-12-11-20 10-2-12-11-20	20111837 20120106	PAYMENT SOFTWARE SUPPORT FEB 2012 SOFTWARE SUPPORT APRIL 2012	290.25 290.25	609.04
20120893	2012-04-24	NORTH PACIFIC SEAPLANES LTD.	30-2-41-20-00	008697	PAYMENT 1 SMALL COOLER	20.97	22.00
20120894	2012-04-24	OBSERVER PUBLISHING CO. LTD.	10-2-12-11-50	13398	PAYMENT COURT OF REVISION INSERTION DATE	119.56	125.44
20120899	2012-04-24	O'Donoghue, Sean	10-2-31-00-00	Apr 6, 2012	PAYMENT COVER MARCH RENT LOSS	850.00	850.00
20120883	2012-04-23	OPUS DAYTONKNIGHT			PAYMENT		34,147.80

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VILLAGE OF PORT CLEMENTS
Cheque Listing For Council With GL Numbers

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<u>Cheque</u>	<u>Date</u>	<u>Name</u>	<u>Expense GL Number</u>	<u>Invoice</u>	<u>Description</u>	<u>Invoice Amount</u>	<u>Cheque Amount</u>
20120883	2012-04-23	OPUS DAYTONKNIGH	30-2-41-10-20	7324.	FINAL BILLING FOR WATERPLANT	32,547.12	34,147.80
20120895	2012-04-24	RECEIVER GENERAL - CCRA	10-4-27-00-10	Apr 2012	PAYMENT CCRA APRIL 2012 REMITTANCE	4,985.47	4,985.47
20120884	2012-04-23	RENCO	10-2-11-10-00	408603.	PAYMENT FUEL FOR MARCH	208.40	451.91
			10-2-24-80-10	408603.	FUEL FOR MARCH	243.51	
20120896	2012-04-24	Stewart, McDannold, Stuart	10-2-12-10-50	60858	PAYMENT BYLAW ENFORCEMENT	161.25	169.18
20120897	2012-04-24	VANCOUVER ISLAND REGIONAL LIBRAR	10-2-84-20-00	2nd Qtr Tax	PAYMENT 2ND QTR LIBRARY TAX ASSESSMENT P	3,127.00	3,127.00
20120885	2012-04-23	WORKERS' COMPENSATION BOARD	10-2-11-10-30	1st Q 2012.	PAYMENT 1ST QUARTER WCB PAYMENT	27.37	501.83
			10-2-12-10-10	1st Q 2012.	1ST QUARTER WCB PAYMENT	246.74	
			10-2-24-90-00	1st Q 2012.	1ST QUARTER WCB PAYMENT	6.76	
			10-2-71-21-20	1st Q 2012.	1ST QUARTER WCB PAYMENT	24.60	
			30-2-41-30-20	1st Q 2012.	1ST QUARTER WCB PAYMENT	117.81	
			40-2-42-90-20	1st Q 2012.	1ST QUARTER WCB PAYMENT	78.55	
20120898	2012-04-24	XEROX CANADA LTD.	10-2-12-11-30	J43173583	PAYMENT COPY CHARGES FROM PREVIOUS MAC	33.01	518.23
			10-2-12-11-30	L02071475	QTRLY LEASE PAYMENT ON WORKCEN	460.92	

Total 268,711.01

Request to Council for a Motion.

Port Clements has taken on the task of putting together an all-island request for funding from UBCM General Strategic Priorities Fund – Capital Projects to replace community Sodium Vapour Street Lights with energy efficient LED street lights. We have obtained a quote from Apple electric for the costs to supply and install the fixtures in each community. We have added a 5% contingency to this quote for unexpected items and a 5% Administration fee. Therefore we will have a 10% buffer built in to our application amount. The application is for 100% of the funding.

Based on our current contingent of streetlights this change should result in approximately \$3500 savings per year in electrical costs and reduce our carbon emissions by 41 tonnes per year.

Motion:

Council supports the application to the General Strategic Priorities Fund for funding to replace existing Sodium Vapour street lights in Port Clement with energy efficient LED streetlights. Further, Council agrees to cover, pro-rata with the co-applicants, cost over-runs should the project exceed the amount granted by GSPF.