

# Village of Port Clements



## 2020 ANNUAL REPORT



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DRAFT

# 2020 Mayors Report

2020 was a difficult year which we are just beginning to leave behind almost halfway into the new year of 2021. As it fades off in the rear-view mirror, I hope we can all take some positive memories from it. Although we lost a number of citizens due to illness, none were lost due to Covid, which was a strong positive. It showed that our community was following most of the health precautions even when the information was unclear and demonstrated that we care enough about each other to try and help even when inconvenient.

The Village continued to work on our ongoing maintenance, and towards our wastewater treatment project. Most other activity was severely restricted by the health policies enacted by the Province. In spite of those restrictions, we finally got the repairs specified by the engineers done for Rainbow Wharf, and some repairs done to the Small Craft Harbour Wharf as well. Using grants, we were able to purchase a new Public Works truck which is used every day.

Businesses in Port Clements were badly impacted by the Covid restrictions. The Village responded with property tax reductions and adjusting utility bills where the situation warranted. This was what we could do, but it certainly was no replacement for the customers who could not patronize those concerns.

Individuals suffered from lack of connection with families, added inconvenience at every transaction and reduced accessibility to government and medical services, especially where travel was required. The lack of social gathering and restrictions led to increased stress and challenges to mental health.

For local Government, the workload increased dramatically. There were long teleconferences with Northern Health, Municipal Affairs, Citizen Services, the Office of the Attorney General, Incident Command, and local Haida leadership to try and chart the best path through the situation. We were required to make Covid Safety Plans, and then revise them as the directives changed. Sometimes the advice was conflicting and caused undue stress.

On the positive side of events, we survived, and we are better prepared for the future. I personally learned a great deal about managing in a community and worldwide emergency and putting things in perspective. The Village gained a new understanding of our strengths and vulnerabilities, and people grew into the new requirements, finding abilities and efficiencies to achieve results. We got to operate our Emergency Operations Command in a difficult but not catastrophic situation where we could work through concerns and challenges. Our staff, Commissions and Committees and Council were able to continue providing positive direction for Port Clements.

To close, I would like us to remember those who passed during 2020. You were part of our fabric of life here in Port, and your contributions are missed. And a final shout-out of thanks for all of you who are still here trying to make this Village the best it can be.

Doug Daugert

Mayor, Village of Port Clements

June 2021

# MESSAGE FROM THE CHIEF ADMINISTRATIVE OFFICER FOR 2020

2020 was a disruptive and challenging year to municipal operations and regular processes. In March 2020, the global Covid-19 pandemic began, and a Provincial State of Emergency was declared. This had significant impact on the Village of Port Clements (VOPC).

From the onset of the Provincial declaration, the immediate impact on administration was the necessary set up of the Village's Emergency Operations Centre (EOC) to support emergency response efforts and coordinate with other agencies and government bodies. The municipality also closed its indoor facilities and campground. Access to the municipal office was restricted, with alternative access such as window service utilized.

The initial months of the pandemic were a difficult and confusing time for local government, with the rapidly changing state of the pandemic in the province. Meetings dominated staff time, expanding into weekends and after hours. Primarily coordination calls with the Province, Unified Command (for the All-Island Emergency Response), and other bodies or training/information meetings on changes in legislation and the Safety Plan/document requirements. At times it was overwhelming for administration on top of regular duties, significantly adding to workloads. After the outbreak of cases on Haida Gwaii in July, the municipality hired dedicated EOC staff for assistance which continued into 2021 and largely helped with managing these meetings and the information stream.

By the Summer of 2020, the Province was looking at their restart plan, but with the lack of a vaccine the rise in numbers and outbreaks across the province resulted in its reversal. Restrictions on both outdoor and indoor gatherings were implemented that cancelled most of the Village's regularly held events, such as Canada Days. The Fall and Winter saw more restrictions being put in place, though by the end of the year positive change had occurred with the development of viable Covid-19 vaccines. The changes in restrictions were extremely challenging, and the office erred on the side of caution when it came to handling facility access and reopening in the face of uncertainty, unclear rules, and lack of capacity. This often upset the public and volunteers, especially around the requirements on documentation and safety plans for activities.

Administrative staff are responsible for managing programs and services provided by the municipality. This includes property management (Village Property leasing), collecting taxes, water and sewer services, corporate and business reporting, human resource management, policy and by-law development, elections, emergency preparedness, finance management, liaison with other governments, and contract management. Most municipalities have a Chief Financial Officer (CFO) to do financial related responsibilities, though the VOPC adds these responsibilities to the CAO position. In 2020 a Senior Finance Manager, Ronda Bell, was hired to take on most of the CFO duties and responsibilities.

2020 had started with progress being made on the 2020 Strategic Planning, but the outbreak of the pandemic disrupted it causing it to not be finalized. Many other regular processes had to be undertaken digitally at a distance, such as the audit for 2019.

Throughout 2020, grant funding applications were submitted to various funding agencies, primarily through Gwaii Trust. Under the Gwaii Trust (GT) Vibrant Communities Grant projects various projects were applied for such as the Village Office Improvement Project, Firehall

Interior Floor Replacement Project, Public Works Yard Project, Weightroom Upgrade, and Public Works Truck Replacement. Other grants applied for include the GT Winter Grant, GT Community Events Grant, GT Major Contribution Grant, GT Haida Gwaii COVID-19 Emergency Response Grant, Canada Summer Jobs, Community Economic Recovery Infrastructure Program (both the Destination Development Stream and Rural Economic Recovery Stream were applied for), Investing in Canada Infrastructure Program (for the Sewer Lagoon project), and Community Emergency Preparedness Fund (two applications for ESS and EOC).

While all projects were impacted by the pandemic (which caused delays, need for extension in grant funding or reorganization), many projects were still completed in 2020. Such projects like the Teen Centre upgrade project (which had been applied for as a GT Youth Grant in 2019), the Housing Needs Assessment study, Community Wildfire Protection Plan, Public Works Truck Replacement, Rainbow Wharf repairs (which had been applied for as a GT Vibrant Communities Grant in 2019), and Small Craft Harbour repairs.

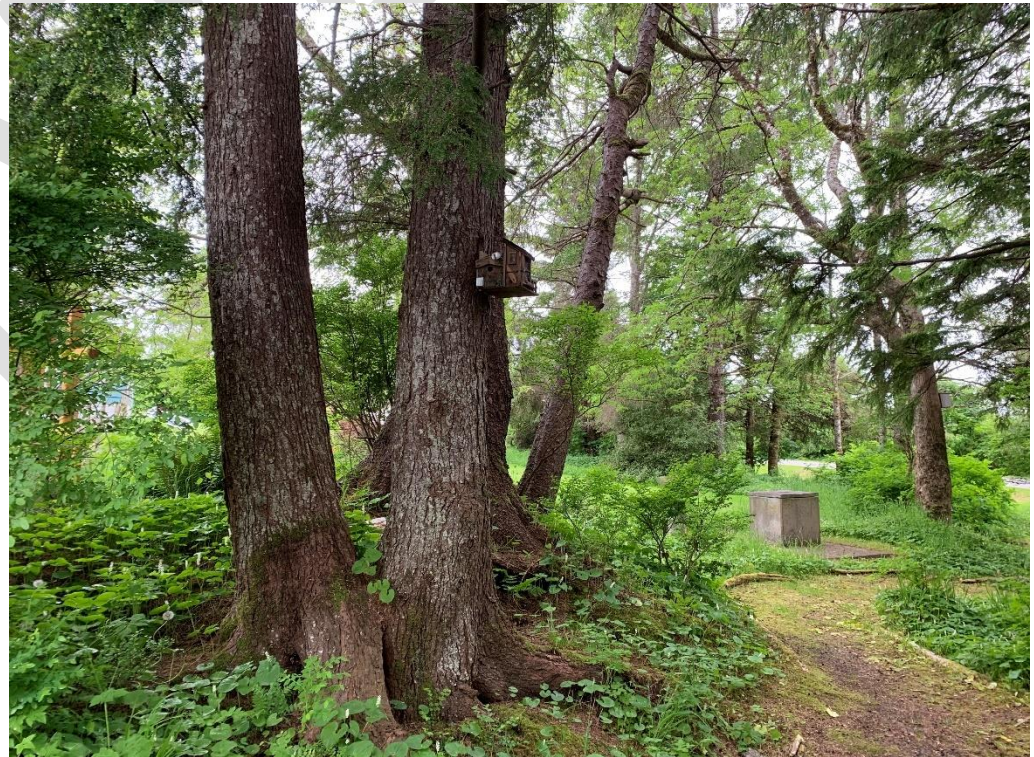
In November 2020, the Village parted with its Chief Administrative Officer, Ruby Decock.

Considering the challenges posed by the pandemic and struggles experienced, the overall function of the municipality carried on. The main services of water and sewer were provided without disruption, legislative requirements were met, grants were applied for, projects were completed, and Council meetings were held.

Elizabeth Cumming

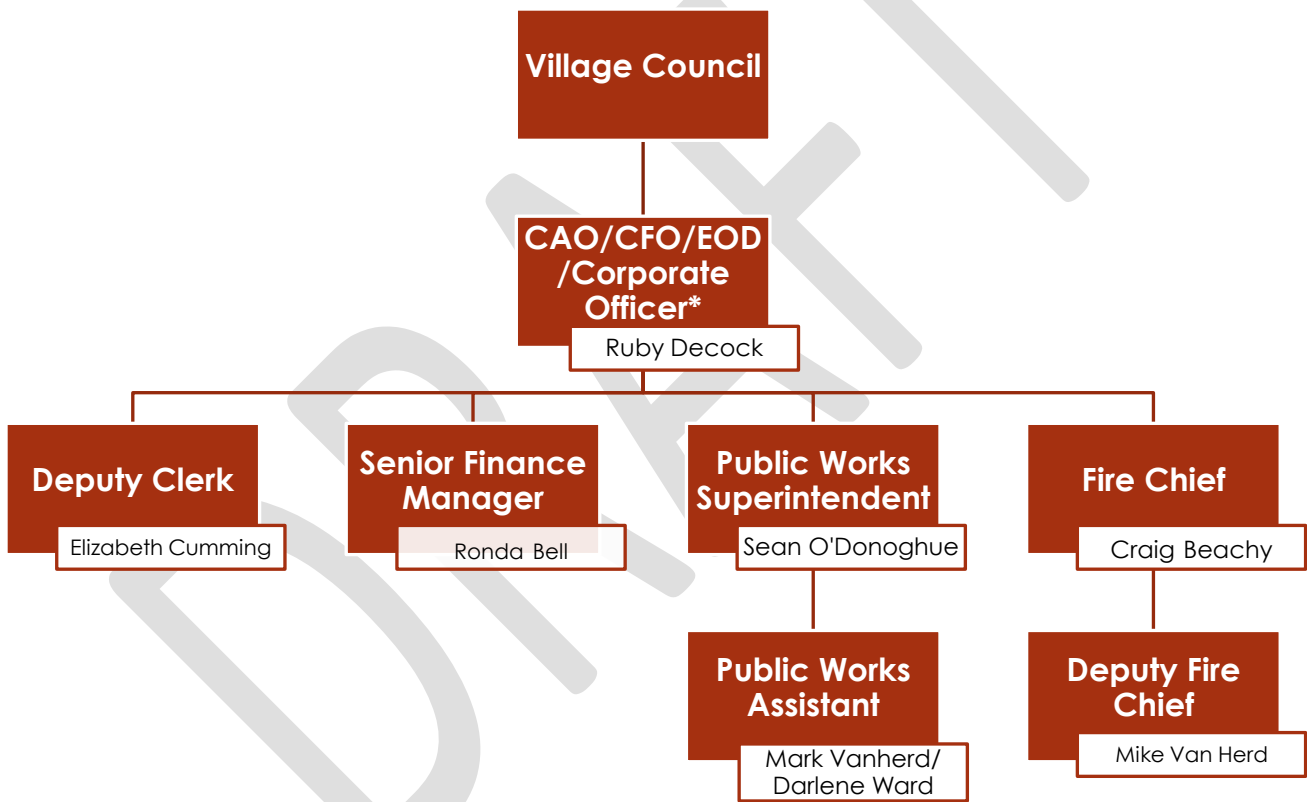
Deputy Clerk

June 2021





# Village of Port Clements Organizational Chart in 2020



Note: Ruby Decock was the CAO until November 2020; Darlene Ward was Public Works Assistant until September 2020; and Mark Vanherd started in October 2020.

\* Chief Administrative Officer, Chief Financial Officer, Corporate Officer, Emergency Operations Director  
Revised: June 8, 2021

# 2020 Financial Information

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

Administration costs increased in 2020, mainly due to the associated costs resulting from the departure of CAO Ruby Decock in November.

A financial advisor was hired in November to oversee the purchase and administration of the larger amount of grant funding that had been approved for dispersal in 2020. Through their time and effort, the Village now has more response equipment and supplies available for use in emergencies and an Emergency Operation Centre that is ready for use when needed. They also advised on procedures and protocols for the year-end turnover.

An auditor is annually hired to review the financial transactions and prepare the financial statements in accordance with the Canadian Public Sector Accounting Standards. FBB Chartered Professional Accountants LLP was hired in 2020. The attached independent Auditor's Report outlines their responsibilities, their scope, and their opinion of the Village's financial statements.

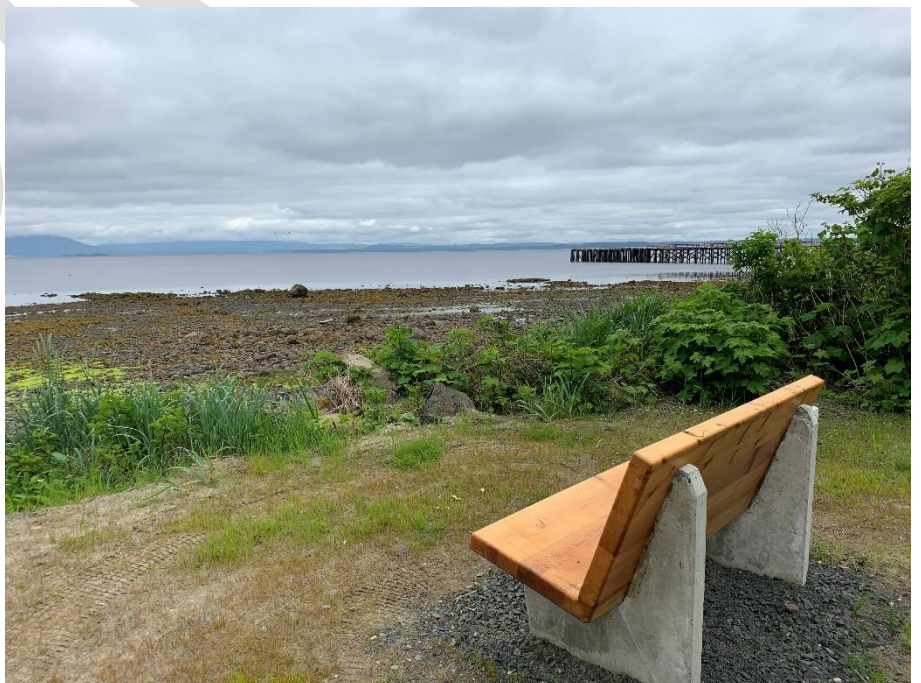
In 2020 the tax rate was reduced for businesses and light industry, with the thought that COVID-19 would cause hardship and increase their tax burden. The municipality collected \$1 13,939 for 2020 property taxes. The utility tax revenue was \$52,641 for water and \$37,702 for sewer.

The closure of public spaces and limited travel opportunities inhibited the development of any projects that required off-island expertise.

The Senior Financial Manager is a new position with the municipality and although it is the first year I have been working in this role, I am enjoying the experience: valuing the connections to the community and learning opportunities.

Ronda Bell  
Senior Finance Manager

June 2021



# Public Works 2020 Annual Report

A review of the year 2020 on behalf of Public Works:

The day to day activities of the public works staff include the operations of the sewer collection and treatment system and the water treatment and distribution systems, upkeep of the various infrastructure owned or administered by the Village (including Rainbow Wharf, Small Craft Harbour, the Port Health Clinic and BC ambulance station, Millennium park, Sunset Park campground and recreational trail, Multiplex building, Firehall and Biomass heating complex, roads and laneways), the associated grounds keeping of the school, parks and greenspaces in the village, and most importantly ensuring a safe environment for all.

This wide array of duties has its challenges regarding staffing levels but as always, the commitment of volunteers and residents in the community who assist in upkeep and beautification is forever greatly appreciated by the Public Works department. We would not be happy in our jobs without them!

2020 was a year like no other, with the Public Works department pivoting in the early months of the year from normal operations to rapidly evolving interpretations of what an essential service is and fulfilling daily duties in a safe and effective manner under evolving states of emergency.

Highlights of Public Works activities despite the challenges of working during a pandemic include:

- Ongoing operations providing safe potable water in compliance with the Northern Health Authority's permit to supply drinking water. The continued effort to operationally apply a multi barrier systematic approach to water source and distribution protection helps to ensure public health protection. This is paramount to an operator's role.
- Continued progress towards upgrading potable water security was realized with the installation of a proper surface seal of a newly drilled well in preparation of final connection and commissioning.
- Daily monitoring and operational improvements to the wastewater process during 2020 have brought us more in-line with requirements of our Provincial permit as well as new federal wastewater guidelines.
- Continued assistance and support of administration and our engineer of record on a major wastewater treatment expansion project which will ensure compliance with increasingly stringent provincial and federal regulatory requirements well into the future.
- Care of outdoor spaces changed based on recommendations of the provincial health officer to enjoy outdoor spaces while maintaining adequate social distancing in smaller bubbles. Soccer fields became golf courses and tall grass mazes for children! Trails were widened, some facilities were closed yet still maintained so as not to become overgrown.
- Public Works supported contractors with major structural upgrades to both Rainbow Wharf as well as the Port Clements Small Craft Harbour.

It is the Public Works department's hope that 2021 is a safer year, with whatever the "new normal" becomes.

With kind regards,

Sean P O'Donoghue

Superintendent of Public Works.



June 2021

## Recreation Commission 2020 Report

This has been a very challenging year. With the pandemic we were very restricted with having activities or any events.

This year began with 3 movie nights before having to cancel – great movies & great popcorn!

We were able to have Mz Easter Bunny come hopping along to visit the children delivering goodie bags.

A welcoming happy treat was being able to deliver to our ladies for Mothers Day, 135 smiling faces was an enormous reward as many had not been able to visit families or travel.

Canada day was not going to be happening, so we held a drive thru hamburger/hot dog event at the Community Park. The car hops were a hit. Thanks to all involved and to the artwork from our local school children.

We had our bird house contest with prizes, and they are now residing in Millennium Park.

With the Gwaii Trust Covid-19 relief grant we volunteered to bring meals to seniors or shut ins. This was followed under the guidelines and started in October for a once-a-week hot meal. We helped serve 6- meals until mid-November when Christmas activities were beginning to take place. Hats off to the cooks and delivery ladies.

For Christmas, a lot of challenging ideas of how, where, and when. The result was having Santa riding a buggy being led by Tonka. The weather was in our favour and door delivery was met with awe, and along the school fence, parents and grandparents had cameras out. Thank you, Tonka, and Santa.

We purchased extra Christmas lights for village buildings hoping to encourage people to get out and enjoy the lights.

Before year end, we purchased 2 picnic tables for the Community Park and installed 4 swings in the playground.

As always events do not happen without the support of our community and the energy from our most appreciated volunteers. THANK YOU!

Thanks to the Port Clements Recreation Commission.

Port Clements Recreation Commission

February 2021



# Vibrant Community Commission 2020 Report

## Bylaw Established

Pursuant to Section 8.3, the following "report of the previous years activities" has been prepared and approved by the Vibrant Community Commission.

The Vibrant Community Commission was established on 6<sup>th</sup> April 2020 in relation to a proposal submitted and subsequently approved by the Council of the Village of Port Clements. The purpose of the proposal, entitled *Port Clements: Project Proposal*, was to seek "the support of the Misty Islands Economic Development Society (MIEDS) to hire a part-time tourism advocate for the community".

## Key Objectives

The noted objectives were to 1) increase the number of available amenities, 2) improve visitor related infrastructure, 3) undertake targeted beautification projects, and 4) undertake strategic planning to support development.

## Key Initiatives

Linked to this proposal, which was approved by Council, were the following key initiatives:

- Hire the Tourism Advocate Position
- Re-open St. Marks Gift & Gallery
- Undertake tourism marketing
- Complete three beautification projects

As approved by Council, the organization and implementation of initiative would be carried out as follows:

### Operational Overview

The village of Port Clements would administer the grant funding required to contract with a locally sourced tourism advocate who would be responsible for carrying out targeted tourism related initiatives within the community. Operational funding for this initiative was sought from the Gwaii Trust, Vibrant Communities Fund and flowed through to MIEDs, who would retain a percentage of the funding to cover their internal administrative costs. The proposed projects would be developed and supported through the efforts of the Port Clements Vibrant Community Tourism Commission. This arrangement has not yet been confirmed due to Covid-19 and the need to extend/amend the funding agreement.

**COUNCIL APPROVAL** of the proposal was obtained sometime in February 2020 followed by the completion of a funding application to the Gwaii Trust to support the hiring of a Tourism Advocate "as described in the Vibrant Community Tourism Proposal" (IC-2020-02-016). Subsequent to this, the Gwaii Trust Society approved the application in the amount of \$51,515 for the above noted projects.

## Impact of Covid-19

The arrival of Covid-19 had a major negative impact on the ability of the Vibrant Community Commission to undertake its mandate as laid out in the Vibrant Community Tourism Proposal or the Gwaii Trust Grant: Port Clements Tourism Advocate. As a direct consequence of the pandemic none of the aforementioned projects were completed with the exception of establishing the noted bylaw.

The first meeting of the Vibrant Community Commission took place on the 2<sup>nd</sup> September and a second meeting on the 16<sup>th</sup> September 2020. The last meeting of 2020 was held on the 14<sup>th</sup>

October and 18<sup>th</sup>. The meeting scheduled for November was cancelled due to the passing of Joan Hein.

### **Current Status of Projects**

The Vibrant Community Commission still considers the above initiative and projects as critical to supporting the long-term economic viability of the Village of Port Clements. At this time, the Commission remains in support of the following objectives to facilitate implementation:

- 1) Completion date of current Gwaii Trust Grant to be extended to 1<sup>st</sup> March 2022.
- 2) MIEDS will administer the role/activities of the Tourism Advocate in consultation with the Chair, Vibrant Community Commission. [Decision Pending]
- 3) The grant budget and approved projects be adjusted to reflect the continuing negative impacts of Covid-19 on the island's tourism industry.

### **New Funding Initiatives**

While not yet approved, the Vibrant Community Commission took on the additional role of apply for two grant opportunities to the Community Economic Recovery Infrastructure Program (CERIP) as follows:

- i. Dyson Corner Rest Stop 2020
- ii. Sunset Park Upgrade 2020

If approved, a process of community consultation will begin, and decisions will have to be made by Council if they wish the Vibrant Community Commission to take the lead in supporting the development and implementation of these projects over the next two years.

Other potential projects may be delegated to the responsibility of the Tourism Advocate on approval of Council (E.g., Golden Spruce Extension Study and Sunset Park Trail Improvements).

Kelly Whitney-Gould

Vibrant Community Commission Chair

January 2021



# Strategic Priorities 2020

Council was in the process of determining their 2020 Strategic Priorities when the Covid-19 pandemic was declared in March, which disrupted the process leading it to not be finalized. The following is a list of the priorities that were discussed for 2020:

- Water: Increase water production – Drill 2 new wells, hire a hydrologist to assess well production. Connect 2 new wells to Water Treatment Plant. Upgrade electrical panels in Water Treatment Plan for well production.
- Sewer: Complete Sewer Study & apply for Grant Funding
- Rainbow Wharf: Hire an engineer to identify necessary repairs, and complete repairs recommended by Engineer. Paint Rainbow Wharf.
- Firehall: Weightroom Upgrade.
- Roads: Hire Engineer to design road work replacement cost for repaving the roads in Port Clements to create a shelf-ready project.
- Clinic/Ambulance Building: Install HRV. Install new boiler. Replace windows.
- Biomass Plant: Obtain consistent fuel supply and expand pellet storage.
- Village Office: Reorganize office layout to create more workstations. Long-term storage cabinets in Council Chambers.
- Public Works: Get a new Public Works truck that has fittings for sander & plow.
- Climate Change Upgrades: Complete Community Wildfire Protection Plan. Develop plan to address Flooding/erosion due to raised sea levels. Secondary road egress from municipality.
- Policy Documents: Develop & approve 5-year strategic plan. Update Official Community Plan. Update Zoning & Subdivision bylaws. Develop a Capital Works Plan. Hire a consultant to revise the Emergency Preparedness Plan.
- Staffing: Hire a Chief Financial Officer



# Year ended December 31, 2020.

## Elected Officials

<b>Name</b>	<b>Position</b>	<b>Remuneration</b>	<b>Expenses</b>	<b>Total Per Official</b>
Cumming, Brigid	Councillor	\$ 3000.00	\$ 70.20	\$3070.20
Daugert, Doug	Mayor	\$ 5000.00	\$ 77.00	\$5077.00
Falconbridge, Kazamir	Councillor	\$ 3000.00	\$ 0.00	\$3000.00
Gould, Ian	Councillor	\$ 3000.00	\$ 0.00	\$3000.00
Kish, Teri	Councillor	\$ 1500.00	\$ 0.00	\$1500.00
Whitney-Gould, Kelly	Councillor	\$ 500.00	\$ 0.00	\$ 500.00
<b>TOTALS FOR ALL OFFICIALS</b>		<b>\$ 16000.00</b>	<b>\$ 147.20</b>	<b>\$16147.20</b>

## Employees

<b>Name</b>	<b>Remuneration</b>	<b>Expenses</b>	<b>Total</b>
Employees over \$75,000.00			\$0.00
Employees under \$75,000.00 (all)	\$295,473.01	\$329.12	\$295,802.12
<b>TOTALS FOR ALL EMPLOYEES</b>	<b>\$295,473.01</b>	<b>\$329.12</b>	<b>\$295,802.13</b>

## Severance Pay

**TOTAL EMPLOYEE SEVERANCE PAY FOR 2020** **\$40,500.90**

# 2020 Audited Financial Statement

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**Village of Port Clements**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2020**

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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 3, 2021  
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, 2020, 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, 2020, 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.

### Other Matter

Without modifying our opinion, we draw attention to Note 18 of these consolidated financial statements which outlines that the Village has recorded a prior period adjustment to reflect the correct amount of UBCM gas tax funds available as at December 31, 2019, which resulted in an increase in the accumulated surplus in the amount of \$29,413.

### 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 3, 2021  
Prince George, British Columbia

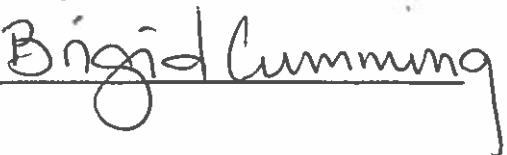
FBB Chartered Professional Accountants LLP

**Village of Port Clements**  
**Consolidated Statement of Financial Position**  
**As at December 31, 2020**

	<u>2020</u>	<u>2019</u> (restated)
<b>Financial assets</b>		
Cash and investments	\$ 5,921,245	\$ 5,157,756
Taxes and accounts receivable (note 2)	269,503	130,844
	<u>6,190,748</u>	<u>5,288,600</u>
<b>Financial Liabilities</b>		
Accounts payable and accrued liabilities (note 3)	99,345	51,855
Liability for contaminated site (note 14)	3,425,832	3,425,832
Deferred revenue (note 4)	533,041	162,829
	<u>4,058,218</u>	<u>3,640,516</u>
<b>Net financial assets</b>	<u>2,132,530</u>	<u>1,648,084</u>
<b>Non-financial assets</b>		
Property acquired for taxes	16,859	16,859
Prepaid expenses	67,594	71,228
Tangible capital assets (note 6)	8,773,712	8,609,866
	<u>8,858,165</u>	<u>8,697,953</u>
<b>Accumulated Surplus (note 9)</b>	<u>\$ 10,990,695</u>	<u>\$ 10,346,037</u>

Approved by the Mayor and Council





**Village of Port Clements**  
**Consolidated Statement of Operations**  
**For the year ended December 31, 2020**

	<b>2020</b>	<b>2020</b>	<b>2019</b>
	<b>Budget</b>	<b>Actual</b>	<b>Actual</b>
	(unaudited)		(restated)
<b>Revenue</b>			
Property taxes	\$ 203,260	\$ 204,281	\$ 220,019
Grants in lieu	8,164	7,847	10,390
Sale of services	72,525	4,861	9,452
Revenue from own sources	156,812	220,740	244,251
Multi-purpose building rental	12,700	11,131	15,384
Unconditional grants	412,000	425,979	430,858
Conditional grants	1,331,724	1,008,900	2,222,900
Interest and penalties on taxes and user fees	32,500	154,406	91,706
Collections for other agencies	171,953	171,951	187,861
	<u>2,401,638</u>	<u>2,210,096</u>	<u>3,432,821</u>
<b>Expenses</b>			
Legislative	23,200	21,009	30,872
General administration	345,000	382,154	264,015
Emergency services	227,643	3,376	8,114
Protective services	54,460	42,274	43,914
Common services	45,850	32,590	32,472
Wharf	328,600	324,301	8,551
Small craft harbour	15,700	33,235	11,777
Roads and public works	63,850	49,956	47,628
Contaminated site remediation	-	-	3,456,260
Economic development	5,180	108,828	134,478
Parks, recreation and tourism	236,661	60,427	81,355
Water and sewer utility operations	153,824	115,798	149,418
Multi-purpose building maintenance	80,500	59,298	71,338
Fiscal services	2,305	1,766	1,425
Amortization	170,000	158,762	153,871
Payments to other agencies	171,953	171,664	187,862
	<u>1,924,726</u>	<u>1,565,438</u>	<u>4,683,350</u>
<b>Annual Surplus</b>	<u>476,912</u>	644,658	(1,250,529)
<b>Accumulated surplus, beginning of year as restated (Note 18)</b>		<u>10,346,037</u>	<u>11,596,566</u>
<b>Accumulated surplus, end of year</b>		<u>\$ 10,990,695</u>	<u>\$ 10,346,037</u>

## Village of Port Clements

### Consolidated Statement of Changes in Net Financial Assets

For the year ended December 31, 2020

	<u>2020 Budget</u> (unaudited)	<u>2020 Actual</u>	<u>2019 Actual</u> (restated)
<b>Annual surplus</b>	\$ 476,912	\$ 644,658	\$ (1,250,529)
Amortization	-	158,762	153,871
Change in property acquired for taxes	-	-	(7,670)
Change in prepaid expenses	-	3,634	(3,789)
Transfer (to) from reserve funds	387,599	-	-
Acquisition of tangible capital assets	<u>(864,511)</u>	<u>(322,608)</u>	<u>(274,521)</u>
<b>Increase in net financial assets</b>	<u>\$ -</u>	484,446	(1,382,638)
<b>Net Financial Assets, beginning of year</b>		<u>1,648,084</u>	<u>3,030,722</u>
<b>Net Financial Assets, end of year</b>		<u>\$ 2,132,530</u>	<u>\$ 1,648,084</u>

**Village of Port Clements**  
**Consolidated Statement of Cash Flows**  
**For the year ended December 31, 2020**

	<u>2020</u>	<u>2019</u> (restated)
<b>NET INFLOW (OUTFLOW) OF CASH:</b>		
<b>Operating Activities</b>		
Annual surplus	\$ 644,658	\$ (1,250,529)
Non-cash charges to operations		
Amortization	158,762	153,871
Liability for contaminated site	-	3,425,832
Changes in non-cash operating balances:		
Increase in taxes and accounts receivable	(138,659)	21,166
Increase (decrease) in accounts payable and accrued liabilities	47,490	(35,209)
Property acquired for taxes	-	(7,670)
Decrease in deferred revenue	370,212	110,012
Decrease in prepaid expenses	3,634	(3,789)
	<u>1,086,097</u>	<u>2,413,684</u>
<b>Capital Activity</b>		
Acquisition of tangible capital assets	<u>(322,608)</u>	<u>(274,521)</u>
<b>Increase (decrease) in cash and investments</b>	<b>763,489</b>	<b>2,139,163</b>
<b>Cash and investments, beginning of year</b>	<u>5,157,756</u>	<u>3,018,593</u>
<b>Cash and investments, end of year</b>	<u>\$ 5,921,245</u>	<u>\$ 5,157,756</u>

## Village of Port Clements

### Notes to the Consolidated Financial Statements

For the year ended December 31, 2020

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#### 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, 2020

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#### 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, 2020

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#### 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>2020</u>	<u>2019</u>
Property taxes	\$ 44,815	\$ 42,839
Utilities	(3,373)	(3,596)
Sales taxes	33,374	23,339
Other receivables	<u>194,687</u>	<u>68,262</u>
	<u>\$ 269,503</u>	<u>\$ 130,844</u>

#### 3. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Trade and accrued liabilities	\$ 96,818	\$ 50,767
Payroll and withholding taxes	<u>2,527</u>	<u>1,088</u>
	<u>\$ 99,345</u>	<u>\$ 51,855</u>

## Village of Port Clements

Notes to the Consolidated Financial Statements  
For the year ended December 31, 2020

### 4. DEFERRED REVENUE

	<u>2020</u>	<u>2019</u> (restated)
Federal Gas Tax Community Works	\$ 230,355	\$ 162,679
Province of B.C. - Sunset Trail	99,951	-
Province of B.C. - Trail Extension Study	10,000	-
Union of B.C. Municipalities - Flood Study	44,255	-
Covid-19 Restart Grant	148,000	-
Prepaid taxes, business licences, fitness memberships	480	150
	<u>\$ 533,041</u>	<u>\$ 162,829</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.

### 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, 2020 - 2.45%). The facility was unused as at December 31, 2020.

### 6. TANGIBLE CAPITAL ASSETS

			<u>2020</u>	<u>2019</u>
	Cost	Accumulated Amortization	Net Carrying Amount	
Land	\$ 466,958	\$ -	\$ 466,958	\$ 466,958
Buildings	3,818,933	902,825	2,916,108	2,956,237
Automotive	215,449	49,800	165,649	60,334
Fire department	546,175	309,685	236,490	262,762
Office equipment	36,180	15,142	21,038	19,606
Tools and equipment	71,175	41,758	29,417	33,812
Parks and recreation	1,122,401	252,363	870,038	884,554
Roads and sidewalks	487,359	141,585	345,774	361,006
Biomass heating system	414,148	71,053	343,095	352,673
Solar Panel	151,900	45,571	106,329	116,456
Water system	2,376,137	369,576	2,006,561	1,999,817
Sewer system	1,569,666	303,411	1,266,255	1,095,651
	<u>\$ 11,276,481</u>	<u>\$ 2,502,769</u>	<u>\$ 8,773,712</u>	<u>\$ 8,609,866</u>

## Village of Port Clements

### Notes to the Consolidated Financial Statements For the year ended December 31, 2020

#### 6. TANGIBLE CAPITAL ASSETS (continued)

Tangible Capital Asset Additions for the year are as follows:

	Cost January 1, 2020	Additions	Cost December 31, 2020
Land	\$ 466,958	\$ -	\$ 466,958
Buildings	3,818,933	-	3,818,933
Automotive	99,996	115,453	215,449
Fire department	546,175	-	546,175
Office equipment	34,389	1,791	36,180
Tools and equipment	70,019	1,156	71,175
Parks and recreation	1,122,401	-	1,122,401
Roads and sidewalks	487,359	-	487,359
Biomass heating system	414,148	-	414,148
Solar panel	151,900	-	151,900
Water system	2,350,961	25,176	2,376,137
Sewer system	1,390,634	179,032	1,569,666
	<u>\$ 10,953,873</u>	<u>\$ 322,608</u>	<u>\$ 11,276,481</u>

Amortization for the year is as follows:

	Balance January 1, 2020	Amortization	Balance December 31, 2020
Land	\$ -	\$ -	\$ -
Buildings	862,696	40,129	902,825
Automotive	39,662	10,138	49,800
Fire department	283,413	26,272	309,685
Office equipment	14,783	359	15,142
Tools and equipment	36,207	5,551	41,758
Parks and recreation	237,847	14,516	252,363
Roads and sidewalks	126,353	15,232	141,585
Biomass heating system	61,475	9,578	71,053
Solar panel	35,444	10,127	45,571
Water system	351,144	18,432	369,576
Sewer system	294,983	8,428	303,411
	<u>\$ 2,344,007</u>	<u>\$ 158,762</u>	<u>\$ 2,502,769</u>

## Village of Port Clements

### Notes to the Consolidated Financial Statements

For the year ended December 31, 2020

#### 7. NET ASSETS INVESTED IN TANGIBLE CAPITAL ASSETS

	<u>2020</u>	<u>2019</u>
Net assets in tangible capital assets, beginning of year	\$ 8,609,866	\$ 8,489,216
Add: acquisition of tangible capital assets	322,608	274,521
Less: amortization	<u>(158,762)</u>	<u>(153,871)</u>
	<u>\$ 8,773,712</u>	<u>\$ 8,609,866</u>

#### 8. RESERVE FUNDS

	<u>Balance January 1, 2020</u>	<u>Additions/ Funds used</u>	<u>Balance December 31, 2020</u>
Northern Capital and Planning Grant	\$ 2,115,326	\$ 91,452	\$ 2,206,778
Latecomer's fee reserve	9,369	-	9,369
Fire department reserve	5,500	-	5,500
Planning fund reserve	<u>3,595</u>	<u>-</u>	<u>3,595</u>
	<u>\$ 2,133,790</u>	<u>\$ 91,452</u>	<u>\$ 2,225,242</u>

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

#### 9. ACCUMULATED SURPLUS

	<u>2020</u>	<u>2019</u> (restated)
General operating fund	\$ 2,434,363	\$ 1,907,025
Water system	624,498	613,860
Sewer system	(3,067,120)	(2,918,504)
Net assets invested in tangible capital assets (note 7)	8,773,712	8,609,866
Reserve funds (note 8)	<u>2,225,242</u>	<u>2,133,790</u>
	<u>\$ 10,990,695</u>	<u>\$ 10,346,037</u>

## Village of Port Clements

### Notes to the Consolidated Financial Statements

For the year ended December 31, 2020

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#### 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 213,000 active members and approximately 106,000 retired members. Active members include approximately 41,000 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 2018 indicated a funding surplus of \$2,866 million for basic pension benefits on a going concern basis.

The next valuation will be December 31, 2021 with results available in 2022. 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 \$24,771 for employer contributions and \$22,111 in employee contributions to the Plan in the year ended December 31, 2020 (\$26,613 and \$19,370 - 2019).

#### 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, 2020

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#### 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>2020</u>	<u>2019</u>
Salaries, wages and benefits	\$ 342,125	\$ 278,528
Materials and supplies	104,352	72,722
Contracted services	85,176	72,001
Rent, maintenance and utilities	548,987	268,326
Mayor and council remuneration and travel	17,669	25,802
Insurance	32,718	32,002
Grants	102,223	134,548
Interest and bank charges	1,762	1,428
Amortization	158,762	153,871
Contaminated site remediation	-	3,456,260
Payment to other agencies	171,664	187,862
	<u>\$ 1,565,438</u>	<u>\$ 4,683,350</u>

## Village of Port Clements

### Notes to the Consolidated Financial Statements For the year ended December 31, 2020

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#### 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 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. 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	\$ 2,535,984
Consultant costs (engineers, forester, monitor)	435,500
Other costs (federal and provincial required signage)	7,500
Contingency for cost overruns and unforeseen items (15%)	<u>446,848</u>
Provision for environmental remediation	<u>\$ 3,425,832</u>

During the year, the Village has also incurred \$30,428 in costs with respect to planning and preparation for this project. These items have been expensed in the year 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 additional \$2,425,832 will be funded by federal and provincial grants. The Village will apply for the relevant grants in the future and no receivable for federal or provincial grants related to the above liability have been recorded in these financial statements.

## Village of Port Clements

### Notes to the Consolidated Financial Statements

For the year ended December 31, 2020

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#### 15. BUDGETED FIGURES

The budget amounts presented throughout these consolidated financial statements are unaudited and represent the amended five year financial plan bylaw No. 461 approved by the Village Mayor and Council on December 21, 2020.

#### 16. 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 14. The Village believes their remediation plan will be accepted by Environment Canada and the project will be completed before any fines are applied.

#### 17. SUBSEQUENT EVENT

In March 2020, the COVID-19 outbreak was declared a pandemic by the World Health Organization and has had a significant financial, market and social dislocating impact. At this time, these factors continue to present uncertainty over future cash flows, may cause significant changes to the assets or liabilities and may have a significant impact on future operations. An estimate of the financial effect is not practicable at this time.

#### 18. PRIOR PERIOD ADJUSTMENT

During the year, it was discovered that the balance of Community Works Gax Tax Funds available for use by the Village was \$29,413 higher than what was recorded for the year ended December 31, 2019. Management has retroactively restated the 2019 gas tax on hand as follows:

	<u>2020</u>	<u>2019</u>
Increase to conditional grants	\$ -	\$ 29,413
Decrease to deferred revenue	\$ -	\$ (29,413)
Increase to accumulated surplus, opening	\$ 29,413	\$ -
Accumulated surplus, beginning of year as previously stated		\$ 10,316,624
Prior period adjustment		<u>29,413</u>
Accumulated surplus, beginning of year as restated		<u>\$ 10,346,037</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 statement of the Village of Port Clements as at and for the year ended December 31, 2020.

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 3, 2021  
Prince George, British Columbia

FBB Chartered Professional Accountants LLP

## Village of Port Clements

### General Operating Fund - Statement of Financial Position

As at December 31, 2020

	<u>2020</u>	<u>2019</u> (restated)
<b>Financial assets</b>		
Cash and investments	\$ 5,921,245	\$ 5,157,756
Taxes and accounts receivable	269,503	130,844
	<u>6,190,748</u>	<u>5,288,600</u>
<b>Financial Liabilities</b>		
Accounts payable and accrued liabilities	99,345	51,855
Deferred revenue	533,041	162,829
Due to other funds	983,210	1,121,188
	<u>1,615,596</u>	<u>1,335,872</u>
<b>Net financial assets</b>	<u>4,575,152</u>	<u>3,952,728</u>
<b>Non-financial assets</b>		
Property acquired for taxes	16,859	16,859
Prepaid expenses	67,594	71,228
Tangible capital assets	5,500,896	5,514,398
	<u>5,585,349</u>	<u>5,602,485</u>
	<u>\$ 10,160,501</u>	<u>\$ 9,555,213</u>
<b>Accumulated surplus</b>		
Accumulated surplus	2,434,363	1,907,025
Equity in tangible capital assets	5,500,896	5,514,398
Reserves	2,225,242	2,133,790
	<u>\$ 10,160,501</u>	<u>\$ 9,555,213</u>

**Village of Port Clements**  
**General Operating Fund - Statement of Operations**  
**For the year ended December 31, 2020**

	<u>2020</u> <u>Budget</u> (unaudited)	<u>2020</u> <u>Actual</u>	<u>2019</u> <u>Actual</u> (restated)
<b>Revenue</b>			
Property taxes	\$ 114,050	\$ 113,939	\$ 130,809
Grants in lieu	8,164	7,847	10,390
Sale of services	72,525	4,861	9,452
Revenue from own sources	94,780	131,382	153,846
Multi-purpose building rental	12,700	11,131	15,384
Unconditional grants	412,000	425,979	430,858
Conditional grants	1,331,724	1,008,900	2,222,900
Interest and penalties on taxes and user fees	-	152,078	89,328
Collections for other agencies	171,953	171,951	187,861
	<u>2,217,896</u>	<u>2,028,068</u>	<u>3,250,828</u>
<b>Expenses</b>			
Legislative	23,200	21,009	30,872
General administration	345,000	382,154	264,015
Emergency services	227,643	3,376	8,114
Protective services	54,460	42,274	43,914
Common services	45,850	32,590	32,472
Wharf	328,600	324,301	8,551
Small craft harbour	15,700	33,235	11,777
Roads and public works	63,850	49,956	47,628
Economic development	5,180	108,828	134,478
Parks, recreation and tourism	236,661	60,427	81,355
Multi-purpose building maintenance	80,500	59,298	71,338
Fiscal services	2,305	1,766	1,425
Amortization	170,000	131,902	127,011
Payments to other agencies	171,953	171,664	187,862
	<u>1,770,902</u>	<u>1,422,780</u>	<u>1,050,812</u>
<b>Annual surplus</b>	<u>446,994</u>	605,288	2,200,016
<b>Transfer from reserves</b>	417,517	-	-
<b>Investment in tangible capital assets</b>	(864,511)	-	-
<b>Accumulated surplus, beginning of year</b>		<u>9,555,213</u>	<u>7,355,197</u>
<b>Accumulated surplus, end of year</b>		<u>\$ 10,160,501</u>	<u>\$ 9,555,213</u>

**Village of Port Clements**  
**Water System - Statement of Financial Position**  
**As at December 31, 2020**

	<u>2020</u>	<u>2019</u>
<b>Financial assets</b>		
Due from general operating fund	\$ 624,498	\$ 613,860
<b>Non-financial assets</b>		
Tangible capital assets	<u>2,006,561</u>	<u>1,999,817</u>
	<u>\$ 2,631,059</u>	<u>\$ 2,613,677</u>
<b>Accumulated Surplus</b>		
Accumulated surplus	\$ 624,498	\$ 613,860
Equity in tangible capital assets	<u>2,006,561</u>	<u>1,999,817</u>
	<u>\$ 2,631,059</u>	<u>\$ 2,613,677</u>

**Village of Port Clements**  
**Water System - Statement of Operations**  
**For the year ended December 31, 2020**

	<u>2020 Budget (unaudited)</u>	<u>2020 Actual</u>	<u>2019 Actual</u>
<b>Revenue</b>			
User charges	\$ 58,323	\$ 58,149	\$ 58,323
Water frontage tax	52,155	52,640	52,155
Community works	-	-	-
Interest and other	2,378	2,328	2,378
	<u>112,856</u>	<u>113,117</u>	<u>112,856</u>
<b>Expenses</b>			
Administration	5,000	5,000	5,000
Amortization	26,000	18,432	18,432
Distribution	31,850	23,632	18,974
Repairs and maintenance	26,250	10,184	26,367
Wages and benefits	32,240	38,487	44,057
	<u>121,340</u>	<u>95,735</u>	<u>112,830</u>
<b>Annual surplus (deficit)</b>	<u>(8,484)</u>	17,382	26
<b>Transfer from reserves</b>	8,484		
<b>Accumulated surplus, beginning of year</b>		<u>2,613,677</u>	<u>2,613,651</u>
<b>Accumulated surplus, end of year</b>		<u>\$ 2,631,059</u>	<u>\$ 2,613,677</u>

**Village of Port Clements**  
**Sewer System - Statement of Financial Position**  
**As at December 31, 2020**

	<u>2020</u>	<u>2019</u>
<b>Financial assets</b>		
Due from general operating fund	\$ 358,712	\$ 507,328
<b>Financial Liabilities</b>		
Liability for contaminated site	<u>3,425,832</u>	<u>3,425,832</u>
<b>Net financial assets</b>	<u>(3,067,120)</u>	<u>(2,918,504)</u>
<b>Non-financial assets</b>		
Tangible capital assets	<u>1,266,255</u>	<u>1,095,651</u>
	<u>1,266,255</u>	<u>1,095,651</u>
	<u>\$ (1,800,865)</u>	<u>\$ (1,822,853)</u>
<b>Accumulated surplus</b>		
Accumulated surplus	\$ (3,067,120)	\$ (2,918,504)
Equity in tangible capital assets	<u>1,266,255</u>	<u>1,095,651</u>
	<u>\$ (1,800,865)</u>	<u>\$ (1,822,853)</u>

**Village of Port Clements**  
**Sewer System - Statement of Operations**  
**For the year ended December 31, 2020**

	<u>2020</u> <u>Budget</u> <u>(unaudited)</u>	<u>2020</u> <u>Actual</u>	<u>2019</u> <u>Actual</u>
<b>Revenue</b>			
User charges	\$ 32,082	\$ 31,209	\$ 32,082
Sewer frontage tax	37,055	37,702	37,055
	<u>69,137</u>	<u>68,911</u>	<u>69,137</u>
<b>Expenses</b>			
Administration	3,000	3,000	3,000
Amortization	18,000	8,428	8,428
Contaminated site remediation	-	-	3,456,260
Operations	13,950	7,822	6,697
Repairs and maintenance	15,500	5,979	14,436
Sewer study	-	-	5,867
Wages and benefits	26,034	21,694	25,020
	<u>76,484</u>	<u>46,923</u>	<u>3,519,708</u>
<b>Annual surplus (deficit)</b>	<u>(7,347)</u>	21,988	(3,450,571)
<b>Transfer from reserves</b>	7,347		
<b>Accumulated surplus, beginning of year</b>		<u>(1,822,853)</u>	<u>1,627,718</u>
<b>Accumulated surplus, end of year</b>		<u>\$ (1,800,865)</u>	<u>\$ (1,822,853)</u>

**Village of Port Clements**

**Northern Capital and Planning Grant - Statement of Operations**

**For the year ended December 31, 2020**

	<u>2020 Budget (unaudited)</u>	<u>2020 Actual</u>	<u>2019 Actual</u>
<b>Revenue</b>			
Northern Capital and Planning Grant	\$ -	\$ -	\$ 2,085,000
Interest	-	91,452	30,326
	-	91,452	2,115,326
<b>Reserve funds, beginning of year</b>		<u>2,115,326</u>	<u>-</u>
<b>Reserve funds, end of year</b>		<u>\$ 2,206,778</u>	<u>\$ 2,115,326</u>