



The Village of
PORT CLEMENTS
"Gateway to the Wilderness"

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July 19, 2018

Ministry of Municipal Affairs and Housing
Local Government Infrastructure and Finance
PO Box 9838 Stn Prov Govt
Victoria, BC V8W 9T1

RE: Statement of Financial Information (SOFI) - 2017

I am pleased to enclose the following information in support of our annual filing under the *Financial Information Act*:

1. Audited Financial Statements for the year ended December 31, 2017;
2. Schedule of Guarantees or Indemnity Agreements
3. Schedule of Remuneration and Expenses
4. Statement of Severance Agreements
5. Schedule Payments to Suppliers of Goods and Services
6. Statement of Financial Information Approval
7. The Management Report
8. Checklist – Statement of Financial Information (SOFI)

If you have any questions or need additional information, please contact me at (250) 557-4295 or via email at cao@portclements.ca.

Sincerely,

Ruby Decock
Chief Administrative Officer (Appointed Chief Financial Officer)

Enclosures

Village of Port Clements
FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2017

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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 7, 2018
Port Clements, British Columbia



D. Kane Fraser CPA, CA* – Partner

Ryan Broughlon, CPA, CA* - Partner

*Denotes incorporated professional

INDEPENDENT AUDITOR'S REPORT

To the Mayor and Council,
Village of Port Clements

We have audited the accompanying consolidated financial statements of the Village of Port Clements, which comprise the Consolidated Statement of Financial Position as at December 31, 2017 and the Consolidated Statements of Operations, Changes in Net Financial Assets and Cash Flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risk of material misstatement of the consolidated 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 consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



**CHARTERED
PROFESSIONAL
ACCOUNTANTS LLP**

D. Kane Fraser CPA, CA* – Partner

Ryan Broughton, CPA, CA* – Partner

*Denotes incorporated professional

INDEPENDENT AUDITOR'S REPORT (continued)

Opinion

In our opinion, these consolidated financial statements present fairly, in all material respects, the financial position of the Village of Port Clements as at December 31, 2017, and the results of its operations, changes in net financial assets and cash flows for the year then ended in accordance with Canadian public sector accounting standards.

The comparative figures were audited by another firm of Chartered Professional Accountants.

*FBB Chartered Professional
Accountants LLP*

May 7, 2018
Quesnel, British Columbia

FBB Chartered Professional Accountants LLP


Village of Port Clements


Consolidated Statement of Financial Position

As at December 31, 2017

	<u>2017</u>	<u>2016</u>
Financial assets		
Cash and investments	\$ 3,064,035	\$ 2,681,010
Taxes and accounts receivable (note 2)	<u>123,206</u>	<u>187,922</u>
	<u>3,187,241</u>	<u>2,868,932</u>
Financial Liabilities		
Accounts payable and accrued liabilities (note 3)	45,130	78,328
Deferred revenue (note 4)	<u>143,713</u>	<u>49,819</u>
	<u>188,843</u>	<u>128,147</u>
Net financial assets	<u>2,998,398</u>	<u>2,740,785</u>
Non-financial assets		
Property acquired for taxes	9,189	9,139
Prepaid expenses	18,773	18,652
Tangible capital assets (note 6)	<u>8,416,668</u>	<u>8,474,939</u>
	<u>8,444,630</u>	<u>8,502,730</u>
Accumulated Surplus (note 9)	<u>\$ 11,443,028</u>	<u>\$ 11,243,515</u>

Approved by the Mayor and Council





Village of Port Clements
Consolidated Statement of Operations
For the year ended December 31, 2017

	2017 Budget (unaudited)	2017 Actual	2016 Actual
Revenue			
Property taxes	\$ 217,436	\$ 217,775	\$ 217,720
Grants in lieu	7,500	7,984	7,553
Sale of services	9,750	10,736	11,848
Revenue from own sources	206,700	232,786	204,518
Multi-purpose building rental	12,950	13,624	14,252
Unconditional grants	375,000	386,064	375,682
Conditional grants	130,625	112,205	337,835
Interest and penalties on taxes and user fees	-	39,105	55,304
Collections for other agencies	189,510	191,748	188,886
	<u>1,149,471</u>	<u>1,212,027</u>	<u>1,413,598</u>
Expenses			
Legislative	38,950	42,562	27,552
General administration	197,850	175,720	164,068
Protective services	34,200	6,223	42,697
Emergency services	750	36,255	4,240
Common services	25,250	27,194	23,919
Wharf	10,500	9,189	9,659
Small craft harbour	14,300	14,312	22,151
Roads and public works	46,300	45,743	55,289
Environmental recovery	580	(346)	(436)
Economic development	4,500	60,500	52,500
Parks, recreation and tourism	52,100	74,946	81,681
Water and sewer utility operations	106,300	107,379	95,180
Multi-purpose building maintenance	46,600	67,462	51,305
Fiscal services	2,000	2,138	1,191
Amortization	241,000	151,372	158,592
Payments to other agencies	189,510	191,865	189,289
	<u>1,010,690</u>	<u>1,012,514</u>	<u>978,877</u>
Annual Surplus	<u>138,781</u>	199,513	434,721
Transfer from reserve funds		-	(4,261)
Accumulated surplus, beginning of year		<u>11,243,515</u>	<u>10,813,055</u>
Accumulated surplus, end of year		<u>\$ 11,443,028</u>	<u>\$ 11,243,515</u>

Village of Port Clements

Consolidated Statement of Changes in Net Financial Assets

For the year ended December 31, 2017

	2017 Budget (unaudited)	2017 Actual	2016 Actual
Annual surplus	\$ 138,781	\$ 199,513	\$ 434,721
Amortization	-	151,372	158,592
Change in property acquired for taxes	-	(50)	20,012
Change in prepaid expenses	-	(121)	560
Transfer to (from) reserve funds	(73,781)	-	(4,261)
Acquisition of tangible capital assets	(65,000)	(93,101)	(461,309)
Increase in net financial assets	<u><u>\$ -</u></u>	257,613	148,315
Net Financial Assets, beginning of year		<u>2,740,785</u>	<u>2,592,470</u>
Net Financial Assets, end of year		<u><u>\$ 2,998,398</u></u>	<u><u>\$ 2,740,785</u></u>

Village of Port Clements
Consolidated Statement of Cash Flows
For the year ended December 31, 2017

	<u>2017</u>	<u>2016</u>
NET INFLOW (OUTFLOW) OF CASH:		
Operating Activities		
Annual surplus	\$ 199,513	\$ 434,721
Non-cash charges to operations		
Amortization	151,372	158,592
Transfer from reserves	-	(4,261)
Changes in non-cash operating balances:		
Increase in taxes and accounts receivable	64,716	(44,793)
Increase (decrease) in accounts payable and accrued liabilities	(33,198)	(1,378)
Property acquired for taxes	(50)	(1,035)
Decrease in deferred revenue	93,894	(18,658)
Decrease in prepaid expenses	(121)	560
	<u>476,126</u>	<u>523,748</u>
Capital Activity		
Acquisition of tangible capital assets	<u>(93,101)</u>	<u>(440,262)</u>
Increase (decrease) in cash and investments	383,025	83,486
Cash and investments, beginning of year	<u>2,681,010</u>	<u>2,597,524</u>
Cash and investments, end of year	<u><u>\$ 3,064,035</u></u>	<u><u>\$ 2,681,010</u></u>
Non-cash Capital Activity		
Land acquired for taxes transferred to tangible capital assets	<u><u>\$ -</u></u>	<u><u>\$ 21,047</u></u>

Village of Port Clements

Notes to the Consolidated Financial Statements

For the year ended December 31, 2017

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, 2017

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
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, 2017

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 and provisions for contingencies. Actual results could differ from those estimates. Adjustments, if any, will be reflected in operations in the period of settlement.

2. TAXES AND ACCOUNTS RECEIVABLE

	<u>2017</u>	<u>2016</u>
Property taxes	\$ 77,282	\$ 87,528
Utilities	-	(2,036)
Sales taxes	6,180	56,994
Other receivables	<u>39,744</u>	<u>45,436</u>
	<u>\$ 123,206</u>	<u>\$ 187,922</u>

3. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Trade and accrued liabilities	\$ 45,055	\$ 78,328
Payroll and withholding taxes	<u>75</u>	<u>-</u>
	<u>\$ 45,130</u>	<u>\$ 78,328</u>

4. DEFERRED REVENUE

Federal Gas Tax Community Works	\$ 117,963	\$ 49,061
Tax sale proceeds	25,370	-
Prepaid taxes, business licences, fitness memberships	<u>380</u>	<u>758</u>
	<u>\$ 143,713</u>	<u>\$ 49,819</u>

Village of Port Clements

Notes to the Consolidated Financial Statements

For the year ended December 31, 2017

4. DEFERRED REVENUE (continued)

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.

5. BANK INDEBTEDNESS

The Village has a \$189,000 operating line of credit the Canadian Imperial Bank of Commerce bearing interest at bank prime (December 31, 2017 - 2.85%). The facility was unused as at December 31, 2017.

6. TANGIBLE CAPITAL ASSETS

			2017	2016
	Cost	Accumulated Amortization	Net Carrying Amount	
Land	\$ 444,376	\$ -	\$ 444,376	\$ 430,583
Buildings	3,684,192	785,133	2,899,059	2,917,386
Automotive	35,061	27,082	7,979	12,230
Fire department	546,175	230,869	315,306	344,578
Office equipment	34,389	14,783	19,606	19,826
Tools and equipment	69,122	24,846	44,276	51,759
Parks and recreation	1,122,401	209,430	912,971	880,633
Roads and sidewalks	350,386	95,889	254,497	266,989
Biomass heating system	414,148	42,319	371,829	367,445
Solar Panel	151,900	15,190	136,710	146,837
Water system	2,212,078	314,526	1,897,552	1,915,738
Sewer system	1,390,634	278,127	1,112,507	1,120,935
	<u>\$ 10,454,862</u>	<u>\$ 2,038,194</u>	<u>\$ 8,416,668</u>	<u>\$ 8,474,939</u>

Included in parks and recreation is \$79,173 in unfinished projects that are not subject to amortization.

Included in land is \$2,592 in costs related to a Crown land application that has yet to be finalized.

Village of Port Clements

Notes to the Consolidated Financial Statements

For the year ended December 31, 2017

6. TANGIBLE CAPITAL ASSETS (continued)

Tangible Capital Asset Additions for the year are as follows:

	Cost January 1, 2017	Additions	Cost December 31, 2017
Land	\$ 430,583	\$ 13,793	\$ 444,376
Buildings	3,665,085	19,107	3,684,192
Automotive	35,061	-	35,061
Fire department	546,175	-	546,175
Office equipment	34,389	-	34,389
Tools and equipment	69,122	-	69,122
Parks and recreation	1,076,162	46,239	1,122,401
Roads and sidewalks	350,386	-	350,386
Biomass heating system	400,186	13,962	414,148
Solar panel	151,900	-	151,900
Water system	2,212,078	-	2,212,078
Sewer system	1,390,634	-	1,390,634
	<u>\$ 10,361,761</u>	<u>\$ 93,101</u>	<u>\$ 10,454,862</u>

Amortization for the year is as follows:

	Balance January 1, 2017	Amortization	Balance December 31, 2017
Land	\$ -	\$ -	\$ -
Buildings	747,699	37,434	785,133
Automotive	22,831	4,251	27,082
Fire department	201,597	29,272	230,869
Office equipment	14,563	220	14,783
Tools and equipment	17,363	7,483	24,846
Parks and recreation	195,529	13,901	209,430
Roads and sidewalks	83,397	12,492	95,889
Biomass heating system	32,741	9,578	42,319
Solar panel	5,063	10,127	15,190
Water system	296,340	18,186	314,526
Sewer system	269,699	8,428	278,127
	<u>\$ 1,886,822</u>	<u>\$ 151,372</u>	<u>\$ 2,038,194</u>

Village of Port Clements

Notes to the Consolidated Financial Statements

For the year ended December 31, 2017

7. NET ASSETS INVESTED IN TANGIBLE CAPITAL ASSETS

	<u>2017</u>	<u>2016</u>
Net assets in tangible capital assets, beginning of year	\$ 8,474,939	\$ 8,172,222
Add: acquisition of tangible capital assets	93,101	461,309
Less: amortization	<u>(151,372)</u>	<u>(158,592)</u>
	<u>\$ 8,416,668</u>	<u>\$ 8,474,939</u>

8. RESERVE FUNDS

Latecomer's fee reserve	\$ 9,369	\$ 9,369
Fire department reserve	5,500	5,500
Planning fund reserve	<u>3,595</u>	<u>3,595</u>
	<u>\$ 18,464</u>	<u>\$ 18,464</u>

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

9. ACCUMULATED SURPLUS

	<u>2017</u>	<u>2016</u>
General operating fund	\$ 1,805,805	\$ 1,622,183
Water system	698,295	651,140
Sewer system	503,796	476,789
Net assets invested in tangible capital assets (note 7)	8,416,668	8,474,939
Reserve funds (note 8)	<u>18,464</u>	<u>18,464</u>
	<u>\$ 11,443,028</u>	<u>\$ 11,243,515</u>

Village of Port Clements

Notes to the Consolidated Financial Statements For the year ended December 31, 2017

10. 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 193,000 active members and approximately 90,000 retired members. Active members include approximately 38,000 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 2015 indicated a funding surplus of \$2,224 million for basic pension benefits on a going concern basis.

The next valuation will be December 31, 2018 with results available in 2019. 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 \$34,626 for employer contributions to the Plan in the year ended 2017 (\$18,294 - 2016).

11. ECONOMIC DEPENDENCE

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

Village of Port Clements

Notes to the Consolidated Financial Statements

For the year ended December 31, 2017

12. 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.

13. EXPENSES BY OBJECT

	<u>2017</u>	<u>2016</u>
Salaries, wages and benefits	\$ 218,573	\$ 190,779
Materials and supplies	64,131	64,676
Contracted services	23,057	16,261
Rent, maintenance and utilities	243,619	245,724
Mayor and council remuneration and travel	32,285	19,347
Insurance	25,669	29,815
Grants	59,824	63,205
Interest and bank charges	2,120	1,189
Amortization	151,372	158,592
Payment to other agencies	<u>191,864</u>	<u>189,289</u>
	<u>\$ 1,012,514</u>	<u>\$ 978,877</u>

Village of Port Clements

Notes to the Consolidated Financial Statements

For the year ended December 31, 2017

14. 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 P53260.

15. BUDGETED FIGURES

The budget amounts presented throughout these consolidated financial statements are unaudited and represent the amended five year financial plan bylaw No. 438 approved by the Village Mayor and Council on April 4, 2017.



D. Kane Fraser CPA, CA* – Partner

Ryan Broughton, CPA, CA* - Partner

*Denotes Incorporated professional

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 statement of the Village of Port Clements as at and for the year ended December 31, 2017.

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.

*FBB Chartered Professional
Accountants LLP*

May 7, 2018
Quesnel, British Columbia

FBB Chartered Professional Accountants LLP

Village of Port Clements

General Operating Fund - Statement of Financial Position

As at December 31, 2017

	<u>2017</u>	<u>2016</u>
Financial assets		
Cash and investments	\$ 3,064,035	\$ 2,681,010
Taxes and accounts receivable	<u>123,206</u>	<u>187,922</u>
	<u>3,187,241</u>	<u>2,868,932</u>
Financial Liabilities		
Accounts payable and accrued liabilities	45,130	78,328
Deferred revenue	143,713	49,819
Due to other funds	<u>1,202,091</u>	<u>1,127,929</u>
	<u>1,390,934</u>	<u>1,256,076</u>
Net financial assets	<u>1,796,307</u>	<u>1,612,856</u>
Non-financial assets		
Property acquired for taxes	9,189	9,139
Prepaid expenses	18,773	18,652
Tangible capital assets	<u>5,406,609</u>	<u>5,438,266</u>
	<u>5,434,571</u>	<u>5,466,057</u>
	<u>\$ 7,230,878</u>	<u>\$ 7,078,913</u>
Accumulated surplus		
Accumulated surplus	1,805,805	1,622,183
Equity in tangible capital assets	5,406,609	5,438,266
Reserves	<u>18,464</u>	<u>18,464</u>
	<u>\$ 7,230,878</u>	<u>\$ 7,078,913</u>

Village of Port Clements

General Operating Fund - Statement of Operations

For the year ended December 31, 2017

	2017 Budget (unaudited)	2017 Actual	2016 Actual
Revenue			
Property taxes	\$ 127,000	\$ 127,049	\$ 127,101
Grants in lieu	7,500	7,984	7,553
Sale of services	9,750	10,736	11,848
Revenue from own sources	117,700	144,366	117,325
Multi-purpose building rental	12,950	13,624	14,252
Unconditional grants	375,000	386,064	375,682
Conditional grants	65,625	112,205	337,835
Interest and penalties on taxes and user fees	-	36,709	52,506
Collections for other agencies	189,510	191,748	188,886
	<u>905,035</u>	<u>1,030,485</u>	<u>1,232,988</u>
Expenses			
Legislative	38,950	42,562	27,552
General administration	197,850	175,720	164,068
Protective services	34,200	36,255	42,697
Emergency services	750	6,223	4,240
Common services	25,250	27,194	23,919
Wharf	10,500	9,189	9,659
Small craft harbour	14,300	14,311	22,151
Roads and public works	46,300	45,743	55,289
Environmental recovery	580	(346)	(436)
Economic development	4,500	60,500	52,500
Parks, recreation and tourism	52,100	74,946	81,681
Multi-purpose building maintenance	46,600	67,462	51,305
Fiscal services	2,000	2,138	1,191
Amortization	132,000	124,758	131,977
Payments to other agencies	189,510	191,865	189,289
	<u>795,390</u>	<u>878,520</u>	<u>857,082</u>
Annual surplus	<u>109,645</u>	151,965	375,906
Transfer from reserves		-	(4,261)
Accumulated surplus, beginning of year		<u>7,078,913</u>	<u>6,707,268</u>
Accumulated surplus, end of year		<u>\$ 7,230,878</u>	<u>\$ 7,078,913</u>

Village of Port Clements

Water System - Statement of Financial Position

As at December 31, 2017

	<u>2017</u>	<u>2016</u>
Financial assets		
Due from general operating fund	\$ 698,295	\$ 651,140
Non-financial assets		
Tangible capital assets	<u>1,897,552</u>	<u>1,915,738</u>
	<u>\$ 2,595,847</u>	<u>\$ 2,566,878</u>
Accumulated Surplus		
Accumulated surplus	\$ 698,295	\$ 651,140
Equity in tangible capital assets	<u>1,897,552</u>	<u>1,915,738</u>
	<u>\$ 2,595,847</u>	<u>\$ 2,566,878</u>

Village of Port Clements**Water System - Statement of Operations****For the year ended December 31, 2017**

	2017 Budget (unaudited)	2017 Actual	2016 Actual
Revenue			
User charges	\$ 57,000	\$ 56,712	\$ 56,094
Water frontage tax	54,000	53,292	53,184
Community works	65,000	-	-
Interest and other	-	2,551	2,798
	<u>176,000</u>	<u>112,555</u>	<u>112,076</u>
Expenses			
Administration	9,950	4,955	4,000
Amortization	26,000	18,186	18,187
Community works	65,000	-	-
Distribution	22,200	19,531	26,297
Repairs and maintenance	7,250	13,570	10,567
Wages and benefits	30,200	27,344	22,827
	<u>160,600</u>	<u>83,586</u>	<u>81,878</u>
Annual surplus (deficit)	<u>15,400</u>	28,969	30,198
Accumulated surplus, beginning of year		<u>2,566,878</u>	<u>2,536,680</u>
Accumulated surplus, end of year		<u>\$ 2,595,847</u>	<u>\$ 2,566,878</u>

Village of Port Clements

Sewer System - Statement of Financial Position

As at December 31, 2017

	<u>2017</u>	<u>2016</u>
Financial assets		
Due from general operating fund	\$ 503,796	\$ 476,789
Non-financial assets		
Tangible capital assets	<u>1,112,507</u>	<u>1,120,935</u>
	<u>1,112,507</u>	<u>1,120,935</u>
	<u>\$ 1,616,303</u>	<u>\$ 1,597,724</u>
Accumulated surplus		
Accumulated surplus	\$ 503,796	\$ 476,789
Equity in tangible capital assets	<u>1,112,507</u>	<u>1,120,935</u>
	<u>\$ 1,616,303</u>	<u>\$ 1,597,724</u>

Village of Port Clements

Sewer System - Statement of Operations

For the year ended December 31, 2017

	2017 Budget (unaudited)	2017 Actual	2016 Actual
Revenue			
User charges	\$ 31,500	\$ 31,553	\$ 31,099
Sewer frontage tax	36,936	37,434	37,435
	<u>68,436</u>	<u>68,987</u>	<u>68,534</u>
Expenses			
Administration	3,000	3,000	3,000
Amortization	18,000	8,428	8,428
Operations	8,200	7,080	9,027
Repairs and maintenance	6,500	14,549	1,617
Wages and benefits	19,000	17,351	17,845
	<u>54,700</u>	<u>50,408</u>	<u>39,917</u>
Annual surplus (deficit)	<u>13,736</u>	18,579	28,617
Accumulated surplus, beginning of year		<u>1,597,724</u>	<u>1,569,107</u>
Accumulated surplus, end of year		<u>\$ 1,616,303</u>	<u>\$ 1,597,724</u>

Village of Port Clements
Statement of Financial Information
For The Period of January 1 – December 1, 2017

Schedule of Guarantee and Indemnity Agreements

- Financial Information Regulation, Schedule 1, subsection 5(1)

Village of Port Clements
Statement of Financial Information
For The Period of January 1 – December 1, 2017

Schedule of Remuneration and Expenses

- Financial Information Regulation, Schedule 1, section 6

1. Elected Officials

Name	Position	Remuneration	Expenses
Cumming, Brigid	Councillor	\$ 2250.00	\$ 1108.67
Cunningham, Christine	Councillor	\$ 250.00	\$ 0.00
Daugert, Doug	Councillor	\$ 3000.00	\$ 3671.44
Gaspar, Matthew	Councillor	\$ 250.00	\$ 0.00
O'Brien Anderson, Charlene	Councillor	\$ 3000.00	\$ 3408.63
Stewart, Elizabeth	Councillor	\$ 2250.00	\$ 3500.84
Thomas, Urs	Mayor	\$ 3750.00	\$ 3528.80
TOTALS FOR ALL OFFICIALS		\$ 14,750.00	\$ 15,218.37

2. Employees

Name	Remuneration	Expenses
Employees over \$75,000.00	\$0.00	\$0.00
Employees under \$75,000.00 (all)	\$ 230,187.50	\$ 11,293.47
TOTALS FOR ALL OFFICIALS	\$ 230,187.50	\$ 11,293.47

*Remuneration includes taxable benefits.

3. Reconciliation

- Financial Information Regulation, Schedule 1, Section 6 (2)(d)

No reconciliation as our financial statements records remuneration by department not as a separate line item.

Village of Port Clements
Statement of Financial Information
For The Period of January 1 – December 1, 2017

Statement of Severance Agreements

- Financial Information Regulation, Schedule 1, subsection 6(7)

There were no severance agreements made between the Village of Port Clements and its employees during the fiscal year 2017.

Village of Port Clements

Statement of Financial Information For The Period of January 1 – December 1, 2017

Schedule of Payments to Suppliers of Goods and Services

- Financial Information Regulation, Schedule 1, section 7

Alphabetical list of suppliers who received aggregate payments exceeding \$ 25,000.00

Name	Amount
BC Hydro	\$ 51,693.56
Board of School Trustees	\$ 26,161.52
McElhanney	\$ 30,839.16
C & C Beachy Contracting Ltd.	\$ 65,361.80
Mastercard	\$ 40,179.84
Misty Isles Economic Development Society	\$ 61,273.77
Municipal Pension Fund	\$ 44,220.11
North Coast Regional District	\$ 89,327.01
Receiver General (CRA)	\$ 60,273.77
Village of Port Clements	\$ 150,000.00

SUB-TOTAL \$

Payments Made (Vendors over \$25,000) \$ 1,167,931.91

Miscellaneous Payments (\$25,000 and Under) \$ 712,005.65

TOTAL PAYMENTS \$ 1,879,937.56

Village of Port Clements

Statement of Financial Information For The Period of January 1 – December 1, 2017

Schedule of Grant Payments (included in the suppliers listing above)

Name	Grant Provided
Bayview Market (purchase of 3 Council Gift Certificates – as per Gift Giving Policy)	\$275.00
Senior's Group – Vimy Ridge Donation	\$500.00
Port Clements Historical Society	\$2800.00
Community Hall Society	\$865.85
Cedarview Church – Grant for Property Taxes	\$1908.02
Masset Haida Lions Club	\$200.00
Haida Gwaii Women's Discussion Group	\$275.00
Misty Isle's Economic Development Society	\$61,273.77
Tlell Fall Fair	\$1500.00
Edge of the World Music Festival	\$1500.00

Total **\$71,097.64**

Village of Port Clements

STATEMENT OF FINANCIAL INFORMATION APPROVAL
For The Period of January 1 – December 1, 2017

The undersigned, as authorized by the Financial Information Regulation, Schedule 1, Subsection 9(2), approves all the statements and schedules included in this Statement of Financial Information, produced under the *Financial Information Act*.



Ruby Decock
Chief Administrative Officer/Chief Financial Officer
July 19, 2018



Urs Thomas
Mayor
July 19, 2018



The Village of
PORT CLEMENTS
"Gateway to the Wilderness"

CERTIFIED EXTRACT
REGULAR MEETING OF COUNCIL
JULY 19, 2018

2018-07-222 – Moved by Councillor O'Brien Anderson, seconded by Councillor Cumming
THAT the Chief Administrative Officer's/Chief Financial Officer's report regarding the 2017 Statement of Financial Information
be received;
AND THAT the 2017 Statement of Financial Information be approved.
CARRIED

Certified a true extract of the Minutes
of the Special Meeting of Council
held July 19, 2018.


Ruby Decock, CAO



The Village of
PORT CLEMENTS
"Gateway to the Wilderness"

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

Management Letter
Fiscal Year 2017

The Financial Statements contained in this Statement of Financial Information under the *Financial Information Act* have been prepared by administration in accordance with generally accepted accounting principles or stated accounting principles, and the integrity and objectivity of these statements is the Chief Administrative Officer's responsibility. Administration is also responsible for all the statements and schedules, and for ensuring that this information is consistent, where appropriate, with the information contained in the financial statements.


Administration is also responsible for implementing and maintaining a system of internal controls to provide reasonable assurance that reliable financial information is produced.

The Village of Port Clements Council is responsible for ensuring that administration fulfils its responsibilities for financial reporting and internal control and exercises this responsibility through the Village Council which meets twice monthly.

The CAO has the responsibility for assessing the management systems and practices of the Village office.

The external auditors, FBB Chartered Professional Accountants LLP, Prince George, BC, conduct an independent examination, in accordance with generally accepted auditing standards, and express their opinion on the financial statements. Their examination does not relate to the other schedules and statements required by the Act. Their examination includes a review and evaluation of the corporation's system of internal control and appropriate tests and procedures to provide reasonable assurance that the financial statements are presented fairly. The external auditors have full and free access to Village of Port Clements financial records, Council and administrative staff.

On behalf of the Village of Port Clements,


Ruby Decock
Chief Administrative Officer

Financial Information Regulation, Schedule 1

Checklist – Statement of Financial Information (SOFI)

For the Corporation:

Corporate Name: Village of Port Clements Contact Name: Ruby Decock
 Fiscal Year End: 2017 Phone Number: (250) 557-4295
 Date Submitted: July 19, 2018 E-mail: cao@portclements.ca

For the Ministry:

Ministry Name: _____ Reviewer: _____
 Date Received: _____ Deficiencies: Yes ☐ No ☐
 Date Reviewed: _____ Deficiencies Addressed: Yes ☐ No ☐
 Approved (SFO): _____ Further Action Taken: _____

Distribution: Legislative Library ☐ Ministry Retention ☐

FIR Schedule 1 Section	Item	Yes	No	N/A	Comments
General					
1 (1) (a)	Statement of assets and liabilities	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Statement of Financial Position- Financial Statements (page 5)
1 (1) (b)	Operational statement	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Statement of Operations - Financial Statements (page 6)
1 (1) (c)	Schedule of debts	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	The Village of Port Clements does not have any debts.
1 (1) (d)	Schedule of guarantee and indemnity agreements	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	The Village of Port Clements does not have any guarantee and indemnity agreements.
1 (1) (e)	Schedule of employee remuneration and expenses	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Schedule of Remuneration and Expenses
1 (1) (f)	Schedule of suppliers of goods and services	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Schedule of Suppliers and Goods and Services
1 (3)	Statements prepared on a consolidated basis or for each fund, as appropriate	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Consolidated Financial Statements provided.
1 (4) 1 (5)	Notes to the financial statements for the statements and schedules listed above	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Notes to the Financial Statements (pages 9-17)

FIR Schedule 1 Section	Item	Yes	No	N/A	Comments
Statement of Assets & Liabilities					
2	<ul style="list-style-type: none"> A balance sheet prepared in accordance with GAAP or stated accounting principles / policies, and Show changes in equity and surplus or deficit due to operations 	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Statement of Financial Position - Financial Statements (page 5) The Village of Port Clements does not have any debt.
Operational Statement					
3 (1)	Prepared in accordance with GAAP or stated accounting principles / policies and consists of: <ul style="list-style-type: none"> a Statement of Income or Statement of Revenue and Expenditures, and a Statement of Changes in Financial Position 	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Statement of Operations - Financial Statements (page 6) Statement of Changes in Net Financial Assets - Financial Statements (page 7)
3 (2) 3 (3)	<ul style="list-style-type: none"> The Statement of Changes in Financial Position may be omitted if it provides no additional information The omission must be explained in the notes 	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
3 (4)	Community colleges, school districts, and municipalities must prepare a Statement of Changes in Financial Position for the Capital Fund	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
Schedule of Debts					
4 (1) (a) 4 (2)	List each long-term debt (secured by debentures, mortgages, bonds, etc.), stating the amount outstanding, the interest rate, and the maturity date	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
4 (1) (b)	Identify debts covered by sinking funds or reserves and amounts in these accounts	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
4 (3) 4 (4)	<ul style="list-style-type: none"> The schedule may be omitted if addressed under section 2 or 5 and it provides no additional information The omission must be explained in a note to the schedule 	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	

FIR Schedule 1 Section	Item	Yes	No	N/A	Comments
Schedule of Guarantee and Indemnity Agreements					
5 (1)	List financial agreements that required government approval prior to being given (see Guarantees and Indemnities Regulation in FIA Guidance Package)	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
5 (2)	State the entities involved, and the specific amount involved if known	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
5 (3) 5 (4)	<ul style="list-style-type: none"> The schedule may be omitted if addressed under section 2 or 4 and it provides no additional information The omission must be explained in a note to the schedule 	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
Schedule of Remuneration and Expenses (See Guidance Package for suggested format)					
6 (2) (a)	List separately, by name and position, the total remuneration and the total expenses for each elected official, member of the board of directors, and employee appointed by Cabinet	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Schedule of Remuneration and Expenses
6 (2) (b)	List alphabetically each employee whose total remuneration exceeds \$75,000 and the total expenses for each [excluding the persons listed under 6 (2) (a)]	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Schedule of Remuneration and Expenses
6 (2) (c)	Include a consolidated total for employees whose remuneration is \$75,000 or less [excluding the persons listed under 6 (2) (a)]	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Schedule of Remuneration and Expenses
6 (2) (d)	Reconcile or explain any difference between total remuneration in this schedule and related information in the operational statement	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
6 (3)	Exclude personal information other than name, position, function or remuneration and expenses of employees	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Only required information is provided.

FIR Schedule 1 Section	Item	Yes	No	N/A	Comments
Schedule of Remuneration and Expenses (See Guidance Package for suggested format)					
6 (6)	Report the employer portion of EI and CPP as a supplier payment to the Receiver General for Canada rather than as employee remuneration	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Schedule of Suppliers and Goods and Services
6 (7) (a) 6 (7) (b)	<p>Include a statement of severance agreements providing:</p> <ul style="list-style-type: none"> the number of severance agreements under which payment commenced in the fiscal year being reported on for non-union employees, and the range of equivalent months' compensation for them <p>(see Guidance Package for suggested format)</p>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Schedule of Severance Agreements.
6 (8)	Provide the reason for omitting a statement of severance agreements in a note to the schedule of remuneration and expenses	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
Schedule of Suppliers of Goods or Services (See Guidance Package for suggested format)					
7 (1) (a)	List in alphabetical order all suppliers of goods and services who received aggregate payments exceeding \$25,000	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Schedule of Suppliers of Goods or Services
7 (1) (b)	Include a consolidated total of all payments to suppliers who received \$25,000 or less	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Schedule of Suppliers of Goods or Services
7 (1) (c)	Reconcile or explain any difference between the consolidated total and related figures in the operational statement	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
7 (2) (b)	Include a statement of payments for the purposes of grants or contributions	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Schedule of Suppliers of Goods or Services

FIR Schedule 1 Section	Item	Yes	No	N/A	Comments
Inactive Corporations					
8 (1)	The ministry reports for the corporation if the corporation is not operating to the extent required to produce a SOFI	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
8 (2) (a)	The ministry's report contains the statements and schedules required under section 1 (1), to the extent possible	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
8 (2) (b)	The ministry's report contains a statement of the operational status of the corporation (see Guidance Package regarding what to include)	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
Approval of Financial Information					
9 (1)	Corporations other than municipalities – the SOFI is signed as approved by the board of directors or the governing body (see Guidance Package for example)	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
9 (2)	Municipalities – the SOFI is approved by its council and by the officer assigned responsibility for financial administration (see Guidance Package for example)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
9 (3)	A management report is included, signed by the head and chief financial officer, or by the municipal officer assigned responsibility for financial administration (see examples in annual report at http://www.gov.bc.ca/cas/popt/)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Management Report included as signed by CAO/ Chief Financial Officer, Ruby Decock
9 (4)	The management report explains the roles and responsibilities of the board of directors or governing body, audit committee, management, and the auditors	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
9 (5)	Signature approvals required in section 9 are for each of the statements and schedules of financial information, not just the financial statements	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Statement of Financial Information Approval and Council Resolution included in package.