



The Village of  
**PORT CLEMENTS**  
*"Gateway to the Wilderness"*

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**11:00 AM, Special Meeting of Council, Friday, May 8<sup>th</sup>, 2026**

**AGENDA**

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

**1. Adopt the Agenda**

**2. Government**

G-1—2025 Audited Financial Statements – FBB Accounting

*Recommended motion: THAT Council receives and approves the 2025 Audited Financial Statements as presented by FBB Chartered Professional Accountants LLP*

G-2—Financial Plan for the Years 2026 – 2030, Bylaw #495, 2026

*Recommended motion: That Council reconsiders and adopts "Financial Plan for the Years 2026-2030, Bylaw #495, 2026".*

G-3—Tax Rates Bylaw #496, 2026

*Recommended motion: THAT Council reconsiders and adopts "Tax Rates Bylaw #496, 2026"*

G-4—Reservoir Cleaning- Precision Service & Pumps INC.

*Recommended motion: THAT Council waives the purchasing policy to enable the direct award of the contract to Precision Service & Pump INC*

**3. Adjournment**

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

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## **MANAGEMENT'S RESPONSIBILITY**

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

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

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

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

May 6, 2026  
Port Clements, British Columbia

## INDEPENDENT AUDITOR'S REPORT

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

### **Opinion**

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

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Village of Port Clements as at December 31, 2025, and its financial performance and cash flows for the year then ended in accordance with Canadian Public Sector Accounting Standards.

### **Basis for Opinion**

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Village in accordance with ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with Canadian Public Sector Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

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

## INDEPENDENT AUDITOR'S REPORT (continued)

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements. As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the municipality's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the municipality's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the municipality to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

May 6, 2026  
Prince George, British Columbia

FBB Chartered Professional Accountants LLP

**Village of Port Clements**  
**Consolidated Statement of Financial Position**  
**As at December 31, 2025**

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

Approved by the Mayor and Council

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**Village of Port Clements**  
**Consolidated Statement of Operations**  
**For the year ended December 31, 2025**

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

## Village of Port Clements

### Consolidated Statement of Changes in Net Financial Assets

For the year ended December 31, 2025

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

**Village of Port Clements**  
**Consolidated Statement of Cash Flows**  
**For the year ended December 31, 2025**

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

# Village of Port Clements

## Notes to the Consolidated Financial Statements For the year ended December 31, 2025

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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, 2025

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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
Solar Panel	15 years
Water system	4-140 years
Sewer system	165 years

#### e. Property acquired for taxes

Property acquired for taxes is recorded at acquisition cost.

## Village of Port Clements

Notes to the Consolidated Financial Statements  
For the year ended December 31, 2025

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

### 3. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

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

## Village of Port Clements

### Notes to the Consolidated Financial Statements

For the year ended December 31, 2025

#### 4. DEFERRED REVENUE

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

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

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

#### 5. TANGIBLE CAPITAL ASSETS

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

## Village of Port Clements

Notes to the Consolidated Financial Statements  
For the year ended December 31, 2025

### 5. TANGIBLE CAPITAL ASSETS (continued)

Tangible Capital Asset Additions for the year are as follows:

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

Amortization for the year is as follows:

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

## Village of Port Clements

### Notes to the Consolidated Financial Statements For the year ended December 31, 2025

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

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

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

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

**Village of Port Clements**  
**Notes to the Consolidated Financial Statements**  
**For the year ended December 31, 2025**

**7. RESERVE FUNDS**

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

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

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

**8. ACCUMULATED SURPLUS**

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

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## Village of Port Clements

### Notes to the Consolidated Financial Statements For the year ended December 31, 2025

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#### 9. COMMITMENTS AND CONTINGENCIES

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

The Village and its employees contribute to the Municipal Pension Plan (Plan), a jointly trustee pension plan. The Board of Trustees, representing Plan members and employers, is responsible for overseeing the management of the Plan, including investment of the assets and administration of benefits. The Plan is a multi-employer defined benefit pension plan. Basic pension benefits provided are based on a formula. The Plan has about 273,000 active members and approximately 133,000 retired members. Active members include approximately 47,000 contributors from local governments.

Every three years an actuarial valuation is performed to assess the financial position of the Plan and the adequacy of Plan funding. The actuary determines an appropriate combined employer and member contribution rate to the fund. The actuary's calculated contribution rate is based on the entry-age normal cost method, which produces the long-term rate of member and employer contributions sufficient to provide benefits for average future entrants to the plan. This rate is then adjusted to the extent there is amortization of any funding deficit. The most recent valuation as at December 2024 indicated a funding surplus of \$2,675 million for basic pension benefits on a going concern basis.

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

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

## Village of Port Clements

Notes to the Consolidated Financial Statements  
For the year ended December 31, 2025

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### 10. ECONOMIC DEPENDENCE

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

### 11. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

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

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

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

### 12. EXPENSES BY OBJECT

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

## Village of Port Clements

### Notes to the Consolidated Financial Statements

For the year ended December 31, 2025

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#### 13. LIABILITY FOR CONTAMINATED SITES

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

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

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

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

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

## **Village of Port Clements**

### **Notes to the Consolidated Financial Statements**

**For the year ended December 31, 2025**

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#### **14. BUDGETED FIGURES**

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

#### **15. CONTINGENT LIABILITY**

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

#### **16. COMPARATIVE FIGURES**

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

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

**Schedule 1**

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

## INDEPENDENT AUDITOR'S REPORT ON SUPPLEMENTARY INFORMATION

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

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

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

May 6, 2026  
Prince George, British Columbia

FBB Chartered Professional Accountants LLP

# Village of Port Clements

## General Operating Fund - Statement of Financial Position

As at December 31, 2025

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

**Village of Port Clements**  
**General Operating Fund - Statement of Operations**  
**For the year ended December 31, 2025**

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

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## Village of Port Clements

### Water System - Statement of Financial Position

As at December 31, 2025

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

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

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

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**Village of Port Clements**  
**Sewer System - Statement of Financial Position**  
**As at December 31, 2025**

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

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

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

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## Village of Port Clements

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

For the year ended December 31, 2025

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

# Village of Port Clements

## Growing Communities Grant - Statement of Operations

For the year ended December 31, 2025

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

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## Village of Port Clements

### Northwest Resource Benefit Alliance - Statement of Operations

For the year ended December 31, 2025

	<u>2025 Budget</u> (unaudited)	<u>2025 Actual</u>	<u>2024 Actual</u>
<b>Revenue</b>			
NW Resource Benefit Alliance	\$ -	\$ 2,672,990	\$ 890,997
Interest	-	44,383	7,068
	<u>-</u>	<u>2,717,373</u>	<u>908,065</u>
<b>Expenses</b>			
Wastermain project	-	769,755	-
	<u>-</u>	<u>769,755</u>	<u>-</u>
<b>Annual surplus</b>	<u>-</u>	1,947,618	898,065
<b>Reserve funds, beginning of year</b>		<u>898,065</u>	-
<b>Reserve funds, end of year</b>		<u>\$ 2,845,683</u>	<u>\$ 898,065</u>

**VILLAGE OF PORT CLEMENTS**

**BYLAW #495, 2026**

**The Financial Plan for the Years 2026-2030**

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

1. Schedule A attached hereto and made a part of this bylaw is hereby adopted and comprises the Financial Plan for the Village of Port Clements for the years January 1, 2026, and ending December 31, 2030
2. This Bylaw may be cited for all purposes as "The Financial Plan for the years 2026-2030, Bylaw #495, 2026".

READ A FIRST TIME THIS \_\_ DAY OF \_\_\_\_\_ 2026.

READ A SECOND TIME THIS \_\_ DAY OF \_\_\_\_\_ 2026.

READ A THIRD TIME THIS \_\_ DAY OF \_\_\_\_\_ 2026.

FINALLY PASSED AND ADOPTED THIS \_\_ DAY OF \_\_ 2026.

\_\_\_\_\_  
Scott Cabianca  
MAYOR

\_\_\_\_\_  
Marjorie Dobson  
CAO

\_\_\_\_\_  
CERTIFIED A TRUE COPY OF  
"THE FINANCIAL PLAN FOR THE YEARS 2026-2030 BYLAW #495, 2026"

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**Village of Port Clements  
2026-2030 Financial Plan  
Statement of Objectives  
For Bylaw #495, 2026**

In accordance with Section 165(3.1) of the *Community Charter*, the Village of Port Clements (Village) is required to include in the Five-Year Financial Plan objectives and policies regarding each of the following:

1. The proportion of total revenue that comes from each of the funding sources described in Section 165(7) of the *Community Charter*.
2. The distribution of property taxes among the property classes
3. Permissive Tax exemptions

### **Funding Sources**

Table 1 shows the proportion of total revenue proposed to be raised from each funding source in 2026. Transfers from reserves form the greatest proportion of revenue. The reserves that these funds are transferred from are:

- 37% from the Northwest Regional Benefits Alliance Reserve.
- 24% from the Village of Port Clements surplus reserve
- 18% from the Northern Capital and Planning Grant Reserve
- 18% from the Growing Communities Fund Reserve
- 4% from the Community Works Fund Reserve

Conditional and unconditional grants from others make up the second highest amount for 2026. Of the grants,

- 20% is from small community protection,
- 9% from miscellaneous grants,
- 4% from Canada Community Building Fund,
- 1% from Gwaii Trust,
- 2% from NDIT for the mobimat project,
- 60% from the Investing in Canada Infrastructure program for the sewer lagoon, and
- 4% is for the local government Climate Action Program.

The third highest source of revenue is Property taxes.

### **Objectives**

- For the 2026 year to incorporate 3% tax increase for the property classes from 2025. There are no increases for water and sewer frontage taxes in 2026 and usage charges are expected to remain the same as 2025. From 2027 – 2030 a 3.0% tax increase annually is proposed which includes a 2.5% Cost of Living Allowance increase.

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**Table 1: Sources of Revenue**

Revenue Source	% of Total Revenue	Dollar Value
Property taxes	9.5%	487,088
User Fees and charges	5%	254,970
Other sources	0.3%	14,500
Proceeds from borrowing	0.0%	0
Transfer from Reserves	52.8%	2,700,836
Government grants	32.4%	1,655,812
<b>Total</b>	<b>100.0%</b>	<b>\$5,113,206</b>

**Distribution of Property Tax Rates**

Table 2 outlines the distribution of property taxes among the property classes. The residential property class provides the largest proportion of property tax revenue. This is appropriate as this class also forms the largest portion of the assessment base and consumes most of the Village's services.

**Objectives**

**Policies**

- Continue to maintain and encourage economic development initiatives designed to attract more retail and commercial businesses to invest in the community.
- Align the distribution of tax rates among the property classes with the social and economic goals of the community, particularly to encourage a range of employment opportunities.
- Regularly review and compare the Village's distributions of tax burden relative to other municipalities in British Columbia.

**Table 2: Distribution of Property Tax Rates**

Property Class	% of Total Property Taxation	Dollar Value
Residential (1)	66.2%	92,691
Utilities (2)	1%	1,463
Light Industry (5)	18.2%	25,513
Business and Other (6)	13.9%	19,417
Managed Forest (7)	.7%	996
Recreation/Non-profit (8)	0.0%	0
<b>Total</b>	<b>100.0%</b>	<b>\$140,080</b>

**Permissive Tax Exemptions**

- The Village issued a permissive tax exemption in 2023 to the Cedarview Church and to the Trustees of the Haida Gwaii Congregation of the Jehovah's Witnesses. For 2026, Cedarview Church has an exemption of \$297.49, and the Trustees of the Jehovah's Witnesses has an exemption of \$591.85 for Municipal Taxes.

**Schedule "A"**

**Consolidated All Funds**

	2026 Budget	2027 Budget	2028 Budget	2029 Budget	2030 Budget
Property Tax- Municipal	- 140,080	- 148,611	- 153,069	- 153,068	- 153,067
Sewer/Water Taxation & User Fees	- 190,283	- 193,299	- 196,405	- 199,604	- 202,900
Payments in Lieu	- 8,620	- 8,620	- 8,620	- 8,620	- 8,620
Sales of Services	- 30,500	- 30,500	- 30,500	- 30,500	- 30,500
Revenue From Own Sources	- 224,470	- 224,940	- 225,360	- 225,359	- 225,358
Unconditional Transfers	- 332,000	- 332,000	- 332,000	- 332,000	- 332,000
Conditional Transfers	- 1,323,812	- 83,812	- 83,811	- 83,810	- 83,809
Multi Purpose Building Revenue	- 14,500	- 14,500	- 14,500	- 14,500	- 14,500
Transfers From Reserves	- 2,700,836	- 531,592	- 539,326	- 552,425	- 566,033
Collections for Other Agencies	- 148,105	- 148,105	- 148,105	- 148,105	- 148,105

<b>Total Revenues</b>	<b>-5,113,206</b>	<b>-1,715,979</b>	<b>-1,731,696</b>	<b>-1,747,992</b>	<b>-1,764,892</b>
Legislative Expenses	55,550	56,050	56,050	56,050	56,050
General Administration	502,179	509,804	517,968	526,376	535,036
Fire Department	71,100	71,100	71,100	71,100	71,100
Emergency Services	3,500	3,500	3,500	3,500	3,500
Common Services	86,072	88,475	90,948	93,497	96,122
Wharf Services	33,980	8,980	8,980	8,980	8,980
Small Craft Harbour	19,000	16,000	16,000	16,000	16,001
Roads	65,150	61,550	61,550	61,550	61,550
Environmental Development	7,500	4,500	4,500	4,500	4,500
Parks and Recreation	82,650	78,150	78,150	78,150	78,150
Sewer & Water Expenses	245,924	254,875	259,956	265,294	270,908
Fiscal Services	5,400	5,400	5,400	5,400	5,400
Contributions to Reserves	485,000	-	-	-	-
Capital Expenses	2,900,607	8,000	8,000	8,000	8,000
Multi Purpose Building Expenses	99,000	99,000	99,000	99,000	99,000
Amortized Assets	107,136	107,136	107,136	107,136	107,136
Taxes Levied for Other Agencies	343,459	343,459	343,459	343,459	343,459
<b>Total Expenses</b>	<b>5,113,207</b>	<b>1,715,979</b>	<b>1,731,697</b>	<b>1,747,991</b>	<b>1,764,892</b>

# VILLAGE OF PORT CLEMENTS

## BYLAW #496, 2026

### TAX RATES

Being a bylaw for the levying of rates for Municipal, Regional Library, Hospital and Regional District purposes for the year 2026.

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

1. The following rates are hereby imposed and levied for the year 2026:
  - a) For all lawful general purposes of the municipality on the assessed value of land and improvements taxable for general municipal purposes, rates appearing in column "A" of the schedule attached hereto and forming a part hereof.
  - b) For Vancouver Island Regional Library purposes on the assessed value of land and improvements taxable for general municipal purposes, rates appearing in Column "B" of the Schedule attached hereto and forming a part hereof.
  - c) For North Coast Regional District purposes on the assessed value of land and improvements taxable for general Regional District purposes, rates appearing in Column "C" of the Schedule attached hereto and forming a part hereof.
  - d) For Northwest Regional Hospital District purposes on the assessed value of land and improvements taxable for Hospital purposes, rates appearing in Column "D" of the Schedule attached hereto and forming a part hereof.
2. The minimum amount of Taxation upon a parcel of Real Property shall be one dollar (\$1.00).
3. This Bylaw may be cited as "Tax Rates Bylaw #496, 2026."

READ A FIRST TIME THIS \_\_ DAY OF \_\_ 2026  
READ A SECOND TIME THIS \_\_ DAY OF \_\_ 2026  
READ A THIRD TIME THIS \_\_ DAY OF \_\_ 2026

RECONSIDERED AND FINALLY ADOPTED THIS \_\_ DAY OF \_\_ 2026

\_\_\_\_\_  
Scott Cabianca  
MAYOR

\_\_\_\_\_  
Marjorie Dobson  
CAO

\_\_\_\_\_  
CERTIFIED TO BE A TRUE COPY OF  
TAX RATES BYLAW #496, 2026

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**Village of Port Clements  
Schedule for Tax Rates Bylaw #496, 2026**

Rates per \$1,000 of taxable assessed value

Class	"A" General Municipal	"B" VIRL	"C" NCRD	"D" NW Reg. Hospital
1 Residential	1.5163	0.2129	0.8234	0.5444
2 Utilities	7.7162	1.0812	2.8819	1.9053
5 Light Industry	5.9613	0.837	2.7995	1.8509
6 Business	3.5772	.5022	2.0173	1.3337
7 Managed Forest	6.7297	.9459	2.4702	1.6331



The Village of  
**PORT CLEMENTS**  
*"Gateway to the Wilderness"*

36 Cedar Avenue West  
PO Box 198  
Port Clements, BC  
V0T1R0

## REPORT TO COUNCIL

Author: Marjorie Dobson CAO  
Date: May 08, 2026  
RE: Reservoir cleaning & Lift Station inspection

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### BACKGROUND

The reservoirs are part of our Water System and therefore fall within the critical assets category. Being a critical infrastructure implies that if it fails it would impact on the service to the community significantly. The Village does not have a record of purchase nor installation in our Asset schedule. However, information from old bylaws dated in 1990 and 1991 respectively showed that the Village expended \$77,000 for the purchase and transportation of the three 30,000 gallons stainless steel tanks. (The cost of the tanks was \$18,300).

### Discussion & Analysis

Water Reservoirs are generally required to be evaluated annually and cleaned on a regular basis. Northern Health, the organization that administers and enforces the Drinking Water Protection Act and Regulation in BC, recommends that reservoirs like the ones in Port Clements be inspected annually and cleaned every 3 to 5 years, and more frequently as needed based on sediment accumulation.

Information gathered from pictures found in our files and taken by staff indicated that some cleaning was done in 2018. However, we could not ascertain if all three tanks were cleaned at that time. Apart from visual exterior routine checks, the tanks have not been professionally assessed or cleaned in the recent past, so by extension, cleaning and inspection are overdue.

Staff got information that Precision Service & Pumps INC, a certified BC company in the field is scheduled to be on island in June of 2026 to undertake work in Skidegate. Staff made contact and was able to get a quote (\$57,399.76) to clean the water tanks and inspect our sewage Lift Stations with the possibility of an additional for \$500 each day if confined space entry is required for the Lift Stations.

The Village of Port Clements Purchasing Policy sets guidelines for the procurement of goods and services. Contracting for works valued more than \$25,000 shall be done via tender or request for proposals. There are exceptions in the policy to Direct Award a contract but given the short window available, the procedures to apply the exception would be time consuming, and the Village would miss the opportunity.

**RECOMMENDATIONS:** That Council waives the purchasing policy to enable the direct award of the contract to Precision Service & Pumps INC.  
That Council engages the services of a structural engineer to conduct a comprehensive structural assessment of the facility.

**CONCLUSION:**

**STRATEGIC** (Guiding Documents Relevancy – Village Policies)  
Purchasing Policy No. 3 guides the purchasing and awarding of goods and services.  
To be compliant with provincial regulation

**FINANCIAL** (Corporate Budget Impact)  
This project will be financed by the allocation from the Resource Benefit Alliance package and therefore will not be a burden on Port Clements taxpayers.

**ADMINISTRATIVE** (Workload Impact and Consequence)  
The usual workload that is associated with operational contracts.

Respectfully submitted:

Marjorie Dobson CAO

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**PRECISION**  
SERVICE & PUMPS INC:  
EST. 1992

1334 Riverside Road  
Abbotsford, BC  
V2S 8J2  
P604-850-7010 F604-850-9666  
www.precision-pumps.com

# Estimate

Date	Estimate #
3/30/2026	59921

Name / Address
VILLAGE OF PORT CLEMENTS BOX 198 / 37A CEDAR AVENUE WEST PORT CLEMENTS, BC V0T 1R0

P.O. No.	Terms	Rep	Work Order No.
	DUE UPON RECEIPT	TRF	

Qty	Description	Rate	Total
	ESTIMATE TO PERFORM RESERVOIR CLEANING FOR THREE SS RESERVOIR TANKS @ VILLAGE OF PORT CLEMENTS  HATCH SIZE (OVAL OPENING) - 12" X 18" APPROX		
1	MOBILIZE AND DEMOBILIZE EQUIPMENT TO SITE	23,080.00	23,080.00
3	PRECISION SERVICE AND PUMPS WILL MOBILIZE TO THE JOBSITE AND CLEAN AND DISINFECT ALL 3 SS RESERVOIR TANKS - ALLOW FOR 3 DAYS ON SITE TO CLEAN ALL TANKS. CLEANING WILL BE AS PER AWWA C-652 METHOD #2 ***THIS ABOVE AWWA METHOD FOR DISINFECTION ALLOWS THE WATER TO BE TREATED AND DILUTED ONCE *** ***RESERVOIR IS FILLED BACK UP ***	10,984.25333	32,952.76
	15 PT SEWAGE INSPECTIONS - ADDED MAY 2/2026 -TRF		
1	TO BE DONE ON SAME TRIP AS ABOVE TO SAVE ON MOBILIZATION COSTS 2 MAN CREW TO CONDUCT 15 POINT SEWAGE LIFT STATION INSPECTIONS ON (3) STATIONS. NO CONFINED SPACE ENTRY QUOTED^, PUMPS MUST BE ON GUIDE RAILS ^ IF CONFINED SPACE ENTRY IS REQUIRED, ADD \$500 PER EACH DAY REQUIRED	6,565.00	6,565.00
<b>Subtotal</b>			

Plus applicable taxes.

NOTE: All of Precision's Certified Pump Installers are Class 1 and 2, as certified by the Canadian Groundwater Association, as well as, Registered under the Water Act as Qualified Well Pump Installers in the Province of British Columbia.



Business Number:  
893380634

G-4



1334 Riverside Road  
 Abbotsford, BC  
 V2S 8J2  
 P604-850-7010 F604-850-9666  
 www.precision-pumps.com

# Estimate

Date	Estimate #
3/30/2026	59921

<b>Name / Address</b>
VILLAGE OF PORT CLEMENTS BOX 198 / 37A CEDAR AVENUE WEST PORT CLEMENTS, BC V0T 1R0

P.O. No.	Terms	Rep	Work Order No.
	DUE UPON RECEIPT	TRF	

Qty	Description	Rate	Total
	***SEQUENCE OF EVENTS: PSP CAN START ON FIRST RESERVOIR TANK, THEN MOVE TO SEWAGE LIFT STATION FOR 1ST INSPECTION, WHILE THE VILLAGE FILLS THE 1ST RESERVOIR. PSP THEN MOVES TO 2ND RESERVOIR TANK. AND SO ON. WE CAN WORK ON LS INSPECTIONS IN BETWEEN THE DRAINING AND FILLING ****		
8	3 MAN CREW AND TRUCK PER HOUR - FOR DOWNTIME BETWEEN RESERVOIR FILLING AND DRAINING (ONLY IF REQUIRED)	360.00	2,880.00
-1	CREDIT FOR SHARED MOBILIZATION PLEASE NOTE: - QUOTE BASED ON A CLOSE WATER SOURCE AND POWER IS AVAILABLE FOR DISINFECTING OF RESERVOIR - ACCESS ROAD TO RESERVOIR IS AVAILABLE - PRICE IS FOR INSIDE RESERVOIR ONLY - INCLUDES HAZARD ASSESSMENT AND CONFINED SPACE PROCEDURES - PUMPS MUST BE ON GUIDERAILS TO BE PULLED FROM SEWAGE LIFT STATIONS FOR INSPECTIONS	8,078.00	-8,078.00
		<b>Subtotal</b>	CAD 57,399.76

\*\* This is an estimate only, not a contract. This estimate is for completing the works described above, based upon our evaluation of the work requirements. It does not include allowance for wholesale price increases or for additional labour and materials which may be required due to unforeseen conditions. Quotation valid for 15 days.

Plus applicable taxes.

NOTE: All of Precision's Certified Pump Installers are Class 1 and 2, as certified by the Canadian Groundwater Association, as well as, Registered under the Water Act as Qualified Well Pump Installers in the Province of British Columbia.



Business Number:  
893380634

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