



The Village of
PORT CLEMENTS
"Gateway to the Wilderness"

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3:30 PM Special Meeting of Council, Monday, June 29, 2026

AGENDA

This meeting of the Council of the Village of Port Clements being held on the traditional territory of the Haida People.

1. ADOPT AGENDA

2. GOVERNMENT

G-1 – 2025 Annual Municipal Report

Recommended Motion: THAT Council receives and approves the 2025 Annual Municipal Report as presented.

3. ADJOURNMENT



2025 Annual Municipal Report

For the fiscal year ended December 31,
2025



VILLAGE OF PORT CLEMENTS

Who We Are



Port Clements is a small, remote community on Graham Island in the Haida Gwaii archipelago, off the coast of northern British Columbia and within the territory of the Haida Nation. Home to 340 residents, according to the 2021 Census, Port Clements is surrounded by a temperate rainforest landscape that shapes the community's natural setting, local character, and connection to the outdoors.

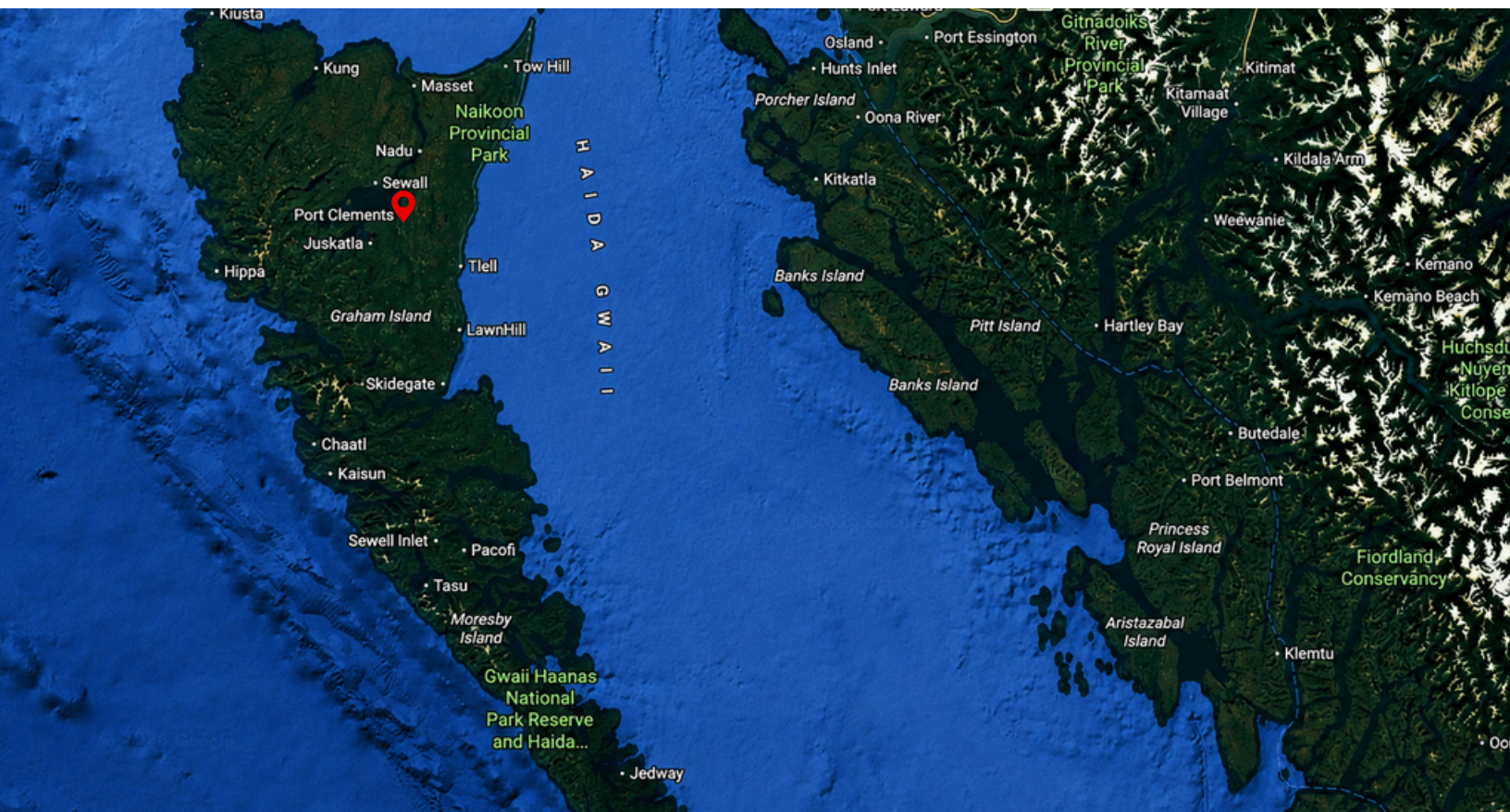
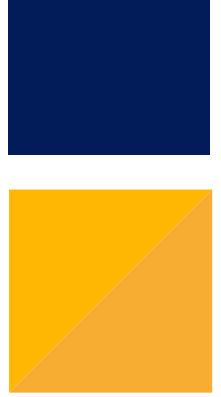
Although geographically remote, Port Clements serves as a welcoming gateway to Haida Gwaii's wilderness and offers residents and visitors access to the region's rivers, forests, and coastal environment.

The municipality's mission is to provide government function and sustainable services to our community.

This annual report provides an accounting of our activities in 2025 and provides transparency to the public.



Where We Are



Port Clements is located centrally on Graham Island, the largest island of the ecologically unique archipelago of Haida Gwaii. Nestled on the southeast edge of Masset Inlet, in between the mouths of the Yakoun River and Kumdis River. From its vantage point, Port Clements is ideally situated as a gateway to the wilderness of our island home, as well as other communities on island.



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Introduction

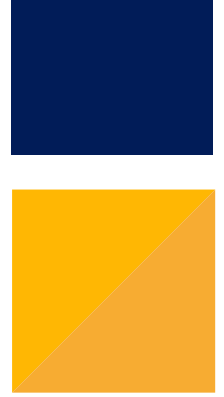


The Village of Port Clements is pleased to present its 2025 Annual Municipal Report, providing an overview of the municipality's operations, accomplishments, and financial performance throughout the year. Guided by Council's strategic priorities and the commitment of staff, volunteers, and community partners, the Village continued to invest in essential infrastructure, public services, recreation, and community development initiatives that support the well-being of residents and visitors alike.

Throughout 2025, significant progress was made on key projects aimed at strengthening municipal infrastructure, enhancing public amenities, and improving the delivery of services. This report highlights the achievements of the past year, outlines ongoing initiatives, and reflects the Village's commitment to responsible governance, transparency, and long-term sustainability. As we look to the future, Port Clements remains dedicated to fostering a vibrant, resilient, and welcoming community for generations to come.



Village Council



Mayor Scott Cabianca

In Office: 2022 - ongoing

Councillor Brigid Cumming

In office: 2017 - Ongoing

Councillor Kazamir Falconbridge

In office: 2012-2014, 2018 - Ongoing

Councillor Wayne Nicol

In Office: 2022 - Ongoing

Councillor Dennis Reindl

In Office: 2022 - Ongoing

Mayor's Message



2025 was a busy and productive year for the Village of Port Clements.

Council and staff continued to focus on improving core infrastructure throughout the village. Significant progress was made on the Sewage Lagoon project, Community Hall upgrades, Watermain replacement, Road improvements, Rainbow Wharf enhancements, Campground improvements, and other community infrastructure initiatives. These projects represent important investments in the quality and long-term sustainability of the village.

Council also continued to work closely with regional partners, neighbouring communities, the province, and the Council of the Haida Nation on matters affecting Haida Gwaii. Building strong relationships and finding practical solutions to shared challenges remains a priority. Throughout the year, Council continued to advocate for Port Clements and pursue opportunities that will benefit the community now and into the future.

As we move into 2026, Council remains focused on maintaining essential services, supporting our school and community institutions, improving community assets, encouraging economic development, and ensuring Port Clements remains a great place to live, work, and raise a family.

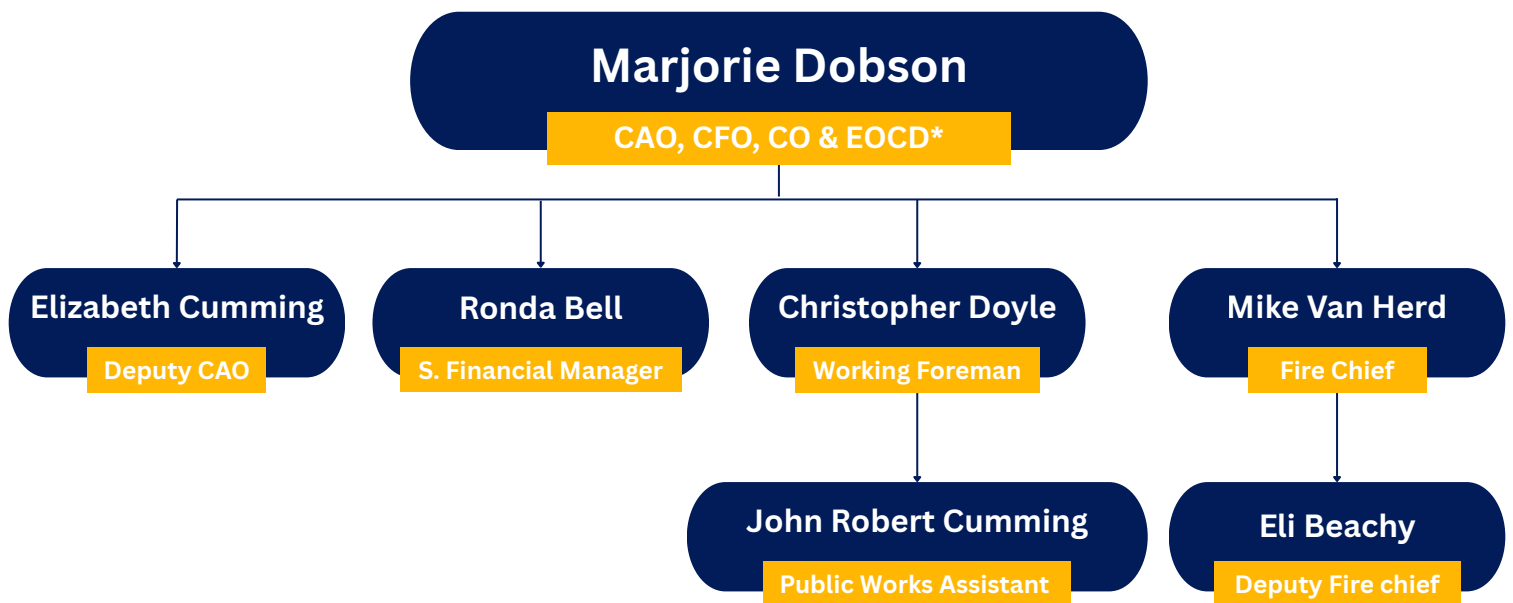
On behalf of Council, I would like to thank our staff, volunteers, local organizations, and residents for their continued support and commitment to our community.

SCOTT CABIANCA

Mayor Village of Port Clements

June 2026

Operational Organization Chart



NOTE: Christopher Doyle joined the team in January 2026.

Chief Administrative Officer Report



I am delighted to present the Village's 2025 Annual Municipal Report to residents, business owners, and visitors. This report showcases our accomplishments, 'ongoing projects', and future initiatives.

Despite the staffing constraints and operating challenges, the Village was able to maintain essential services with minimal disruptions. The Village advanced Council's strategic priorities, including improvements to roads, wastewater facilities, community parks, the water system, municipal buildings, update and modernize land development tools for supporting land development bylaws, and the climate action program. Several capital projects also faced cost pressures, largely due to the Village's geographic location and its impact on the cost of goods and services.

The Regional Benefit Alliance (RBA) funding has played and continue to play a significant role in addressing the Village infrastructure deficits.

Public engagement helped complete the updated Official Community Plan, strengthening the policy framework for future land-use decisions. The Village also specified the requirements for preparing vacant lots for residential and other developments, as well as for expansions on already occupied lots. Housing remains a significant topic and is of particular interest to the Council's strategic planning.

We express our gratitude to the volunteers, collaborative partners, and engaged residents for their invaluable contributions towards improving the quality of life for all who live, work, and visit our community.

Our advancement would not have been achievable without the unwavering dedication and commitment of the Village staff, along with a Council that makes decisions aimed at enhancing the overall well-being of the community.

The team at the Village of Port Clements is committed to the continuous enhancement, expansion, and advancement of our community.

MARJORIE DOBSON

Chief Administrative Officer

June 2026

Finance Report



The Senior Finance Manager, under the Chief Financial Officer, is responsible for most of the financial services including: the processing of financial transactions, filing reports to the provincial and federal governments, goods and services procurement, management of Village funds, billing, collection of property taxes, collection of utility user fees and reconciling monthly reports.

The finance department provided support for the Village's projects by co-ordinating payments, tracking budgets, managing grant timelines and financial reports.

Ronda was able to attend remotely and completed Capilano University's "Local Government Finance in BC" course. This is the 3rd course completed by Ronda towards a certificate in Public Administration.

FBB Chartered Professional Accountants LLP were again hired for the 2025 audit. They reviewed financial transactions and prepared financial statements in accordance with the Canadian Public Sector Accounting Standards. The attached independent Auditor's report outlines their responsibilities, their scope, and their opinion of the Village's financial statements. This annual process ensures transparency, accountability, and continued compliance with provincial reporting requirements.

In 2025, the municipality collected \$136,002 from property taxes, \$89,141 from water and sewer frontage tax, \$14,340 from tax penalties, and \$7,180 from the federal government PILT. \$335,683 was collected on behalf of other agencies.

Business licences increased to 34 from 31 and the campground generated a revenue of \$20,938, up 58% over the previous year.

RONDA BELL

Senior Financial Manager

June 2026

Public Works

Report



Public Works has maintained the daily operations of the water treatment and distribution system and the sewer collection and treatment system in Port Clements. And continues with the maintenance of the other infrastructure in the Village (The Rainbow Wharf, Small Craft Harbour, Fire Hall and Biomass Heating system, Community Hall, St. Marks/Millennium Park, The Port Health Clinic & Ambulance Station, Sunset Park Campground/Recreation Trail, Community Park, Multiplex, and the Roads and Ditches in the Village) as well as the groundskeeping of the green spaces on municipal property.

Some highlights of 2025 were:

- The installation of Energy efficient Heat pumps in the Community Hall, Fire Hall, and St Marks church
- The Installation of New Chlorine monitors in the Water Treatment Plant
- The Replacement and Repair of some of the Lift Station Pumps
- The Completion of the Winter Washroom at the community park
- The installation of a new Water Main on Tingley St to replace the aging asbestos-concrete Water Main
- The Start of the Wiring and Conduit for Well 4 getting placed
- The Continuation of the New Septic Lagoon Project
- The Purchase of a new Backup Generator for the Water Treatment Plant
- Tree removal from the RV side of Sunset Campground

It has been a challenging year for the Public Works department. The wide array of tasks that is part of our duties remains to be a steady balancing act, and we continue to appreciate the assistance of volunteers and residents with the upkeep and beautification of the village. Staffing became a stressor this year due to the loss of Robert Kidd (Superintendent) & Mark VanHerd (Senior Assistant). We wish them well in their further pursuits and are appreciative of the time that they have worked for the Village.

2025 has been a year of change and transition for Public Works and we look forward to further positive interactions between staff and residents in 2026.

JOHN ROBERT CUMMING

Public Works Assistant

June 2026





Board, Committees, Commissions

Internal Bodies

The Village of Port Clements had two Commissions providing services in accordance with their establishing bylaws to the community in 2025:

Recreation Commission

Emergency Management Commission

External Bodies

The Village of Port Clements also appoints representatives from Council to sit on external bodies to participate and represent Council's stance and Village interests on matters these bodies handled in 2025:

- **Graham Island Central Advisory** Committee (Gwaii Trust)
- **Northwest Regional Advisory** Committee (Northern Development)
- **North Coast** Regional District
- **Northern Health** Authority
- **Misty Isles Economic Development** Society
- **Gwaii Tel** Society
- **Vancouver Island** Regional Library
- **Haida Gwaii** Community Futures
- **Municipal Insurance** Association
- **Haida Gwaii Protocol** Table
- **Northwest BC** Resource Benefits Alliance

Rec. Commision

Report



We had a great craft and egg hunt for the children for Easter.
Mothers Day we had ice cream at the park .

Canada Days was a busy event as usual. We did add a local children's entertainer for a bit of fun. As always people enjoyed the weekend. We are always grateful to the public works crew, as this is a huge event for them as well.

The summer we had our 2nd annual children's Tour De Port (our local triathlon). We did have some families from DG and Masset to add to the fun this year. Leidy made beautiful cookie medals for the kids which they totally love, and were beautifully done.

Nov/Dec we had several Christmas events. We started with an Ugly Christmas sweater fun run, with the help of Christine Cunningham. People ran, walked and enjoyed a social tie at the park afterwards with refreshments. Adele Kupp lead us in a wreath making event that was very well attended and lots of fun. Our Christmas event this year had a totally different look from past years. We had a taco dinner with all the trimmings. Several local ladies worked the kitchen for us. Lots of games, prizes, activities for the kids. Alan build a couple indoor hockey games which the children enjoyed, ice fishing , bag toss, tatoos. Santa was there for photos and a chat as well.

Through the year we had several movies sponsored and ran with the help of the local PAC. Sorry I may have forgot a couple of things, but this is the majority of the years fun :)

Thanks for the office and council support though out the year.

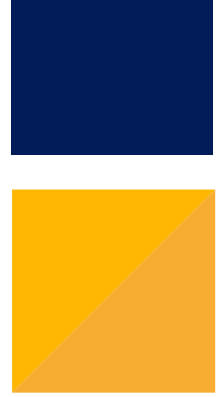
BEV LORE

Commission Chair

June 2026



Strategic Priorities



2025

Key Highlights



During the year 2025, the Council updated the strategic plan. Below is a list of strategic priorities derived from their planning process including those items that were not completed from prior years and have been carried over into 2025.

Water System Improvement

- Well #4 connection to the water system
- Water Treatment Plan instruments upgrades
- Asbestos Cement waterline replacement
- Professional cleaning of all reservoirs
- Creating a water plan

Strategic Priorities



Road paving

Preliminary work on the M&B Subdivision for housing purposes

Wastewater System Upgrade

- Completion of the new sewage lagoon
- Replacement of pumps at lift stations
- Capital maintenance of marine outfall

Reducing Greenhouse gas emissions in its operations

- Retrofitting buildings to be more energy efficient
- Installing heat pumps in municipal buildings
- Replacing old diesel generator for Water Treatment Plant

Municipal Buildings improvement

- St. Marks church upgrade and repairs
- Community Hall retrofit and repairs

Campground enhancement

- Improvement to tent sites
- Removal of overcrowding trees

Community Park Improvements

- New Band stand construction
- Ball Fields fencing
- Washrooms improvement
- Playground Equipment replacement

Rainbow wharf railing replacement



Financial Information

Year end December 31, 2025

Elected Official

Employees

Severance Pay

2025 Audited Financial Statement

**20
25**

Year End

December 31, 2025



ELECTED OFFICIALS

NAME	POSITION	REMUNERATION	EXPENSES	TOTAL PER OFFICIAL
Cabianca, Scott	Mayor	\$10,000.00	\$4,301.64	\$14,301.64
Cumming, Brigid	Councillor	\$6,000.00	\$0.00	\$6,000.00
Falconbridge, Kazamir	Councillor	\$6,000.00	\$56.70	\$6,056.70
Nicol, Wayne	Councillor	\$6,000.00	\$0.00	\$6,000.00
Reindl, Dennis	Councillor	\$6,000.00	\$0.00	\$6,000.00
TOTALS FOR ALL OFFICIALS		\$34,000.00	\$4,301.64	\$38,301.64

EMPLOYEES

NAME	POSITION	REMUNERATION	EXPENSES	TOTAL PER EMPLOYEE
Dobson, Marjorie	CAO	\$95,500.01	\$774.96	\$96,275.06
Employees Under \$75,000.00	All other	\$265,430.25	\$3,653.47	\$269,083.72
TOTALS FOR ALL EMPLOYEES		\$360,930.35	\$4,428.43	\$365,358.78

SEVERANCE PAY

TOTAL EMPLOYEE SEVERANCE PAY FOR 2024	\$0.00
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AUDITED FINANCIAL STATEMENT



2025

Annual Report

Village of Port Clements
FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2025

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MANAGEMENT'S RESPONSIBILITY

The information and representations in the consolidated financial statements are the responsibility of management and have been approved by the Mayor and Council of the Village of Port Clements. The consolidated financial statements were prepared by management in accordance with Canadian Public Sector Accounting Standards and, where necessary, reflect management's best estimates and judgements at this time. It is reasonably possible that circumstances may arise which cause actual results to differ. Management does not believe it is likely that any differences will be material.

The Village of Port Clements maintains systems of internal accounting controls, policies and procedures to provide reasonable assurances as to the reliability of the financial records and safeguarding of its assets.

The Mayor and Council are responsible for ensuring that management fulfills its responsibilities for financial reporting and are ultimately responsible for reviewing and approving the consolidated financial statements.

The consolidated financial statements have been reviewed and approved by the Mayor and Council. The consolidated financial statements have been audited by FBB Chartered Professional Accountants LLP, the independent auditors, whose report follows.

May 6, 2026

Port Clements, British Columbia

INDEPENDENT AUDITOR'S REPORT

To the Mayor and Council,
Village of Port Clements

Opinion

We have audited the financial statements of Village of Port Clements, which comprise the consolidated statement of financial position as at December 31, 2025, and the consolidated statements of operations, changes in net financial assets and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Village of Port Clements as at December 31, 2025, and its financial performance 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 Financial Statements section of our report. We are independent of the Village in accordance with ethical requirements that are relevant to our audit of the consolidated 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.

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

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

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

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

INDEPENDENT AUDITOR'S REPORT (continued)

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes 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 consolidated financial statements. As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated 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 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 municipality'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 municipality'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 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 municipality to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

May 6, 2026

Prince George, British Columbia

FBB Chartered Professional Accountants LLP

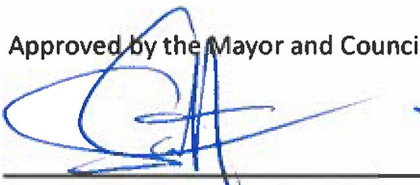
Village of Port Clements

Consolidated Statement of Financial Position

As at December 31, 2025

	<u>2025</u>	<u>2024</u>
Financial assets		
Cash and investments	\$ 10,705,612	\$ 8,499,665
Taxes and accounts receivable (note 2)	<u>244,115</u>	<u>228,245</u>
	<u>10,949,727</u>	<u>8,727,910</u>
Financial Liabilities		
Accounts payable and accrued liabilities (note 3)	89,872	80,174
Liability for contaminated site (note 13)	2,310,787	3,475,900
Deferred revenue (note 4)	<u>2,838,417</u>	<u>1,704,677</u>
	<u>5,239,076</u>	<u>5,260,751</u>
Net financial assets	<u>5,710,651</u>	<u>3,467,159</u>
Non-financial assets		
Property acquired for taxes	9,202	9,202
Prepaid expenses	45,889	42,285
Tangible capital assets (note 5)	<u>9,877,910</u>	<u>9,024,602</u>
	<u>9,933,001</u>	<u>9,076,089</u>
Accumulated Surplus (note 8)	<u>\$ 15,643,652</u>	<u>\$ 12,543,248</u>

Approved by the Mayor and Council




Village of Port Clements

Consolidated Statement of Operations

For the year ended December 31, 2025

	2025 Budget (unaudited)	2025 Actual	2024 Actual
Revenue			
Property taxes	\$ 221,050	\$ 225,143	\$ 224,921
Grants in lieu	8,894	9,030	8,468
Sale of services	31,795	6,663	6,915
Revenue from own sources	222,784	234,960	273,326
Multi-purpose building rental	14,900	14,643	14,791
Unconditional grants (Schedule 1)	371,500	332,000	371,500
Conditional grants (Schedule 1)	4,791,145	3,209,759	1,667,232
Interest and penalties on taxes and user fees	100,308	378,821	316,801
Collections for other agencies	325,355	335,683	317,128
	<u>6,087,731</u>	<u>4,746,702</u>	<u>3,201,082</u>
Expenses			
Legislative	55,550	42,882	41,881
General administration	451,538	437,538	380,696
Emergency services	3,500	14,717	7,225
Protective services	71,100	60,487	40,918
Common services	83,740	64,628	78,406
Wharf	33,980	22,722	3,662
Small craft harbour	19,000	11,070	12,231
Roads and public works	65,150	43,450	65,991
Economic development	5,000	110,280	158,065
Parks, recreation and tourism	91,400	95,474	94,465
Water and sewer utility operations	231,880	163,997	195,371
Multi-purpose building maintenance	87,300	62,245	64,035
Fiscal services	5,400	5,221	2,140
Amortization	145,521	175,448	174,957
Payments to other agencies	325,355	336,139	317,536
	<u>1,675,414</u>	<u>1,646,298</u>	<u>1,637,579</u>
Annual Surplus	<u>4,412,317</u>	3,100,404	1,563,503
Accumulated surplus, beginning of year		<u>12,543,248</u>	<u>10,979,745</u>
Accumulated surplus, end of year (Note 8)		<u>\$ 15,643,652</u>	<u>\$ 12,543,248</u>

Village of Port Clements

Consolidated Statement of Changes in Net Financial Assets For the year ended December 31, 2025

	2025 Budget (unaudited)	2025 Actual	2024 Actual
Annual surplus	\$ 4,412,317	\$ 3,100,404	\$ 1,563,503
Amortization	-	175,448	174,957
Change in prepaid expenses	-	(3,604)	171,631
Transfer (to) from reserve funds	(1,742,163)	-	-
Disposition of tangible capital assets	-	-	1,288
Proceeds on sale of tangible capital assets	-	-	(1,288)
Acquisition of tangible capital assets	(2,670,154)	(1,028,756)	(639,559)
Increase in net financial assets	<u>\$ -</u>	2,243,492	1,270,532
Net Financial Assets, beginning of year		<u>3,467,159</u>	<u>2,196,627</u>
Net Financial Assets, end of year		<u>\$ 5,710,651</u>	<u>\$ 3,467,159</u>

Village of Port Clements

Consolidated Statement of Cash Flows

For the year ended December 31, 2025

	2025	2024
NET INFLOW (OUTFLOW) OF CASH:		
Operating Activities		
Annual surplus	\$ 3,100,404	\$ 1,563,503
Non-cash charges to operations		
Amortization	175,448	174,957
Gain on disposition of tangible capital assets	-	(1,288)
Liability for contaminated site	(1,165,113)	(967,760)
Changes in non-cash operating balances:		
(Increase) decrease in taxes and accounts receivable	(15,870)	(56,056)
Decrease in accounts payable and accrued liabilities	9,698	(22,554)
Decrease in deferred revenue	1,133,740	940,305
Decrease (increase) in prepaid expenses	(3,604)	171,631
	3,234,703	1,802,738
Capital Activity		
Proceeds on sale of tangible capital assets	-	1,288
Acquisition of tangible capital assets	(1,028,756)	(639,559)
Increase in cash and investments	2,205,947	1,164,467
Cash and investments, beginning of year	8,499,665	7,335,198
Cash and investments, end of year	\$ 10,705,612	\$ 8,499,665

Village of Port Clements

Notes to the Consolidated Financial Statements

For the year ended December 31, 2025

General

The Village of Port Clements is a municipality and provides general government, water, sewer and related services to the residents of Port Clements, British Columbia.

1. SIGNIFICANT ACCOUNTING POLICIES

a. Basis of Presentation

These consolidated financial statements reflect all revenues, expenses, assets and liabilities of the Village of Port Clements. It is the Village's policy to follow Canadian public sector accounting standards and apply such principles consistently. The consolidated financial statements have been prepared incorporating guidelines issued by the Public Sector Accounting Board (PSAB) of the CPA Canada Handbook as recommended by Municipal Affairs, Province of British Columbia.

The focus of Canadian public sector accounting standards is on the financial position of the Village and the changes thereto. The Consolidated Statement of Financial Position reflects the combined results and activities of the Village's Operating, Capital and Reserve Funds. The purposes of these funds are:

i. **Operating Funds**

Operating Funds are to be used to record the costs associated with providing Village services.

ii. **Capital Funds**

Capital Funds are used to account for the acquisition costs of the Village's Tangible Capital Assets, the accumulated amortization thereon, and the funding thereof including related long-term debt.

iii. **Reserve Funds**

Under the Local Government Act of the Province of British Columbia, the Mayor and Council of the Village may, by bylaw, establish Reserve Funds for specific purposes. Money in a Reserve Fund and interest thereon must be used only for the purpose for which the fund was established. If the amount in a Reserve Fund is greater than required, the Mayor and Council may, by bylaw, transfer all or part of the balance to another Reserve Fund.

Financial assets are economic resources controlled by the government as a result of past transactions from which future economic benefits may be obtained. Liabilities are present obligations of the government to others arising from past transactions, the settlement of which is expected to result in the future sacrifice of economic benefits.

Revenues are accounted for in the period in which the transactions or events occurred that gave rise to the revenues. Expenses are recorded in the period in which goods and services are acquired and a liability is incurred.

Village of Port Clements

Notes to the Consolidated Financial Statements

For the year ended December 31, 2025

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

b. Restricted Financial Assets

Restricted financial assets include assets held in trust to be expended only in accordance with the conditions of the trust, and amounts from reserve funds set aside for future debt retirement or for future capital expenditures.

c. Revenue recognition

Taxes are recognized as revenue when they are levied. Sale of services and user fee revenues are recognized when the service or product is provided by the Village. Conditional grants are recorded as revenue when specified conditions have been met. Unconditional grants are recorded when funding is received or receivable. Revenues received where conditions have not yet been met are recorded as deferred revenue.

d. Tangible Capital Assets

Tangible capital assets are recorded at cost which includes all amounts that are directly attributable to acquisition, construction, development or betterment of the asset, excluding all interest costs. Tangible capital assets received as contributions are recorded at their fair value at the date of receipt, and that fair value is also recorded as revenue. Assets under development or construction are not amortized until put into use.

Amortization is provided using the straight-line method at the estimated useful lives of the assets at the following rates:

Land	Nil
Buildings	20-150 years
Automotive	6-13 years
Fire department	10-30 years
Office equipment	15 years
Tools and equipment	4-20 years
Parks and recreation	3-100 years
Roads and sidewalks	20-40 years
Biomass heating system	50-70 years
Solar Panel	15 years
Water system	4-140 years
Sewer system	165 years

e. Property acquired for taxes

Property acquired for taxes is recorded at acquisition cost.

Village of Port Clements

Notes to the Consolidated Financial Statements

For the year ended December 31, 2025

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

f. Use of Estimates

The preparation of consolidated financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the period. Significant areas requiring the use of management estimates include: determination of accrued sick benefits, collectibility of accounts receivable, amortization of tangible capital assets, liability for contaminated site and provisions for contingencies. Actual results could differ from those estimates. Adjustments, if any, will be reflected in operations in the period of settlement.

g. Liability for contaminated sites

The Village recognizes a liability for contaminated sites as at the reporting date when:

- a) an environmental standard exists;
- b) contamination exceeds the environmental standard;
- c) the government:
 - (i) is directly responsible; or
 - (ii) accepts responsibility;
- (d) it is expected that future economic benefits will be given up; and
- (e) a reasonable estimate of the amount can be made.

An asset acquired as part of remediation is recorded as an expense if the asset has no alternate use.

2. TAXES AND ACCOUNTS RECEIVABLE

	<u>2025</u>	<u>2024</u>
Property taxes	\$ 27,769	\$ 43,835
Utilities	22,236	26,474
Sales taxes	114,517	70,430
Other receivables	<u>79,593</u>	<u>87,506</u>
	<u>\$ 244,115</u>	<u>\$ 228,245</u>

3. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Trade and accrued liabilities	\$ 87,344	\$ 79,339
Payroll and withholding taxes	<u>2,528</u>	<u>835</u>
	<u>\$ 89,872</u>	<u>\$ 80,174</u>

Village of Port Clements

Notes to the Consolidated Financial Statements

For the year ended December 31, 2025

4. DEFERRED REVENUE

	2025	2024
Federal Gas Tax Community Works	\$ 272,004	\$ 552,741
Province of B.C. - Climate Action Program	127,203	202,537
Province of B.C. - Development approval process	96,663	151,141
Province of B.C. - EDMA Indigenous Engagement grant	81,100	40,000
Northwest Resource Benefit Alliance - 85% restricted	2,259,634	757,347
Prepaid taxes, business licences, fitness memberships	1,813	910
	<u>\$ 2,838,417</u>	<u>\$ 1,704,676</u>

The Village is a participant under the Community Works Fund that provides for the Village's receiving Federal gas taxes transferred under the New Deal for Cities and Communities signed by the Union of BC Municipalities, the Province of British Columbia, and the Government of Canada. Although the Village has some latitude in determining which projects to pursue, the agreement provides that projects should address the reduction of greenhouse gas emissions, cleaner air and cleaner water.

In 2025, the Village received funds as a local government member through the Northwest Resource Benefit Alliance providing \$50M in funding to all Northwest B.C. local governments. The Village's share of these funds was \$2,672,991. The terms of the agreement states that 85% of this amount must be expended on major capital projects and the Village has deferred this portion of the funds for major capital projects to occur in subsequent years.

5. TANGIBLE CAPITAL ASSETS

			2025	2024
	Cost	Accumulated Amortization	Net Carrying Amount	
Land	\$ 466,958	\$ -	\$ 466,958	\$ 466,958
Buildings	3,896,712	818,442	3,078,270	3,087,156
Automotive	678,591	147,316	531,275	561,908
Fire department	546,175	502,967	43,208	57,337
Office equipment	38,967	17,700	21,267	21,823
Tools and equipment	57,685	44,710	12,975	15,076
Parks and recreation	1,230,651	393,312	837,339	815,554
Roads and sidewalks	542,156	305,830	236,326	181,554
Biomass heating system	414,148	107,036	307,112	315,395
Solar Panel	151,900	96,206	55,694	65,821
Water system	3,465,655	454,698	3,010,957	2,159,332
Sewer system	1,630,195	353,666	1,276,529	1,276,688
	<u>\$ 13,119,793</u>	<u>\$ 3,241,883</u>	<u>\$ 9,877,910</u>	<u>\$ 9,024,602</u>

Village of Port Clements

Notes to the Consolidated Financial Statements

For the year ended December 31, 2025

5. TANGIBLE CAPITAL ASSETS (continued)

Tangible Capital Asset Additions for the year are as follows:

	Cost January 1, 2025	Additions	Disposals	Cost December 31, 2025
Land	\$ 466,958	\$ -	\$ -	\$ 466,958
Buildings	3,864,107	32,605	-	3,896,712
Automotive	678,591	-	-	678,591
Fire department	546,175	-	-	546,175
Office equipment	38,967	-	-	38,967
Tools and equipment	57,685	-	-	57,685
Parks and recreation	1,185,764	44,887	-	1,230,651
Roads and sidewalks	471,067	71,089	-	542,156
Biomass heating system	414,148	-	-	414,148
Solar panel	151,900	-	-	151,900
Water system	2,595,142	870,513	-	3,465,655
Sewer system	1,620,533	9,662	-	1,630,195
	<u>\$ 12,091,037</u>	<u>\$ 1,028,756</u>	<u>\$ -</u>	<u>\$ 13,119,793</u>

Amortization for the year is as follows:

	Balance January 1, 2025	Adjustments	Amortization	Balance December 31, 2025
Land	\$ -	\$ -	\$ -	\$ -
Buildings	776,951	-	41,491	818,442
Automotive	116,683	-	30,633	147,316
Fire department	488,838	-	14,129	502,967
Office equipment	17,144	-	556	17,700
Tools and equipment	42,609	-	2,101	44,710
Parks and recreation	370,210	-	23,102	393,312
Roads and sidewalks	289,513	-	16,317	305,830
Biomass heating system	98,753	-	8,283	107,036
Solar panel	86,079	-	10,127	96,206
Water system	435,810	-	18,888	454,698
Sewer system	343,845	-	9,821	353,666
	<u>\$ 3,066,435</u>	<u>\$ -</u>	<u>\$ 175,448</u>	<u>\$ 3,241,883</u>

Village of Port Clements

Notes to the Consolidated Financial Statements

For the year ended December 31, 2025

5. TANGIBLE CAPITAL ASSETS (continued)

	2025	2024
Details of asset additions:		
Water system - Tingley Street Watermain	\$ 716,773	\$ -
Water system - Well #3 & 4 Capital	38,522	136,920
Water system - Pumps, meters, & related upgrades	115,219	-
Paving	71,088	-
St. Marks Heat pumps	32,605	-
Public works yard - Quanset cover for seacan, crush	-	10,698
Computers for public works and office	-	2,787
2016 Ford F150 Public Works	-	14,766
Freightliner M2-106 Pumper Truck	-	467,636
Public works - landscaping equipment	-	6,752
Sewer lagoon capital	9,662	-
Mobi mats for Wharf	44,887	-
	<u>\$ 1,028,756</u>	<u>\$ 639,559</u>

6. NET ASSETS INVESTED IN TANGIBLE CAPITAL ASSETS

Net assets in tangible capital assets, beginning of year	\$ 9,024,602	\$ 8,560,000
Add: acquisition of tangible capital assets	1,028,756	639,559
Less: amortization	<u>(175,448)</u>	<u>(174,957)</u>
	<u>\$ 9,877,910</u>	<u>\$ 9,024,602</u>

Village of Port Clements

Notes to the Consolidated Financial Statements

For the year ended December 31, 2025

7. RESERVE FUNDS

	Balance January 1, 2025	Appropriations	Funds used	Balance December 31, 2025
Northern Capital and Planni	\$ 2,522,227	\$ 80,392	\$ (616,556)	\$ 1,986,063
Growing Communities Gran	618,006	27,712	-	645,718
NWRBA reserve	898,065	2,717,374	(769,756)	2,845,683
Latecomer's fee reserve	9,369	-	-	9,369
Fire department reserve	5,500	-	-	5,500
Bursary reserve	500	-	-	500
Planning fund reserve	3,595	-	-	3,595
	<u>\$ 4,057,262</u>	<u>\$ 2,825,478</u>	<u>\$ (1,386,312)</u>	<u>\$ 5,496,428</u>

These internally restricted net assets are not available for other purposes without the approval of mayor and council. Interest was added to the following reserves: NCPG grant reserve \$80,392, Growing Communities Fund \$27,712, and NWRBA reserve \$44,383.

During the year, the Province of B.C. announced an payout of the remaining 3 years to the Northwest Resource Benefit Alliance. The funds have been distributed to the member municipalities proportionately based on population; the Village received \$2,672,990 as its share.

8. ACCUMULATED SURPLUS

	2025	2024
General operating fund	\$ 5,056,030	\$ 3,402,344
Water system	(328,381)	509,555
Sewer system	(4,458,335)	(4,450,515)
Net assets invested in tangible capital assets (note 6)	9,877,910	9,024,602
Reserve funds (note 7)	5,496,428	4,057,262
	<u>\$ 15,643,652</u>	<u>\$ 12,543,248</u>

Village of Port Clements

Notes to the Consolidated Financial Statements

For the year ended December 31, 2025

9. COMMITMENTS AND CONTINGENCIES

- a. The Village is jointly and severally liable under the provisions of the Community Charter for any default on monies borrowed by the Village.
- b. Municipal Pension Plan

The Village 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 Plan is a multi-employer defined benefit pension plan. Basic pension benefits provided are based on a formula. The Plan has about 273,000 active members and approximately 133,000 retired members. Active members include approximately 47,000 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 actuary determines an appropriate combined employer and member contribution rate to the fund. The actuary's calculated contribution rate is based on the entry-age normal cost method, which produces the long-term rate of member and employer contributions sufficient to provide benefits for average future entrants to the plan. This rate is then adjusted to the extent there is amortization of any funding deficit. The most recent valuation as at December 2024 indicated a funding surplus of \$2,675 million for basic pension benefits on a going concern basis.

The next valuation will be December 31, 2027 with results available in 2028. Employers participating in the Plan record their pension expense as the amount of employer contributions made during the fiscal year (defined contribution pension accounting). This is because the Plan records accrued liabilities and assets for the Plan in aggregate with the result that there is no consistent and reliable basis for allocating the obligation, assets and costs to the individual employers participating in the Plan.

The Village of Port Clements paid \$26,063 for employer contributions and \$24,103 in employee contributions to the Plan in the year ended December 31, 2025 (2024 - \$26,719 and \$24,710).

Village of Port Clements

Notes to the Consolidated Financial Statements

For the year ended December 31, 2025

10. ECONOMIC DEPENDENCE

The Village receives a significant portion of revenue from the Province of British Columbia through the government's Small Community Protection Program.

11. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The Village's financial instruments consist of cash and investments, taxes and accounts receivable, accounts payable and accrued liabilities and deferred revenue. Unless otherwise noted, it is management's opinion that the Village is not exposed to significant interest, currency, or credit risks arising from these financial instruments. The fair values of these financial instruments approximate their carrying values, unless otherwise noted.

The Village is exposed to financial risk that arises from the credit quality of the entities to which it provides services. Credit risk arises from the possibility that the entities to which the Village provides services may experience financial difficulty and be unable to fulfill their obligations. The Village mitigates this risk by dealing with counterparties management considers to be of high integrity.

The Village is exposed to interest rate risk arising from fluctuations in interest rates on its cash and investments. No financial instruments are held that mitigate this risk.

12. EXPENSES BY OBJECT

	2025	2025	2024
	Budget	Actual	Actual
	(Unaudited)		
Salaries, wages and benefits	\$ 490,438	\$ 378,653	\$ 445,677
Materials and supplies	138,100	142,154	108,325
Contracted services	61,000	98,405	49,123
Rent, maintenance and utilities	357,000	291,079	264,932
Mayor and council remuneration and travel	48,550	42,498	41,697
Insurance	51,750	68,300	59,958
Grant expenses	54,516	110,664	173,317
Interest and bank charges	3,200	2,958	2,057
Amortization	145,521	175,448	174,957
Payment to other agencies	325,339	336,139	317,536
	<u>\$ 1,675,414</u>	<u>\$ 1,646,298</u>	<u>\$ 1,637,579</u>

Village of Port Clements

Notes to the Consolidated Financial Statements

For the year ended December 31, 2025

13. LIABILITY FOR CONTAMINATED SITES

The Village is aware of one potentially contaminated site on land the Village is responsible for. An old gas station site may require environmental remediation. The Village has no plans to redevelop or sell the property and has no future plans to remediate the property. Since there is no obligation to remediate the property or expected future outlay, no provision has been made in these financial statements. Should management become aware of any contaminated sites the Village is responsible for remediating, a liability for contaminated sites would be setup in accordance with PS3260.

During the year, the Village has exceeded environmental standards relating to its effluent discharge from its wastewater operations into the Masset Inlet which has been deemed hazardous to fish as per Environment Canada. As directed by Environment Canada, the Village has to remediate the effluent discharge fully or reduce to acceptable levels by September 2022. Given the issues surrounding Covid-19 and obtaining contractors to complete the project, the Village was granted additional time to complete the project. The Village has determined the only effective way to mitigate the issue is the construction of a new sewer lagoon and related wastewater facility. The Village has undertaken studies and quotation from professional contractors for the costs to extend the sewer lagoon and facilities and has recorded a liability for environmental contamination as follows:

Construction costs, with 3% inflation allowance for materials	\$ 3,552,000
Consultant costs (engineers, forester, monitor)	349,000
Other costs (federal and provincial required signage)	2,000
Contingency for cost overruns and unforeseen items (15%)	<u>878,000</u>
	4,781,000
Less costs incurred to date	<u>(2,470,213)</u>
Provision for environmental remediation	<u><u>\$ 2,310,787</u></u>

During the year, the Village has incurred \$1,165,113, (2024 to date, \$1,305,100) in costs with respect to planning and preparation for this project. These items have been expensed in the year incurred under Environmental remediation expenses in the statement of operations along with the above provision. The item is recorded as an expense rather than an asset since it has no alternate use as required by PS3260.45 and Note 2.

The Villages believes the above liability will be funded \$1,000,000 by the Village from a combination of reserves and surpluses and the balance will be funded by federal and provincial grants. The Village has applied for and received confirmation for the relevant federal and provincial grants and these grant will be recorded as revenue when received or receivable. \$1,497,996 of funding was received in 2025 from the Province of B.C. channeled from the federal government through the Investing In Canada Infrastructure Program (ICIP).

Village of Port Clements

Notes to the Consolidated Financial Statements

For the year ended December 31, 2025

14. BUDGETED FIGURES

The budget amounts presented throughout these consolidated financial statements are unaudited and represent the amended five year financial plan bylaw No. 493.1 approved by the Village Mayor and Council on December 15, 2025.

15. CONTINGENT LIABILITY

The Village is contingently liable for fines of \$500,000 to \$6,000,000 from Environment Canada should they not carry out the environmental remediation as disclosed in Note 13. The Village believes their remediation plan will be accepted by Environment Canada and the project will be completed before any fines are applied (significant work has taken place on this project to date).

16. COMPARATIVE FIGURES

Certain of the comparative figures have been reclassified to conform to the current year's presentation. Investing in Canada Infrastructure grant funds have been reclassified from unconditional grants to conditional grants for 2025.

Village of Port Clements**Schedule 1****Schedule of Grant Revenues****For the year ended December 31, 2025**

	2025	2024
Unconditional Grants		
Small Community Protection Grant	\$ 332,000	\$ 371,500
Conditional Grants		
CERIP 2023 carried forward	\$ -	\$ 219,000
UBCM Fire department equipment grant	14,722	14,722
UBCM Gas Tax Funds spent	381,549	-
Local government climate action program funds spent	75,334	-
Western Economic Diversification	-	11,449
Gwaii Trust - Youth program	-	5,000
Gwaii Trust - major contribution	-	250,000
Gwaii Trust - community events	-	806
Gwaii Trust - holiday event grant	2,880	8,106
Province of B.C. - development approval process spent	54,478	-
EDMA - Indigenous Engagement Grant spent	900	-
Province of B.C. - waste water improvements	-	1,000,000
Northwest Resource Benefit Alliance	2,672,991	890,997
Northwest Resource Benefit Alliance restricted funds spent	769,755	-
Northwest Resource Benefit Alliance - 85% restricted deferred	(2,272,042)	(757,347)
NDIT - grant writer	4,106	8,000
Vibrant community commission	-	615
Investing in Canada Infrastructure - waste water upgrades	1,497,996	11,457
Other	7,090	4,427
	<u>\$ 3,209,759</u>	<u>\$ 1,667,232</u>

INDEPENDENT AUDITOR'S REPORT ON SUPPLEMENTARY INFORMATION

To the Mayor and Council,
Village of Port Clements,

We have audited and reported separately herein on the consolidated financial statements of the Village of Port Clements as at and for the year ended December 31, 2025.

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements taken as a whole. The current year's supplementary information included is presented for purposes of additional analysis and is not a required part of the consolidated financial statements. Such supplementary information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and, in our opinion, is fairly stated in all material respects in relation to the consolidated financial statements taken as a whole.

May 6, 2026
Prince George, British Columbia

FBB Chartered Professional Accountants LLP

Village of Port Clements

General Operating Fund - Statement of Financial Position

As at December 31, 2025

	2025	2024
Financial assets		
Cash and investments	\$ 10,705,612	\$ 8,499,665
Due from other funds	2,475,929	465,060
Taxes and accounts receivable	244,115	228,245
	<u>13,425,656</u>	<u>9,192,970</u>
Financial Liabilities		
Accounts payable and accrued liabilities	89,872	80,174
Deferred revenue	2,838,417	1,704,677
	<u>2,928,289</u>	<u>1,784,851</u>
Net financial assets	<u>10,497,367</u>	<u>7,408,119</u>
Non-financial assets		
Property acquired for taxes	9,202	9,202
Prepaid expenses	45,889	42,285
Tangible capital assets	5,590,424	5,588,584
	<u>5,645,515</u>	<u>5,640,071</u>
	<u>\$ 16,142,882</u>	<u>\$ 13,048,190</u>
Accumulated surplus		
Accumulated surplus	5,056,030	3,402,344
Equity in tangible capital assets	5,590,424	5,588,584
Reserves	5,496,428	4,057,262
	<u>\$ 16,142,882</u>	<u>\$ 13,048,190</u>

Village of Port Clements

General Operating Fund - Statement of Operations

For the year ended December 31, 2025

	2025 Budget (unaudited)	2025 Actual	2024 Actual
Revenue			
Property taxes	\$ 136,000	\$ 136,002	\$ 135,780
Grants in lieu	8,894	9,030	8,468
Sale of services	31,795	6,663	6,915
Revenue from own sources	124,185	128,319	167,372
Multi-purpose building rental	14,900	14,643	14,791
Unconditional grants	371,500	332,000	382,957
Conditional grants	4,791,145	3,209,759	1,655,775
Interest and penalties on taxes and user fees	98,599	376,185	314,841
Collections for other agencies	325,355	335,683	317,128
	<u>5,902,373</u>	<u>4,548,284</u>	<u>3,004,027</u>
Expenses			
Legislative	55,550	42,882	41,881
General administration	451,538	437,538	380,697
Emergency services	3,500	14,717	7,225
Protective services	71,100	60,487	40,918
Common services	83,740	64,628	78,406
Wharf	33,980	22,722	3,662
Small craft harbour	19,000	11,070	12,231
Roads and public works	65,150	43,450	65,991
Economic development	5,000	110,280	158,060
Parks, recreation and tourism	91,400	95,474	94,465
Multi-purpose building maintenance	87,300	62,245	64,035
Fiscal services	5,400	5,221	2,140
Amortization	118,657	146,739	147,813
Payments to other agencies	325,355	336,139	317,536
	<u>1,416,670</u>	<u>1,453,592</u>	<u>1,415,060</u>
Annual surplus	<u>4,485,703</u>	3,094,692	1,588,967
Accumulated surplus, beginning of year		<u>13,048,190</u>	<u>11,459,223</u>
Accumulated surplus, end of year		<u>\$ 16,142,882</u>	<u>\$ 13,048,190</u>

Village of Port Clements

Water System - Statement of Financial Position

As at December 31, 2025

	2025	2024
Financial assets		
Due from general operating fund	\$ -	\$ 509,555
Financial Liabilities		
Due to general operating fund	328,381	-
Net financial assets	(328,381)	509,555
Non-financial assets		
Tangible capital assets	3,010,957	2,159,332
	<u>\$ 2,682,576</u>	<u>\$ 2,668,887</u>
Accumulated Surplus		
Accumulated surplus	\$ (328,381)	\$ 509,555
Equity in tangible capital assets	3,010,957	2,159,332
	<u>\$ 2,682,576</u>	<u>\$ 2,668,887</u>

Village of Port Clements

Water System - Statement of Operations

For the year ended December 31, 2025

	2025 Budget (unaudited)	2025 Actual	2024 Actual
Revenue			
User charges	\$ 64,182	\$ 68,740	\$ 68,273
Water frontage tax	52,050	53,060	53,060
Interest and other	1,709	2,836	2,327
	<u>117,941</u>	<u>124,636</u>	<u>123,660</u>
Expenses			
Administration	15,000	15,000	15,000
Amortization	17,043	18,888	17,323
Distribution	37,800	36,498	31,216
Repairs and maintenance	34,250	14,241	16,016
Wages and benefits	53,820	26,320	51,886
	<u>157,913</u>	<u>110,947</u>	<u>131,441</u>
Annual surplus (deficit)	<u>(39,972)</u>	13,689	(7,781)
Accumulated surplus, beginning of year		<u>2,668,887</u>	<u>2,676,668</u>
Accumulated surplus, end of year		<u>\$ 2,682,576</u>	<u>\$ 2,668,887</u>

Village of Port Clements

Sewer System - Statement of Financial Position

As at December 31, 2025

	2025	2024
Financial Liabilities		
Liability for contaminated site	2,310,787	3,475,900
Due from general operating fund	2,147,548	974,615
	<u>4,458,335</u>	<u>4,450,515</u>
Net financial assets	<u>(4,458,335)</u>	<u>(4,450,515)</u>
Non-financial assets		
Tangible capital assets	1,276,529	1,276,688
	<u>1,276,529</u>	<u>1,276,688</u>
	<u>\$ (3,181,806)</u>	<u>\$ (3,173,827)</u>
Accumulated surplus		
Accumulated deficit	\$ (4,458,335)	\$ (4,450,515)
Equity in tangible capital assets	<u>1,276,529</u>	<u>1,276,688</u>
	<u>\$ (3,181,806)</u>	<u>\$ (3,173,827)</u>

Village of Port Clements
Sewer System - Statement of Operations
For the year ended December 31, 2025

	2025	2025	2024
	Budget	Actual	Actual
	(unaudited)		
Revenue			
User charges	\$ 34,417	\$ 37,701	\$ 37,314
Sewer frontage tax	33,000	36,081	36,081
	<u>67,417</u>	<u>73,782</u>	<u>73,395</u>
Expenses			
Administration	10,000	10,000	10,000
Amortization	9,821	9,821	9,821
Operations	29,150	16,556	11,507
Repairs and maintenance	10,000	10,928	20,713
Wages and benefits	41,860	34,456	39,035
	<u>100,831</u>	<u>81,761</u>	<u>91,076</u>
Annual surplus (deficit)	<u>(33,414)</u>	(7,979)	(17,681)
Accumulated deficit, beginning of year		<u>(3,173,827)</u>	<u>(3,156,146)</u>
Accumlated deficit, end of year		<u>\$ (3,181,806)</u>	<u>\$ (3,173,827)</u>

Village of Port Clements

Northern Capital and Planning Grant - Statement of Operations

For the year ended December 31, 2025

	2025 Budget (unaudited)	2025 Actual	2024 Actual
Revenue			
Interest	-	80,392	129,625
Expenses			
Sewer lagoon project	-	616,556	-
Annual surplus (deficit)	-	(536,164)	129,625
Reserve funds, beginning of year		2,522,227	2,392,602
Reserve funds, end of year		\$ 1,986,063	\$ 2,522,227

Village of Port Clements

Growing Communities Grant - Statement of Operations

For the year ended December 31, 2025

	2025 Budget (unaudited)	2025 Actual	2024 Actual
Revenue			
Interest	\$ -	\$ 27,712	\$ 18,006
Annual surplus	-	27,712	18,006
Reserve funds, beginning of year		618,006	600,000
Reserve funds, end of year		\$ 645,718	\$ 618,006

Village of Port Clements

Northwest Resource Benefit Alliance - Statement of Operations

For the year ended December 31, 2025

	2025 Budget (unaudited)	2025 Actual	2024 Actual
Revenue			
NW Resource Benefit Alliance	\$ -	\$ 2,672,990	\$ 890,997
Interest	-	44,383	7,068
Expenses			
Wastewater project	-	769,755	-
Annual surplus	-	1,947,618	898,065
Reserve funds, beginning of year		898,065	-
Reserve funds, end of year		\$ 2,845,683	\$ 898,065



PERMISSIVE TAX EXEMPTIONS

As permitted in accordance with Section 227 of the Community Charter, by bylaw Council may grant property tax exemptions to properties with land and/or improvements that are eligible for such exemption.

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Permissive Tax Exemptions

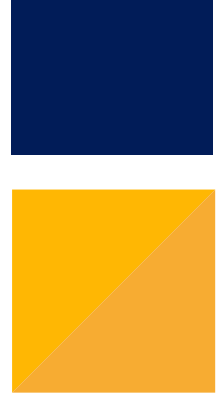
The 2025 permissive exemption list is provided for information purposes.

See Village of Port Clements' Permissive Tax Exemption Bylaw #482, 2023 and Section 227 of the Community Charter for more information.

ORGANIZATION	CIVIC ADDRESS	TOTAL TAX EXEMPTION OF MUNICIPAL TAXES
Cedarview Pentecostal Church	161 Bayview Drive	\$370.08
Trustees of the Haida Gwaii Congregation of Jehovah's Witnesses	9 May Avenue	\$624.21
TOTALS FOR ALL EXEMPTIONS		\$994.29

Northwest BC

Regional Benefits Alliance



Who We Are

Formed in 2014, the RBA is a regional association of 21 local governments, including three regional districts (North Coast, Bulkley-Nechako, Kitimat-Stikine), and its 18 member municipalities, including the Village of Port Clements

Why We Were Formed

Since 2015, the RBA has worked closely with the BC government to address the unique challenges facing the Northwest. This includes securing the revenue needed to build essential community infrastructure that supports responsible resource development, as well as the social infrastructure that makes the Northwest a region where industries, businesses, workers, and their families can truly thrive.

In 2024, the Province signed a 5-year \$250 million agreement to inject funding back into our communities. This has been a huge benefit to the Village of Port Clements.

Our Priorities

Our members came together to pursue two core goals:

- **Recognition** of the Northwest's significant contribution to the provincial economy; and
- **Commitment from the Province** to provide long-term funding for local government capital projects, essential services, and operating costs.

RBA projects funded in 2025 for our community include;

- Tingley Street Asbestos Waterline replacement
- Connecting well #4 to the water system
- Community Hall repairs & retrofit
- Water treatment plant instruments upgrade
- Rainbow wharf rail replacement
- St. Marks church repairs
- Staff wages for water treatment plant specialist

It is important that we maintain this funding through further negotiations with the Province and with community support and awareness.



NORTHWEST BRITISH COLUMBIA
RESOURCE BENEFITS ALLIANCE