

**TOWN OF PORT MCNEILL**

**ANNUAL MUNICIPAL REPORT**

**DECEMBER 31, 2010**

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**TOWN OF PORT MCNEILL**  
**CONSOLIDATED FINANCIAL STATEMENTS**

December 31, 2010

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**FINANCIAL STATEMENTS**

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Notes to Consolidated Financial Statements



DUNCAN SABINE COLLYER PARTNERS LLP

CERTIFIED GENERAL ACCOUNTANTS  
MANAGEMENT CONSULTANTS

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## INDEPENDENT AUDITOR'S REPORT



To the Mayor and Councillors of Town of Port McNeill

### *Report on the Consolidated Financial Statements*

We have audited the accompanying consolidated financial statements of Town of Port McNeill, which comprise the consolidated statement of financial position as at December 31, 2010, and the consolidated statements of revenue and expenditure, changes in net debt and cash flow for the year then ended, and a summary of significant accounting policies and other explanatory information.

### *Management's Responsibility for the Consolidated Financial Statements*

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

### *Auditor's Responsibility*

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

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

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

ROBERT J. DUNCAN\* CGA CAFM DONALD H. JONES\* BCOM CGA CAFM

DEBRA NIXON BACCs CGA CAFM  
ASSOCIATE

(continues)

\* DENOTES PROFESSIONAL CORPORATION

*Basis for Qualified Opinion*

The prior year adoption of PSAB 3150 Tangible Capital Assets was not performed in accordance with Canadian generally accepted accounting principles. We were unable to obtain sufficient audit evidence with respect to the change in accounting policy as management did not provide the necessary information to support the change. In addition the policy was adopted prospectively rather than retrospectively. Failure to restate the 2008 opening accumulated surplus balance is not, in our opinion, in accordance with Canadian generally accepted accounting principles. Accordingly, our verification of tangible capital assets is limited to the amounts charged as capital asset additions during the year and we were not able to determine whether any adjustment might be necessary to opening accumulated surplus, opening tangible capital assets, revenue contributions, amortization, writedowns, gain (loss) on sale, annual surplus, accumulated surplus, inventory and tangible capital assets.

*Qualified Opinion*

In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion paragraph, the consolidated financial statements present fairly, in all material respects, the financial position of Town of Port McNeill as at December 31, 2010 and its financial performance and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Port Alberni, B.C.  
May 25, 2011

*Duncan Sabine Colyer Partners LLP.*  
CERTIFIED GENERAL ACCOUNTANTS

*DSCP*

## TOWN OF PORT MCNEILL 2010 MANAGEMENT REPORT

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The consolidated financial statements have been prepared by management in accordance with generally accepted accounting principles and the integrity and objectivity of these statements are management's responsibility. Management is also responsible for all the notes to the consolidated financial statements and schedules, and for ensuring that this information is consistent, where appropriate, with the information contained in the financial statements.

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

The Council is responsible for ensuring that management fulfills its responsibilities for financial reporting and internal control and exercises this responsibility through the Council. The Council reviews internal financial statements on a monthly basis and external Audited Consolidated Financial Statements yearly.

The external auditor, Duncan Sabine Collyer Partners LLP, conduct an independent examination, in accordance with generally accepted auditing standards, and express their opinion on the consolidated financial statements. Their examination includes a review and evaluation of the Town's system of internal control and appropriate tests and procedures to provide reasonable assurance that the financial statements are presented fairly. The external auditors have full and free access to the financial management of the Town of Port McNeill and meet when required.

On behalf of the Town of Port McNeill



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F. Albert Sweet  
Chief Financial Officer  
April 7, 2011

**TOWN OF PORT MCNEILL**  
**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT December 31, 2010**

<b>ASSETS</b>		
	<u>2010</u>	<u>2009</u>
RECEIVABLES		
Property taxes & utilities	\$ 177,111	\$ 173,015
Trade accounts	971,888	977,757
MUNICIPAL FINANCE AUTHORITY (Note 2)	<u>123,026</u>	<u>121,785</u>
	<u>1,272,025</u>	<u>1,272,557</u>
<b>LIABILITIES</b>		
TEMPORARY BORROWING		
Cheques issued in excess of deposits	\$ 264,095	\$ 262,404
Temporary borrowing (Note 6)	<u>1,000,000</u>	<u>-</u>
	1,264,095	262,404
ACCOUNTS PAYABLE		
Accounts payable and accrued liabilities	475,292	146,803
Cemetery perpetual care fund	4,449	4,324
Deferred revenue	<u>650</u>	<u>618,531</u>
	<u>480,391</u>	<u>769,658</u>
OTHER		
Municipal Finance Authority		
Cash requirement	39,461	38,220
Demand note requirement	<u>83,565</u>	<u>83,565</u>
	<u>123,026</u>	<u>121,785</u>
CAPITAL LEASES (Note 5)	248,736	-
LONG-TERM DEBT (Note 4)	<u>1,321,009</u>	<u>1,458,430</u>
Total liabilities	<u>3,437,257</u>	<u>2,612,277</u>
NET DEBT	<u>(2,165,232)</u>	<u>(1,339,720)</u>
<b>NON - FINANCIAL ASSETS</b>		
TANGIBLE CAPITAL ASSETS (Note 3)	24,419,007	21,633,575
PREPAID EXPENSES	<u>39,882</u>	<u>39,630</u>
TOTAL NON - FINANCIAL ASSETS	<u>24,458,889</u>	<u>21,673,205</u>
ACCUMULATED SURPLUS	<u>\$ 22,293,657</u>	<u>\$ 20,333,485</u>
<b>ACCUMULATED SURPLUS REPRESENTED BY</b>		
Equity in tangible capital assets	\$ 22,705,280	\$ 20,175,145
Capital Fund	161,408	149,886
Operating Fund	<u>(573,031)</u>	<u>8,454</u>
	<u>\$ 22,293,657</u>	<u>\$ 20,333,485</u>

The accompanying notes and schedules are an integral part of these financial statements

**TOWN OF PORT MCNEILL**  
**CONSOLIDATED STATEMENT OF REVENUE AND EXPENDITURE**  
**CONSOLIDATED STATEMENT OF OPERATIONS**  
**FOR THE YEAR ENDED December 31, 2010**

	<u>2010 Budget</u> (Unaudited)	<u>2010</u>	<u>2009</u>
<b>REVENUES</b>			
Municipal Taxation	\$ 1,316,166	\$ 1,343,024	\$ 1,320,241
Government grants and transfers (Note 7)	5,677,600	2,489,605	3,120,077
Sale of services	1,121,000	1,070,309	1,066,661
Other revenue from own sources	110,000	115,254	151,557
Collections for other governments	<u>963,781</u>	<u>948,046</u>	<u>951,718</u>
	<u>9,188,547</u>	<u>5,966,238</u>	<u>6,610,254</u>
<b>EXPENDITURES</b>			
General government services	317,548	288,603	316,077
Protection to persons and property	128,000	110,386	109,609
Transportation services	620,000	549,466	571,534
Land fill operation and trash removal	105,000	107,367	86,841
Water and sewer services	304,000	371,935	414,681
Recreation and cultural services	365,000	371,395	360,264
Planning and zoning	20,000	10,126	17,567
Public health	2,000	1,895	847
Discounts and interest charges	130,000	134,381	131,142
Conditional transfers other governments	435,573	433,783	434,293
Transfer - collections other governments	963,781	948,147	951,719
Amortization	<u>650,000</u>	<u>675,784</u>	<u>688,116</u>
	<u>4,040,902</u>	<u>4,003,268</u>	<u>4,082,690</u>
ANNUAL SURPLUS	<u>5,147,645</u>	<u>1,962,970</u>	<u>2,527,564</u>
<b>ACCUMULATED SURPLUS</b>			
beginning of year	<u>20,333,485</u>	<u>20,333,485</u>	<u>17,805,921</u>
<b>ACCUMULATED SURPLUS</b>			
end of year	<u>\$ 25,481,130</u>	<u>\$ 22,296,455</u>	<u>\$ 20,333,485</u>

The accompanying notes and schedules are an integral part of these financial statements

**TOWN OF PORT MCNEILL**  
**CONSOLIDATED STATEMENT OF CHANGES IN NET DEBT**  
**FOR THE YEAR ENDED December 31, 2010**

	<u>2010 Budget</u> (Unaudited)	<u>2010</u>	<u>2009</u>
Annual Surplus	5,147,645	1,962,970	2,527,564
Acquisition of tangible capital assets	(6,960,611)	(3,456,216)	(3,454,459)
Amortization of tangible capital assets	650,000	675,784	688,116
(Gain) Loss on Sale of capital assets	-	2,200	-
Proceeds on sale of capital assets	-	(10,000)	-
Prepaid expenditure change	-	(251)	(8,515)
Change in Net Financial Assets	<u>(1,162,966)</u>	<u>(825,513)</u>	<u>(247,294)</u>
Net Financial Assets beginning of year	<u>(1,339,720)</u>	<u>(1,339,720)</u>	<u>(1,092,426)</u>
<b>Net Financial Assets end of year</b>	<b><u>(2,502,686)</u></b>	<b><u>\$ (2,165,233)</u></b>	<b><u>\$ (1,339,720)</u></b>

The accompanying notes and schedules are an integral part of these financial statements

**TOWN OF PORT MCNEILL**  
**CONSOLIDATED STATEMENT OF CASH FLOW**  
**FOR THE YEAR ENDED December 31, 2010**

	<u>2010</u>	<u>2009</u>
<b>OPERATING TRANSACTIONS</b>		
Annual surplus	\$ 1,962,970	\$ 2,527,564
Non-cash Items		
Amortization	675,784	688,116
Prepaid expenses	(251)	(8,516)
Actuarial reduction of long term debt	(42,310)	(37,164)
Loss on assets written off	<u>2,200</u>	<u>-</u>
	2,598,393	3,170,000
Changes to financial assets / liabilities		
Accounts receivable	1,773	(811,131)
Accounts payable and accrued liabilities	328,614	(69,800)
Deferred revenue	<u>(617,881)</u>	<u>589,209</u>
	<u>2,310,899</u>	<u>2,878,278</u>
<b>FINANCING ACTIVITIES</b>		
Principal repayment of long-term debt	(95,111)	(95,111)
Principal repayment of capital lease	(53,065)	-
Capital Leases	301,801	-
Temporary borrowing	<u>1,000,000</u>	<u>-</u>
	<u>1,153,625</u>	<u>(95,111)</u>
<b>CAPITAL TRANSACTIONS</b>		
Acquisition of capital assets	(3,456,216)	(3,454,459)
Investment in Community Forest	<u>(10,000)</u>	<u>-</u>
	<u>(3,466,216)</u>	<u>(3,454,459)</u>
<b>DECREASE IN CASH</b>	(1,692)	(671,292)
<b>CASH, beginning of year</b>	<u>(262,404)</u>	<u>408,888</u>
 <b>CASH, end of year</b>	 \$ <u>(264,096)</u>	 \$ <u>(262,404)</u>

The accompanying notes and schedules are an integral part of these financial statements

**TOWN OF PORT MCNEILL**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**December 31, 2010**

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**1. SIGNIFICANT ACCOUNTING POLICIES**

(a) Basis of Presentation

The Consolidated Financial Statements of the Town of Port McNeill, which are the representation of management, are prepared in accordance with Canadian generally accepted accounting principles for government as prescribed by the Public Sector Accounting Board (PSAB) of the Canadian Institute of Chartered Accountants. The Consolidated Financial Statements reflect the combined results and activities of the reporting entity which is comprised of Operating, Capital and Reserve funds and all organizations that are accountable for the administration of their financial affairs and resources to the Council and are controlled or owned by the Town. Inter-fund transactions have been eliminated on consolidation.

- i. Operating Funds: These funds include the General, Water and Sewer operations of the Town. They are used to record the operating costs of the services provided by the Town.
- ii. Capital Funds: These funds include the General, Water and Sewer Capital Funds. They are used to record the acquisition and disposal of property and equipment and their related financing.

(b) Revenue Recognition

Sources of revenue are recorded on the accrual basis and include revenue in the period in which the transactions or events occurred that give rise to the revenues, and expenses in the period the goods and services are acquired and a liability is incurred or transfers are due. Taxation revenues are recognized at the time of issuing property tax notices for the fiscal year. Sale of services and user fee revenues are recognized when the service or product is rendered by the Town. Grant revenues are recognized when the funding becomes receivable. Revenue unearned in the current period is recorded as deferred revenue.

(c) Investments

Investments are recorded at cost, except for investments in the Municipal Finance Authority of British Columbia pooled investments, which are carried at market value. When in the opinion of the management, there is a permanent decline on value, investments are written down to their net realizable value.

**TOWN OF PORT MCNEILL**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**December 31, 2010**

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(d) Tangible Capital Assets

Tangible capital assets, comprised of capital assets and capital work-in progress, are recorded at cost less accumulated amortization and are classified according to their functional use. Amortization is recorded on a straight-line basis over the estimated useful life of the asset commencing the year the asset is put in to service. Donated tangible capital assets are reported at fair value at the time of donation. Included in General Capital and Equipment is a leased vehicle whose cost is \$301,802 and whose accumulated amortization is \$25,150. Included in General Capital Engineering Structures are Park assets of \$79,110, Cemetery assets of \$25,226, and Trails assets of \$35,607 that are not being amortized. Estimated useful lives as follows:

Engineering Structures	20 to 60 years
Buildings	40 years
Machinery and Equipment	5 to 20 years

(e) Use of Estimates

The preparation of consolidated financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the reported amounts of revenues and expenditures during the period. Significant areas requiring estimates are the determination of values of capital assets and amortization provisions. Actual results could differ from these estimates.

## **2. MUNICIPAL FINANCE AUTHORITY DEBT RESERVE FUND**

The Municipal Finance Authority of British Columbia (the Authority) provides capital financing for the regional district and their member municipalities. The Authority is required to establish a Debt reserve fund and must then use this fund if at any time there are insufficient funds to meet payments on its obligations. If this occurs the regional district may be called upon to restore the fund.

Each regional district, through its member municipalities who share in the proceeds of a debt issue, is required to pay into the Debt Reserve Fund certain amounts set out in the financing agreements. The interest earned on the Debt Reserve Fund, less administrative expenses, becomes an obligation of the Authority to the regional districts.

Upon maturity of a debt issue, the unused portion of the Debt Reserve Fund established for that issue will be discharged to the Municipality. The proceeds from these discharges will be credited to income in the year they are received.

**TOWN OF PORT MCNEILL**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
December 31, 2010

**3. TANGIBLE CAPITAL ASSETS**

	Cost	Accumulated Amortization	Net Book Value	Net Book Value
	<u>2010</u>	<u>2010</u>	<u>2010</u>	<u>2009</u>
<b>General Capital Fund</b>				
Land	\$ 766,811	\$ -	\$ 766,811	\$ 766,811
Buildings	1,396,995	100,202	1,296,793	1,313,409
Engineering structures	12,970,628	792,336	12,178,292	9,980,455
Machinery and equipment	1,827,717	494,751	1,332,966	1,143,392
	<u>\$ 16,962,151</u>	<u>\$ 1,387,289</u>	<u>\$ 15,574,862</u>	<u>\$ 13,204,067</u>
<b>Land Development Fund</b>				
Land	\$ 311,355	-	311,355	\$ 311,355
<b>Sewer Capital Fund</b>				
Land	273,903	-	273,903	273,903
Engineering structures	5,255,384	315,144	4,940,240	5,045,258
Machinery and equipment	50,911	5,091	45,820	47,517
	<u>\$ 5,580,198</u>	<u>320,235</u>	<u>5,259,963</u>	<u>\$ 5,366,678</u>
<b>Water Capital Fund</b>				
Engineering structures	\$ 3,349,274	177,144	3,172,130	\$ 2,646,315
Machinery and equipment	111,557	10,860	100,697	105,160
	<u>\$ 3,460,831</u>	<u>188,004</u>	<u>3,272,827</u>	<u>\$ 2,751,475</u>
<b>Consolidated total</b>	<u>\$ 26,314,535</u>	<u>1,895,528</u>	<u>24,419,007</u>	<u>\$ 21,633,575</u>

**TOWN OF PORT MCNEILL**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
December 31, 2010

**4. LONG-TERM DEBT**

	<u>2010</u>	<u>2009</u>
Municipal Finance Authority of British Columbia - Short -Term Capital Borrowing	\$ 52,000	\$ 78,000
Municipal Finance Authority of British Columbia Debenture Issue No 103 repayable at \$40,041 per year including interest at 4.25%	465,747	483,209
Municipal Finance Authority of British Columbia Debenture Issue No 65 repayable at \$131,035 per year including interest at 4.55%	<u>803,262</u>	<u>897,221</u>
Long-term debt	<u>\$ 1,321,009</u>	<u>\$ 1,458,430</u>

The following principle amounts are payable over the next five years

	<u>General</u>	<u>Water</u>	<u>Sewer</u>	<u>Total</u>
2011	26,000	18,161	101,657	\$ 145,818
2012	26,000	18,887	103,589	\$ 148,476
2013	-	19,643	108,769	\$ 128,412
2014	-	20,429	114,207	\$ 134,636
2015	-	20,429	114,207	\$ 134,636

Reductions in long term debt include principal repayments and actuarial adjustments.

**5. CAPITAL LEASE**

Municipal Finance Authority of British Columbia B006750010110 repayable at \$61,788.55 per year including interest at bank prime less 1% (1.25%)	<u>\$ 248,736</u>	<u>\$ -</u>
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Over the next five years the estimated principle repayment will be 2011 \$58,825, 2012 \$59,565, 2013 \$60,281, 2014 \$61,672 and \$8,393 in 2015

**6. TEMPORARY BORROWING**

The amounts outstanding for temporary borrowing are repayable out of 2011 property taxes and debenture proceeds at 1.7%. As at date of audit report all temporary borrowing have been repaid.

**TOWN OF PORT MCNEILL**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**December 31, 2010**

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**7. PENSION**

The municipality and its employees contribute to the Municipal Pension Plan (the plan), a jointly trustee pension plan. The Board of trustees, representing plan members and employers, is responsible for overseeing the management of the pension plan, including investment of the assets and administration of benefits. The pension plan is a multi-employer contributory pension plan. Basic pension benefits provided are defined. The plan has about 163,000 active members and approximately 60,000 retired members. Active members include approximately 35,000 contributors from local governments.

Every three years an actuarial valuation is performed to assess the financial position of the plan and the adequacy of plan funding. The most recent valuation as at December 31, 2009 indicated a surplus of \$438 million for basic pension benefits. The next valuation will be as at December 31, 2012 with results available in 2013. The actuary does not attribute portions of the surplus to individual employers. The Town of Port McNeill paid \$52,557 for employer contributions to the plan in fiscal 2010.

**8. GAS TAX AGREEMENT FUNDS**

	<u>2010</u>	<u>2009</u>
Opening balance of unspent funds	\$ -	\$ 9,950
Add: Amount received during the year	155,750	157,396
Interest earned	-	-
Less: Amount spent on projects	155,750	167,346
Amount spent on administration	-	-
Closing balance of unspent funds	\$ <u>-</u>	\$ <u>-</u>

**Gas Tax Agreement, Public Transit Agreement and Public Transit Infrastructure Program**

Gas Tax Agreement and Public Transit Agreement funding is provided by the Government of Canada. Public Transit Infrastructure Program funding is provided by the Province of British Columbia. The use of the funding is established by a funding agreement between the local government and the Union of British Columbia Municipalities. Gas Tax Agreement funding may be used towards designated public transit, community energy, water, waste water, solid waste and capacity building projects, as specified in the funding agreements. Public Transit Agreement and Public Transit Infrastructure Program funding may be applied towards the cost of designated public transit projects, as specified in the funding agreements.

**TOWN OF PORT MCNEILL**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
December 31, 2010

**9. GOVERNMENT GRANTS AND TRANSFERS**

	<u>2010</u>	<u>2009</u>
Operating Grants		
Federal		
Employment Programs	\$ 2,136	\$ 3,840
Olympic Torch Relay	-	9,092
	<u>2,136</u>	<u>12,932</u>
Provincial		
Revenue Sharing	130,407	822,307
Street Lighting	658	258
Capacity Building	3,247	-
Climate Action	2,735	-
Provincial Emergency Program	-	2,500
	<u>137,047</u>	<u>825,065</u>
Other		
Rick Hansen	<u>5,631</u>	<u>-</u>
Capital		
Federal		
Federal Gas Tax Revenue	155,750	167,347
Federal Infrastructure Water	199,408	19,696
	<u>355,158</u>	<u>187,043</u>
Provincial		
Provincial Infrastructure Water	199,408	19,696
Ministry of Highways	50,000	-
Hotel Room Tax	11,207	-
Towns for Tomorrow	336,400	-
Island Coastal Economic Trust	1,392,618	1,871,359
Coast Sustainability Trust	-	175,000
UBCM Community Tourism	-	28,982
	<u>1,989,633</u>	<u>2,095,037</u>
Total Government Grants and Transfers	<u>\$ 2,489,605</u>	<u>\$ 3,120,077</u>

**10. EXPENSES BY OBJECT**

	<u>2010</u>	<u>2009</u>
Goods and services	\$ 3,062,619	\$ 3,188,607
Salary, wages and benefits	806,268	762,941
Interest and finance charges	134,381	131,142
	<u>\$ 4,003,268</u>	<u>\$ 4,082,690</u>

**TOWN OF PORT MCNEILL**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**December 31, 2010**

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**11. TRUST FUNDS**

The Town operates a cemetery and maintains a cemetery perpetual care fund in accordance with the Cremation, Internment and Funeral Services Act. The trust fund assets and liabilities are not included in the consolidated financial statements. As at December 31, 2010, the balance of funds held in trust was \$4,449 (2009 \$4,434).

TOWN OF PORT MCNEILL

SCHEDULE OF PAYMENTS MADE TO ELECTED OFFICIALS 2010

<u>NAME</u>	<u>INDEMNITY</u>	<u>EXPENSES</u>	<u>TOTAL</u>
Gerry Furney	\$7,550.04	\$2,545.85	\$10,095.89
Shirley Ackland	\$4,827.00	\$1,838.58	\$6,665.58
Shelley Downey	\$4,827.00	\$1,234.78	\$6,061.78
Aaron Frost	\$4,827.00	\$0.00	\$4,827.00
Gaby Wickstrom	\$4,827.00	\$3,354.42	\$8,181.42
	<u>\$26,858.04</u>	<u>\$8,973.63</u>	<u>\$35,831.67</u>

In addition the following insurance coverage is provided for Council Members while engaged in Council Business

Life Insurance: \$100,000

Accident reimbursement benefit: \$2000

Weekly accident indemnity: \$150

**TOWN OF PORT MCNEILL**

**SCHEDULE OF PAYMENTS FOR GOODS AND SERVICES 2010**

Listed below are individual accounts, the total payments to which amounted to \$25,000 or more during the fiscal year.

<b>VENDOR</b>	<b>AMOUNT</b>	
4B Enterprises	115,506.68	
Arrowsmith Engineering Services Ltd	26,891.75	
BC Hydro	429,034.73	
CIBC - Visa	34,486.01	
Cohlmeyer Architecture Limited	135,826.61	
Doug Lloyd Contracting	26,120.00	
Furney Distributing	78,066.95	
Garry Moore Enterprises	40,656.07	
Houle Electric Limited	1,642,568.17	
InsuranCentre	48,301.00	
J. R. Ewen	73,400.37	
John Motherwell & Associates Engineering	59,572.80	
K & K Electric	30,980.39	
Koers & Associates Engineering Ltd	107,502.84	
Lana Construction Ltd	218,653.12	
Minister of Finance School Tax Remittance	781,750.68	
Municipal Finance Authority	26,000.00	
Municipal Pension Plan	90,396.38	
Norkan Construction Ltd	62,527.50	
OK Paving	371,116.72	
Pacific Blue Cross	32,028.02	
Pahti Janitorial Service	33,823.98	
Police Tax	92,016.97	
Port Hardy Bulldozing Ltd	159,753.14	
Port McNeill Chamber of Commerce	30,300.50	
RDMW (Debenture)	171,075.56	
RDMW (Hospital assessment)	74,551.00	
RDMW (taxation) Reg. Dist. Of Mount Waddington	365,573.00	
Receiver General	169,375.89	
Telus Communications	16,777.10	
Vancouver Island Regional Library	68,980.00	
Villholth Jensen & Assoc Ltd	101,899.87	
<b>Total Payments over \$25,000</b>	<b>5,715,513.80</b>	
<b>Total sundry accounts, each under a total of \$25,000</b>	<b>1,245,205.77</b>	
<b>Total 2010 Accounts Payable</b>		<b>\$ 6,960,719.57</b>

**SCHEDULE OF EMPLOYEE REMUNERATION 2010**

Payroll over \$75,000:		
Boyd, Glen	82,729.46	
Sweet, F. Albert	93,091.73	
Total Regular Payroll and Expenses 2010	493,511.98	
Total Casual Payroll and Expenses 2010	124,588.38	
<b>Total 2010 Payroll Expenses</b>		<b>\$ 793,921.55</b>

**TOWN OF PORT MCNEILL  
GOALS AND OBJECTIVES  
2010/2011**

All municipal functions and priorities were discussed in the budget process. This report should be considered a "living document" that will be expanded and refined on an on-going basis.

**GOAL 1: ENVIRONMENT**

Objectives:

- a. Reduce Green House Gas Emissions by 10%.
- b. Research green initiatives for replacement of the Port McNeill Pool.

**GOAL 2: ECONOMIC DEVELOPMENT**

Objectives:

- a. Continue the encouragement of economic development in our resource and tourism industries.
- b. Co-operate with industry organizations.
- c. Continue to work with the Chamber of Commerce in the best interest of the community.
- d. Continue to work with Port Hardy and Port Alice to grow and expand opportunities in our community forest.
- e. Work with the Regional District of Mount Waddington in its Workforce Strategy efforts to build strong, sustainable labour on the North Island.
- f. Follow the Protocol Agreement with every economic development opportunity to grow and sustain good working relationships with the First Nations in our region.

**GOAL 3: HARBOUR IMPROVEMENTS**

Objectives:

- a. Continue the harbour development process in conjunction with the Harbour Committee and Small Craft Harbours.

**GOAL 4: AIRPORT**

Objectives:

- a. Complete the transfer of lands and boundary extension to consolidate the airport parcel and maintain a strong relationship with our customers there.
- b. Resurface 29/11 Runway for scheduled air service.

**GOAL 5: PLANNING**

Objectives:

- a. Continue working with the Regional District on updating the maps for the Town.
- b. Continue the review and update process for the Zoning Bylaw as needed.
- c. Continue the review and update process for the Town of Port McNeill Official Community Plan.
- d. Expand our senior housing.

**GOAL 6: PUBLIC WORKS**

Objectives:

- a. Continue regular safety inspections of buildings and grounds.
- b. Upgrade water pipeline.
- c. Continue to work on the Schoolhouse Creek project.
- d. Continue to work on paving municipal owned parking lots.
- e. Develop a schedule for town building repair/maintenance (painting etc.)
- f. Develop a schedule for town area maintenance (lawns/gardens/roads/drains etc.)

**GOAL 7: RECREATION**

Objectives:

- a. Continue pool and community building improvements.
- b. Explore cooperative partnerships to create trails/walking paths throughout the town.

**GOAL 8: FIRE DEPARTMENT**

Objectives:

- a. Maintain a strong working relationship with the Department, its Officers and firefighters.

**GOAL 9: ADMINISTRATION**

Objectives:

- a. Maintain a team approach to management. Welcome input from all staff members, Commissions and Committees of Council.

**ANNUAL PERFORMANCE REPORT 2010/2011**

<b>SERVICE</b>	<b>OBJECTIVES</b>	<b>STRATEGY</b>	<b>MEASURE</b>
<b>ENVIRONMENT</b>	1.Reduce Greenhouse Gas 2.Research green initiatives for pool replacement	On going On going	Calculation of Green House Gas emissions
<b>ECONOMIC DEVELOPMENT</b>	1.Continue the encouragement of economic development in our resource industries 2.Work with the Chamber of Commerce 3.Community Forest License	On going On going On going	Orca Sand and Gravel project in operation and included in our boundaries Increase economic activity Timber license obtained
<b>HARBOUR IMPROVEMENTS</b>	1.Continue harbour development and improvements	On going	Completion of the docks, washrooms and paving of the parking lots
<b>AIRPORT</b>	1.Include in Town Boundaries 2.Runway resurface	Working on bylaws and awaiting support letter from RDMW Obtain grant funding partners	Completion of boundary extension in 2011 Scheduled air service
<b>PLANNING</b>	1.Work with RD to update mapping 2.Addition of more senior housing	Implementation has begun with CGIS	Successful training and use of new program Completion of six new units Dec 2011
<b>PUBLIC WORKS</b>	1.Upgrade of water pipeline 2.Schoolhouse Creek project 3.Paving municipal owned parking lots 4.Schedule for municipal building repair/maintenance and town area maintenance	On going On going On going On going	Completion in 2011 Completion in 2011 Completion in 2011 Completion in 2011

**ANNUAL PERFORMANCE REPORT 2010/2011**

<b>SERVICE</b>	<b>OBJECTIVES</b>	<b>STRATEGY</b>	<b>MEASURE</b>
<b>RECREATION</b>	1.Upgrade of existing playgrounds	On going	Bike recreation area identified and in use
	2.Biking	Look at possible town property to develop bike recreation area	
	3.Continue upgrading pool	On going	
<b>FIRE DEPARTMENT</b>	1.Develop fire inspection plan	On going	Completed and implemented

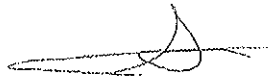
## 2010 PERMISSIVE EXEMPTIONS REPORT

Tax exemption provided by a council under Division 7 (Permissive Tax Exemptions) of Part 7 (Municipal Revenue), the amount of property taxes that would have been imposed on the property in the previous year if it were not exempt for that year by bylaw.

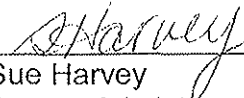
PROPERTY	Class	Land Value	Building Value	Exempt by Statute	Exempt by Bylaw	TAX INCOME FOREGONE
Bishop of Victoria	8	88,500	81,700	0	170,200	1,700.00
Broughton Curling Club	6	59,500	687,000	10,000	736,500	13,000.00
Broughton Strait Campground	6	5,300	30,500	10,000	25,800	2,300.00
	8	102,000	0	0	102,000	
Church of Jesus Christ of Latter-day Saints	8	121,600	199,000	0	320,600	3,100.00
Full Gospel Church	8	60,000	292,000	0	352,000	3,400.00
Guide / Scout Hall	8	97,900	153,000	0	250,900	2,400.00
North Island Community Services Society (Thrift Store)	6	54,600	53,600	10,000	98,200	2,000.00
Port McNeill Baptist Church	8	72,500	270,000	0	342,500	3,300.00
Port McNeill Jehovah's Witnesses	8	44,800	136,000	0	180,800	1,800.00
Port McNeill Lions Club	8	114,000	190,000	0	304,000	1,800.00
Royal Canadian Legion Branch 281	6	45,700	90,300	10,000	126,000	2,500.00
United Church of Canada	8	131,500	169,000	0	300,500	2,900.00
<b>TOTALS</b>		997,900	2,352,100	40,000	3,310,000	\$40,200.00

**STATEMENT OF FINANCIAL INFORMATION APPROVAL**

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



\_\_\_\_\_  
F. Albert Sweet  
Financial Officer  
May 25, 2011



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Sue Harvey  
Deputy Administrator  
May 25, 2011