

PORT MCNEILL RESPECTFULLY ACKNOWLEDGES THAT WE ARE SITUATED ON THE
TRADITIONAL TERRITORIES OF THE KWAKWAKA'WAKW PEOPLES

ANNUAL REPORT

PORT MCNEILL 2020



Room to Dream. Room to Grow.

Port McNeill BC

TOWN OF PORT MCNEILL | RECEPTION@PORTMCNEILL.CA

MAYOR'S MESSAGE

Mayor Gaby Wickstrom

mayorwickstrom@portmcneill.ca

- RCMP Liaison
- VIR Library Member Chair
- Regional District Hospital
- Community Forest Representative
- Youth Liaison



What a year 2020 was!

Barely out of the longest labour dispute in B.C. history and COVID hit. I am sure many of you were wondering what in the world was going on. Certainly, something I had not anticipated when I ran for Mayor in 2018.

But here we are still standing and despite the hiccups along the way, are emerging more vibrant than ever!

In March of 2020, Roger Brooks came to Port McNeill, performed a community assessment, and gave his recommendations for helping Port McNeill be the best it could be. Businesses took hold of his ideas and have embraced change. We are seeing upgrades to properties, gathering spaces created and a host of other things in the works for the coming year. The way people have embraced the recommendations and are moving their ideas forward is truly inspiring!

Last year saw us take on three important plans; our Official Community Plan (OCP), Active Transportation Plan (ATP) and the Community Wildfire Protection Plan (CWPP). Our OCP has been put on pause until we can complete in-person public consultations. This document will lay the foundation for the next 5-10 years and Council felt it important we wait. We are confident it will be completed by the fall of 2021.

Our swimming pool finally received the heating upgrades that were so desperately needed. After many years of deferring this project, and our public works doing their best to keep things running, we have a system in place that will not only be reliable but reduce costs as well. I know many of you are excited the pool is available to enjoy once again.

Despite a pandemic, hope is in the air and that is my biggest takeaway from 2020. Volunteers are bringing forward wonderful ideas to improve our community and we are trying our best to support them. People are investing in their community through entrepreneurship, sweat equity and support for everything local. The pandemic has shown us the importance of community and what a beautiful and safe community we live in.

I cannot wait to see what happens in the months ahead!

Thank you, Port McNeill!

2018-2022 ELECTED OFFICIALS

FROM LEFT TO RIGHT:

Councillor Ryan Mitchell
Councillor Ann-Marie Baron
Mayor Gaby Wickstrom
Councillor Shelley Downey
Councillor Derek Koel



MAYOR GABY WICKSTROM

mayorwickstrom@portmcneill.ca

- RCMP Liaison
- VIR Library Member Chair
- Regional District Hospital
- Community Forest Representative
- Youth Liaison

COUNCILLOR ANN-MARIE BARON

ambaron@portmcneill.ca

- Harbour Advisory Group Liaison
- Fire Department Liaison
- Museum Liaison

COUNCILLOR SHELLEY DOWNEY

shelleydowney@portmcneill.ca

- Chamber of Commerce Liaison
- Mount Waddington Heath Network Steering Com. Representative
- Tourism Advisory Committee Liaison
- Senior's Liaison

2018-2022 ELECTED OFFICIALS

COUNCILLOR DEREK KOEL

dkoel@portmcneill.ca

- Public Works Liaison
- Parks and Recreation Liaison
- Vancouver Island North Tourism Advisory Committee

COUNCILLOR RYAN MITCHELL

rmitchell@portmcneill.ca

- Emergency Management BC Liaison
- Ferry Advisory Representative
- Airport Liaison
- Not-For-Profit Liaison
- Vancouver Island North Training & Attraction Society Liaison



2018-2022 ELECTED OFFICIALS

COUNCILLOR ANN - MARIE BARON

ambaron@portmcneill.ca



Dynamic...

The pendulum of balance hadn't righted itself after the 8 month strike; and along came COVID and that pendulum has now swung back and forth so many times it looks like a clock hand. In light of the last two years, Port McNeill has proven it is dynamic. Adapting to changes that no-one could have predicted.

As we move forward with completion of the Official Community Plan, the planning opportunities and possibilities are exciting. As I said last year, ideas will keep us progressive and relevant. Our resource background gives us an ability to figure out how to get things over the finish line to completion. People are ready for change... as long as things stay the same... we are recognizing our shortfalls but have answers before the questions are asked. Some dynamic changes are coming for us, some we applaud, some we appreciate, some we would rather not see; but change is inevitable. Our dynamic, resilient spirit will get us through; and take us to levels that will enhance us as a community.

The residents, volunteers and companies of our town will help maintain the balance and provide the excitement for the future.

COUNCILLOR SHELLEY DOWNEY

shelleydowney@portmcneill.ca



I would like to thank everyone for their patience and understanding over this past year. We have had some obstacles and some successes. Who could have guessed we would still be wearing masks and using hand sanitizer? We have a kind and resilient community and it shows!

Like many of you, the business of council and all its related committees have been on-line. I welcome the opportunity to begin meeting face-to-face again. A camera does not replace personal connection.

We had a number projects undertaken in this last year and many will be completed in 2021. It will be great to have our pool open this year and using its new mechanical system. Our new Official Community Plan (OCP) will set out the direction and plan for our community for the future. We have seen some new housing built but we need more. The OCP and Zoning bylaw will let builders and developers know what to expect when they consider our community and we will be better able to market to them.

Our Tourism Advisory Committee has had a busy year. This group dreams big and has great ideas and vision for our town and region. Some of the items completed last year are the new tourist webpage and new signage which will be appearing in the community soon. Thank you to the members for your hard work. Your input is invaluable.

2018-2022 ELECTED OFFICIALS

COUNCILLOR DEREK KOEL

dkoel@portmcneill.ca



Well, 2021 will certainly be one for the history books. The pandemic has dished out its fair share of surprises and setbacks for the Town, Staff and Council.

We have seen an upsurge in real estate sales, activity and interest in our area, now it is the time to plan and get it right when it comes to growth and development.

Local government moves slowly, and it has taken a while for this council to get rolling but we now have several planning initiatives on the go and it is more important than ever for us to hear from the citizens and our neighbours, and for you to get involved.

I have advocated for Town Council and Committee meeting to be recorded and posted online for years. Covid has made this a reality, you can Zoom in live or view them on your own schedule, easily accessible on YouTube. Written meeting minutes are brief and rarely give you the full story, I encourage everyone to check out the meetings on video to see the warts and all. As we enter what will be a pivotal time in the development of our community, it is more important than ever to get involved.

We are in the process of updating our Official Community Plan and doing the final touches on our Active Transportation Plan, we NEED you to be involved.

Port McNeill's residents have opinions and really care about our community, yet it always surprises me how few actually pay attention to Municipal affairs, it seems I can count them on one hand. Local government can have a big effect on your day-to-day life.

Being a Councillor has been a rewarding experience for me both personally and professionally. It has helped me to strive for that elusive work/life balance, strengthening my ties with family, friends, and the whole North Island community. I am constantly learning, meeting new people, and marveling in all the opportunities we have here on the North Island.

COUNCILLOR RYAN MITCHELL

rmitchell@portmcneill.ca



Halfway through my term as Councillor, I no longer feel like a deer caught in the headlights. Our primary role is the provision of water, sewer, garbage pick-up and road maintenance. Our staff does a great job taking care of these and other duties. Some of our accomplishments to date: Sourcing a \$300,000 government grant to update the swimming pool which will allow us to open in 2021; we approved marina upgrades to the tune of \$600,000. Council also completed the acquisition of a piece of land in anticipation of the potential improvement to our trail network.

Our Public Works department skillfully brushed out around our museum revealing what a great facility we have. Thanks to Julian Allan, our Public Works Manager, for maneuvering this project through the red tape to get the job done! Our Administration team has been bolstered with the appointment of Pete Nelson-Smith as CAO and Claudia Frost as CFO. I look forward to hearing from residents as we draft a new Official Community Plan (OCP). I encourage everyone to share their thoughts during the public process of creating the OCP. If there is an issue or service you would like Council to consider I will be happy to talk to you.



Grant Revenue

- Ministry of Transportation and Infrastructure - Active Transportation Network Plan - \$24,000
- Island Coastal Economic Trust - Downtown Assessment – Roger Brooks - \$15,000
- UBCM – Community Wildfire Protection Plan - \$25,000
- Investing in Canada Infrastructure Program – Community, Culture, Recreation – Pool Mechanical Upgrade - \$219,990
- And more...



ADDED

PRIORITIES

- Improve web and social media presence.
- COVID-19 Resilience and Recovery
- Improved Health and Safety “Safe Operating Procedures”



2020 Employee Opportunities

- Administrative Assistant
- Interim Harbour and Information Centre Manager
- Animal Control
- Museum

TOWN STAFF

OFFICE ADMINISTRATION

Chief Administrative Officer – Pete Nelson-Smith

Chief Financial Officer – Claudia Frost

Deputy Finance Officer – Laura Evans

Administrative Assistant – Heather Swift

Reception/Finance Assistant – Shelley MacEachern

Youth Employee – Kenadii Lasota

PUBLIC WORKS

Public Works Manager – Julian Allen

Charge Hand – Scott Sinclair

Public Works Crew – Lee Hawley, Alisa Vanderberg, Carole Fraboni, Aaron Neely

Youth Employees – Chad Bell, Mandy Foldy, Matthew Harder, Kai Cyr

HARBOUR AND INFORMATION CENTRE

Manager – Emma Bates

Interim Manager – Rebecca Adams

Assistant Manager – Lucas Williams

Dock Hand – Leanna Ogden

Youth Employees – Allyson Briscoe, Chloe Noel, Ella Barrett

PORT MCNEILL MUSEUM

Supervisor – Kenadii Lasota

Staff – Michael Wickstrom

Staff – Cassadii Lasota

CONTRACT POSITIONS

Animal Control – Connie Brown

Broughton Strait Campground – Doug and Tammy Dymant

Janitor – Peg Pahti



COMMITTEES AND VOLUNTEERS

FIRE DEPARTMENT

Fire Chief – Dean Tait

Deputy Chief – Vacant

Captain – James Willson, John Cyr, Kyle Rezansoff, Andrew Fletcher

Lieutenants - Kris Jorgenson, Michael Miller, Garret Chalmers

Fire Fighters – Michael Bremner, Adam Dmetrichuk, Courtenay Guindon, T.

Harder, Darren Kostiuik, Courtney Lancaster, Brody MacNeil, Michael

Peterson, Michael Scott, Kyarra Tait, Allen Wilson, Shelby Wilson

EMERGENCY MANAGEMENT

Emergency Planning Coordinator – Melody Wilson

Deputy Emergency Planning Coordinator – Grant Anderson

Emergency Support Services Director – Ken Burkholder

Emergency Support Services – Pat Boyd, Christina Hinton, Linda Romuld, Kim Vanvelzen.

ADVISORY PLANNING COMMISSION

Chair – David Mitchell

Vice Chair – Jon Flintoft

Members – Charlotte Mellstrom, Kim Lefebvre, Theresa Light, Jean Wheeler

HARBOUR ADVISORY GROUP

Chair – Peter Darwin

Vice Chair – Doug Anweiler

Members – Councillor Ann-Marie Baron, Dave Iskra, Geoff Harrop, Darren Matwichuk, Luc Williams (staff)

TOURISM ADVISORY COMMITTEE

Chair – Cheryl Jorgenson

Members – Councillor Shelley Downey, Jonna Dixon, Liza Furney, Emily Grubb, Bruce McMorran, Bill McQuarrie, Rick Restell, Boni Sharpe, Laura Evans (staff), Shelley MacEachern (staff)



CHIEF ADMINISTRATIVE OFFICER

Pete Nelson-Smith

pete@portmcneill.ca



Thanks again for taking the time for having a look at the Town of Port McNeill 2020 Annual Report! Every year, we like to review where we have been, and let everyone know where we're going! Last year's Annual Report came littered with amazing photos of the goings on in and around Town, but unfortunately with the way 2020 took us, we weren't able to garner as many photos as we would have hoped!

Due to the circumstances of 2020, that year definitely took us in a different direction than we were expecting, but despite the obstacles, we were still able to get some amazing projects started and make some great strides for the future of the Town of Port McNeill. If 2019 was the year to lay the groundwork of things to come, 2020 was the year we took those plans to execution!

Through grant funding, we were able to get moving on a *Community Wildfire Protection Plan*, with our own Strategic Natural Resources leading the way, helping us through this complex planning process. And with healthy living, environment and active lifestyle in mind, through the Ministry of Transportation and Infrastructure, we received funding toward developing an *Active Transportation Network Plan*! The public feedback has been absolutely amazing, with the people of Port McNeill making great use of our online surveys, paper surveys and an amazing online interactive mapping system that let us pinpoint exactly where we wanted focus, thanks to our consultants from McElhanney Ltd. in Campbell River.

McElhanney Ltd., led by planner Kevin Brooks, also took the lead on one of the most important documents in Port McNeill's arsenal, The *Official Community Plan*, with the supporting Zoning Bylaw that accompanies such an important piece of community planning. Despite the pandemic, we were still able to hold some limited in- person engagements to get feedback on what we want for the future of this great community. Mayor, Councillors, Kevin and I, with grit and determination, through an epic rainfall, were also able to hand delivered fliers to every house in Port McNeill, to highlight this important process. 2021 will see the draft document ready for review and hopeful adoption in the fall of 2021.

Part of our successes were through the introduction of new team members! Claudia Frost joined the team in January of 2020 as our Chief Financial Officer. And after 2 years of being short one person in the Town Office, Heather Swift joined our crew as the Administrative Assistant. And as Emma Bates, our Harbour and Information Centre Manager took some leave to see an expansion to her own family, Rebecca Adams joined us as the Interim Harbour and Information Centre Manager!

I would be remiss if I did not acknowledge the rest of the Town of Port McNeill team (see Town Staff and Committee and Volunteer headings in this report) that banded together in two of the toughest years this community has seen. Working from home, adapting work plans and persevering to bring the services to each household, business and visitor in Town despite the obstacles being thrown at us in a moment-by-moment flurry to keep everyone safe. And I would be even further negligent if I did not mention every volunteer group, volunteers and caring neighbours in Port McNeill and surrounding area that glued us all together.

This one page does not even touch the amazing accomplishments we had in 2020, in defiance of the odds. I'm grateful and humbled by the amazing people I get to work with, from Council, to Staff and every one of you.



2020 GOALS AND ACCOMPLISHMENTS

OCP (OFFICIAL COMMUNITY PLAN)

The last iteration of the Port McNeill Official Community Plan was brought forward in 1997. In 2020, led by Kevin Brooks, McElhanney Ltd., out of Campbell River, we had to make some dynamic shifts in how traditional public consultation can be achieved to gather public views on what this new OCP should look like. Starting with a socially distanced in person high-level survey at the Old School Gym, plans then shifted to an online overview map of Port McNeill that users could add comments to. We then pushed forward with a mass door-to-door information hanger and engaged online with several focus groups, including the Advisory Planning Commission, a Youth Representative group, a Seniors group, a Young Families group and a Business group. Next, a more comprehensive survey was put online and mailed to each box in Port McNeill. This led to an absolutely amazing public response that will culminate in an OCP that represents where you want the Town to be!

ACTIVE TRANSPORTATION NETWORK PLAN



Active transportation is human-powered forms of commuting to work, school, recreation, socializing or running errands. Through the Ministry of Transportation and Infrastructure, funding was made available for communities to assess their communities and come up with a plan on how to enhance these different modes of transportation. The Town applied for, and received, funding to come up with such a plan, to provide up with a Network Plan that we can look forward to implementing in the short and long term. Future funding, also through the Ministry of Transportation and Infrastructure can aid in seeing these new plans come true. Look for the Active Transportation Network Plan on the Town website <https://portmcneill.ca>

COMMUNITY WILDFIRE PROTECTION PLAN

With increased incidents of wildfires in the Province, and noticeably more frequently on the north end of Vancouver Island, it is imperative that communities create a plan on how we can reduce our risk of wildfires, as well as increase public awareness so we are able to actively prevent wildfires from occurring. Through the Union of British Columbia Municipalities (UBCM), the Town of Port McNeill are recipients of funding from the FireSmart Community Funding & Supports Program to have our community assessed and a plan developed through locally owned and operated Strategic Natural Resources. A comprehensive review of the Town and surrounding area brought forward a plan that can be reviewed at <https://portmcneill.ca>

ROGER BROOKS INTERNATIONAL COMMUNITY ASSESSMENT

Through the hard work of Community Futures Mount Waddington, several local business owners and volunteers, and with financial aid from Island Coastal Economic Trust, Rural Dividends BC and gracious local donors, we were able to procure the services of world-renowned Roger Brooks International to provide “a first-time visitor’s impression of Port McNeill”. Through an amazing live presentation at the Gate House Theatre, Roger Brooks presented his findings to a full house. The assessment can be found through the Town of Port McNeill website, or a hard copy can be retrieved through the Town Office. This assessment led to many initiatives, such as the improvements to business fronts in the downtown core and a successful bid to Tourism Vancouver Island to get wayfinding signs purchased.

OUTDOOR POOL MECHANICAL UPGRADES

In early 2019, the Town provided an application to Investing in Canada Infrastructure Program (ICIP) – Community, Culture, and Recreation Program to see much needed upgrades to the Town of Port McNeill Outdoor Community Pool and tie in to the Regional District of Mount Waddington’s heat loop. In early 2020, the Province announced that the Town would be a recipient of funding towards these needed upgrades. Public Works Manager, Julian Allen, is working studiously to get this project underway for the pool to be back in full operation for 2021.



OTHER 2020 ACCOMPLISHMENTS

- Hired Array Creative to help put together a Town and Tourism Website
- Shelley Creek tree removal
- Accepted responsibility of the Port McNeill Museum
- Partner in creation of the Regional District Solid Waste Management Plan
- Regional and Port McNeill Housing Assessment



2021 GOALS AND OBJECTIVES

BEACH DRIVE SLIDE

An albatross around the Town's neck, Beach Drive has provided many challenges to the Town of Port McNeill for several decades with slides with enough energy to destroy the homes below. In December of 2020, the Town put an application in to the Provincial and Federal government to get financial aid in the massive undertaking to make this area safe again. Pending final approval, the Town is excited to finally move forward on a substantial project to divert storm water, remove overburden and further protect the homes, and lives along Beach Drive.

ECONOMIC DEVELOPMENT MANAGER

Island Coastal Economic Trust acknowledged a need in the Island Communities to rebound from the financial strain put on us through the measures taken to slow the spread of Coronavirus. To support our revival, funding was put in place for key positions in each local government organization. In 2021, the Town of Port McNeill, employing these funds, will be looking to hire a key position that will focus on further economic development for our community.



PORT MCNEILL MUSEUM AND INFORMATION CENTER

With sadness in 2020, the Port McNeill Museum Society was no longer able to sustain the operation. Already owning the Museum building, the Town will be taking up the task of picking up where the society left off. To support this new endeavor, in 2021, a new supervisory position will be open to see the Museum, and the Visitor Information Centre, into our future. The start of this new branch will be in the inception of the Town's newest committee, the Museum Committee, which will bring forward ideas to Council on the future of the Museum needs and ideas for promotions, working closely with the already established Tourism Advisory Committee who will continue their role in promoting Port McNeill as a destination.

PORT MCNEILL MUNICIPAL HARBOUR UPGRADES

The spine of the Port McNeill Municipal Harbour's infrastructure, "P" dock, has seen this integral part of the "Port" in Port McNeill for several decades. Time and use has taken its toll, and the Town is moving forward with Blue Water Systems to see some much needed improvements and upgrades, not only to the floating portion of our dock system, but also the ramp and approach, making the facility safer and more accessible.

FIRE PUMPER TRUCK

Pumper Truck #3 has seen its fair share of use, being the supportive and then secondary unit to protect our community for over two decades. In 2015, the Fire Underwriters provided a report to Port McNeill, outlining how we can continue to improve our services to the community. One of these recommendations was the replacement of Pumper Truck #3. In 2021, the Town will be putting out requests for a supplier to purchase a replacement Fire Pumper truck.



WATERFRONT GATHERING PLACE

In 2020, a group of energetic and passionate community members came to Council with a vision. This was a dream that has been 30 years in the making. To establish a multi-use, family friendly gathering place at the waterfront in Port McNeill. With minimal support through the Town, this group pulled together this idea and, in hopes to see their dream come to fruition, they have applied for funding through the Healthy Communities Initiative. Council has provided more support in creating a Waterfront Improvement Committee of very diverse members to aid in this undertaking.

OTHER 2021 OBJECTIVES

- Hire a Deputy Corporate Officer
- Pioneer Hill sidewalk
- Adoption of Community Wildfire Protection Plan
- Adoption of Active Transportation Network Plan
- Adoption of Official Community Plan
- Harbour shower upgrades



PUBLIC WORKS MANAGER

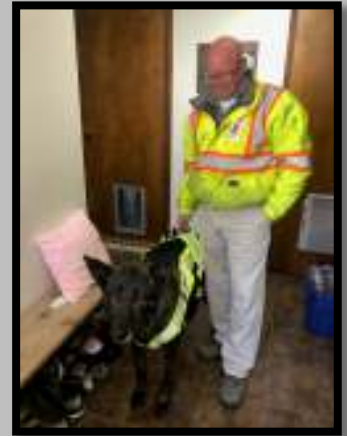
Julian Allen

pmworks@portmcneill.ca

2020 was a very challenging yet productive year for the Public Works department. Although COVID 19 threw us all a curve ball, we still managed to navigate our way through this challenge and with the addition of another full-time employee we accomplished a lot of meaningful in-house work and several projects. One of the unfortunate casualties of the pandemic was the fact that the swimming pool remained closed for the season, however, on a brighter note the Capital Project of a mechanical upgrade was approved by Mayor and Council and was well underway prior to the end of the year.

Along with the regular maintenance of the town buildings, roads and sidewalks, parks, campground, the sewage treatment plant and sanitary sewers, wells, and water distribution system, one of the main focuses of the department was to gain control of the “fugitive water” throughout the Town. This can be in the form of poor condition, installation or even design of the Storm Sewer system which is in place to convey surface and groundwater to the ocean in a controlled manner. New installation and repairs were completed. Also, water leaks on the potable water system, (quite often water service connections to private property), contribute to this uncontrolled water issue which can cause severe property damage were eliminated. Two major projects, which deal with this fugitive water, were approved in 2020 but due to the lack of lead time for contractors were regrettably deferred to 2021. These were the installation of a new storm sewer system and regrading of two intersections on Haddington Crescent to control surface water and the installation of a comprehensive drainage system on the bank above Beach drive. In order to move forward better with these larger projects, in- depth assessments including hydraulic modelling of the Storm Sewer, Sanitary Sewer and in 2020 the Potable Water System have been completed which highlight in order of priority the deficiencies with them. This now allows the department to have many shelf ready projects to propose when compiling the Five Year Financial Plan Bylaw. Other projects included substantial overhauls of critical mobile equipment, (the Brine truck and sewer flusher), continued instrumentation upgrades to the sewer treatment plant and potable water system and start of installation of another new sidewalk on Pioneer Hill drive to further improve the safety of pedestrian traffic.

As in the previous year the hiring of four summer youth employees allowed for fire hydrant servicing and a whole host of other work to be completed during the summer months which ensures a good level of service to the residents of the town. These local youth working alongside a committed Public Works crew continuously improve the town and make it one to be proud of.





HARBOUR AND INFORMATION CENTRE

Rebecca Adams (Interim)
manager@portmcneillharbour.ca



MUNICIPAL AND SMALL CRAFT HARBOUR



2020 had many successes accompanied with challenges. From staffing to the Covid-19 pandemic, the operations saw another busy year from start to finish. The concrete dock supported both commercial and fishing operations throughout the year. Due to travel restrictions, the Municipal Dock saw an increase in local vessel traffic and a large decrease in recreational use of larger vessels.

With the Harbour Manager, Emma Bates, away on a maternity leave, Assistant Manager, Lucas Williams, over saw the day to day operations and management throughout the majority of the year. Seasonal support provided department assistance increased summer support from part time employee Leanna Ogden and summer students, Allison Briscoe (2nd year), Chloe Noel (2nd year), and Ella Barrett. In the fall Interim Harbour Manager, Rebecca Adams, was hired for operations and management.

The Harbour had an extra challenge of a barge capsizing in December. This showcased our Harbour's collaboration with outside agencies and contractors, while continuing to maintain daily operations.

HARBOUR 2020 ACCOMPLISHMENTS

- Replacement of "P" Dock and Municipal Ramp tender awarded to Blue Water Systems
- Development of Staff Operations Manual.
- Completion of LED lighting upgrade.
- Completion of repairs to Municipal Dock approach foundation.
- 2020 Dock repair list completed
- Electronic Dock walks were developed.
- New electric bilge pump purchased and ready for use.
- Warranty for dock carts replacements implemented.
- Completion of upgrading the security cameras

HARBOUR 2021 GOALS

- Municipal Ramp and P Dock Replacement installation
- Harbour Shower Building
- Harbour Parking Lot B
- 2021-2022 Harbour Dock Repairs List Started
- Harbour Electrical Schematics
- Harbour E Dock Plans
- Completion of Staff Operations Manual
- Development of Manager Operations Manual
- Development of Debt Collection Policy
- 2021 Rate Changes
- Repairs to MOT Wharf from barge incident
- Switch to QuickBooks



VISITOR INFORMATION CENTRE (VIC)

The Visitor Centre continued to provide services that enhanced visitors' authentic experiences, although we saw a significant decrease in the number of in-person visits. Due to Covid-19, a number of new procedures and limitations were put into effect within the Visitor Centre to decrease transmission of disease. An emphasis was placed on our online presence through various online platforms – Destination BC, Trip Advisor, Google Business Listing, Face Book, and Instagram. This improved the ability to access our Centre, reach out to visitors, find information online regarding our hours of operations, directional information, location, and community events. Accessibility to visitors was improved by the installation of additional banners on Beach Drive. The signs provide distance information to assist visitors, arriving by car, to find our Centre once they have entered off the highway. Staff worked closely with Array Studios to develop a tourism specific website for Port McNeill.

VIC 2020 ACCOMPLISHMENTS

- Covid Safe Work Practices and signage introduced.
- TVIC training requirements changed and implemented.
- Development of Tourism website

VIC 2021 GOALS AND OBJECTIVES

- Visitor Centre and Museum to split off into own department.
- Interim Visitor Centre and Museum Supervisor to be hired.
- Develop and implement youth low/no cost programs to encourage local tourism.
- Develop and implement Tourism catalog rack
- Create Supervisor Operations Manual and Resource binder

PORT MCNEILL VOLUNTEER FIRE RESCUE



Led by Fire Chief Dean Tait and supported by 22 other volunteers, the Port McNeill Volunteer Fire Department protects our community from fires and provides support on our highways to save lives. They also back up other communities in times of need and in their free time, continue to train and study to further their capabilities in aiding the communities of the North Island. But they also do much, much more than that:

2020 ACCOMPLISHMENTS



Through their hard work, dedication and volunteer spirit, several members were able to accomplish a move in ranking within the Fire Department. Congratulations to Michael Miller and Garrett Chalmers on your promotion to Lieutenant, and to John Cyr, Andrew Fletcher and Kyle Rezansoff for their promotion to rank of Captain! And, along with the rest of the Town volunteers and other emergency services, our own PMVFD showed pride in our community by overcoming adversity of the COVID pandemic, not only ensuring the members were properly equipped for their personal safety and the safety of those we serve, but also taking the time to brighten the lives of so many others by taking part in a multitude of parades, for many birthdays and to help celebrate the 2020 Grad Class!

Other 2020 Accomplishments include:

Training:

- 8 members finished their book work 1001 testing through VIERA (Vancouver Island Emergency Response Academy)
- Hazmat training (Hazardous Material)
- RIT (Rapid Intervention Team) training through PREPARE 4
- Due to Covid 19 practices have been limited to smaller groups and multiple different practices in a night
- Forcible entry through PREPARE 4
- PMVFD members to Sointula to help train in auto-extrication
- S-200 course

Community Service:

- Attended 89 call outs throughout 2020
- Obtained collector plates for Pumper Truck #1
- Grad 2020 parade
- COVID friendly Halloween Treat Station
- 2020 Emergency Services Holiday Parade
- Response to the December 24th barge sinking



Mosaic



Equipment Purchases:

- Water Tender 1
- New rescue tools
- Rescue equipment
- Wildfire equipment
- Hoses structural and wild land
- Paratech stabilization equipment by donation from Western, MOWI , Lemare, Mosaic.



MOWI



Western Forest Products

2021 GOALS:

- Through grant funding, major hall upgrades including:
 - Breathing apparatus compressor
 - Generator to power the whole hall
 - Roof, flooring and paint
 - Electrical upgrades
- Purchase of a new Pumper Truck
- Display cover for Pumper #1
- Annual Halloween Fireworks display
- Improved personal equipment for firefighters
- Exercise alternatives for firefighters
- Continue to support volunteer groups





PORT MCNEILL RCMP

<http://www.portmcneill.bc.rcmp-grc.gc.ca/>

The Port McNeill RCMP Detachment is operating fully staffed and fully operational. We have sufficient resources and materiel to take us into 2022. We are making regular patrols to all of our communities, throughout our policing region. Our staff have been participating in a number of community functions in support of youth, seniors and Indigenous communities.

We will continue to focus on traffic safety and substances abuse throughout the year and into 2022.



Cops for Cancer

Months: April 1 st , 2020 to March 31, 2021	TOTAL	PORT MCNEILL
Total # of Files	1600	1169
Road Blocks - 8120/6	23	19
Street Checks	29	29
Assaults - 1410:1480/0:90	61	24
Sex Assaults - 1310:1356/0	12	6
Missing Persons - 8190/3:33	29	22
B&E Residence - 2120/2:4	7	5
B&E Commercial - 2120/1	0	0
Mischief - 2170/1:4	39	27
Mental Health - 7300/Z34	94	57
Shoplifting - 2133/0 & 2143/0	5	5
Theft From Motor Vehicle - 2132/0 & 2142/0	1	1
False Alarm - 8190/9	69	64
Bylaw – Noise Complaint - 8100/20	15	15
Intoxicated in Public Place - 7100/3	14	13
Breach of Peace - 8350/0	56	33
Unspecified Assistance - 8190/1	75	51
Abandoned 9-1-1 - 8190/80	46	28
Motor Vehicle Accidents - 8130/1:60	68	40
Drugs Files - 4110:4160/0:10 & 4210:4260/0:16	8	8
Prisoners		
Breach of Probation - 3520/0	5	2
Cause Disturbance - 3430/0	37	25
Impaired Driving Investigations (Includes IRPs) 9210:9235/0:40 & 8120/40:50	59	44



EMERGENCY OPERATIONS

portmcneill.epc@gmail.com

In 2020, the Town's Emergency Management Team made some transitions. After many years at the helm of our Emergency Operations, Grant Anderson and Cliff Slack took their leave, handing the keys over to the former lead of our Emergency Support Services (ESS), Melody Wilson. A huge thanks goes out to Grant and Cliff for their service to the community, and a warm and gracious welcome to Melody, who landed in the lead, just as a world-wide emergency took over.

To replace Melody in the ESS, Ken Burkholder stepped up to the task. With years of service as a key member of the ESS, Ken is a natural in the position, and has been key with his involvement in several successful grant applications that have provided much needed supplies, training and support for our Emergency Support Services.

2020 SUCCESSES

- Melody Wilson appointed to Emergency Planning Coordinator
- Grant Anderson stayed on in the Deputy Coordinator position
- Ken Burkholder appointed to Emergency Support Services Director, with assistance through Pat Boyd, Christina Hinton, Linda Romuld, Kim Vanvelzen.
- Successful direction, support and many, many hours spent helping the Town of Port McNeill and surrounding communities navigate the COVID-19 pandemic and state of emergency

2021 GOALS

- Continue team training
- Build mobile Emergency Operations Centre mobile unit with grant funding through UBCM
- Consider logistics in including warming centers into the Emergency Plan



FINANCE DEPARTMENT

Claudia Frost

cfo@portmcneill.ca

The year 2020, was a challenging year for everyone, including the finance department.

Starting with the team in January, I was able to work closely with Laura Evans, previously the Finance Assistant, to a more important role of Deputy Finance Officer.

The Provincial Government provided guidance to local governments and extended statutory reporting requirements to help ease the restrictions caused by COVID-19.

Some staff worked from home, while others were able to be self-contained within the office environment. At Tax time the office was open with the safety measures in place to protect the Town residents and the office staff.

The Town choose to use the Alternative Tax Scheme for the 2020 Property Taxes. Thus, the current taxes were due on July 2, 2020, and a 5% penalty would apply to outstanding current taxes on October 1, 2020. This gave taxpayers an extra 90 days to pay their taxes before the 5% penalty (a decrease from the normal 10% penalty) would be applied on overdue current taxes. The Town also choose to extend the Tax Sale to September 2021, which was allowed through the Provincial Government, thus there was no tax sale in 2020.



Top row: Shelley MacEachern, Pete Nelson-Smith, Kenadii Lasota
Bottom row: Laura Evans, Claudia Frost

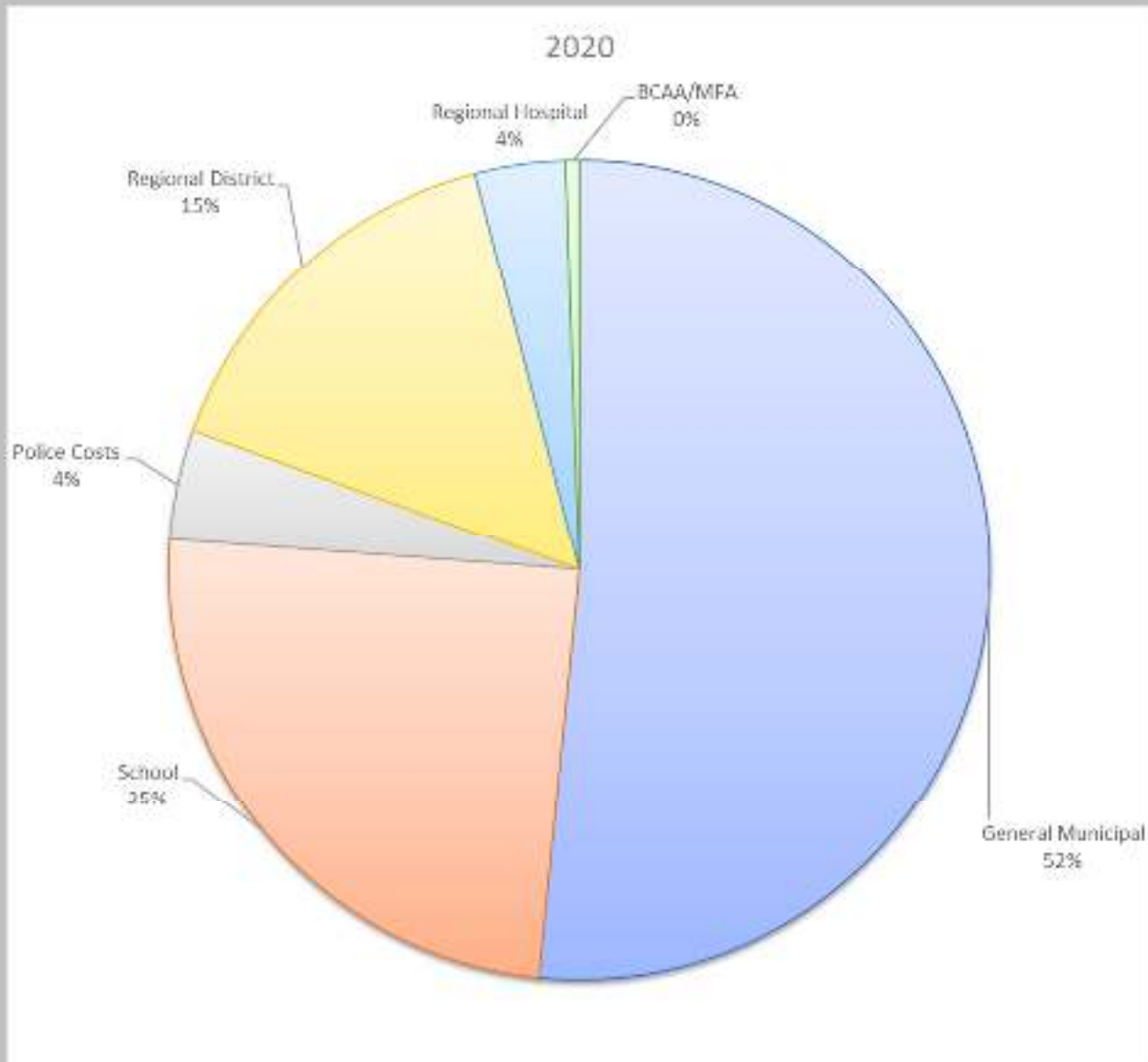
2020 PERMISSIVE EXEMPTIONS REPORT

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	Folio	Class	Land Value	Building Value	Exempt by Statue	Exempt by Bylaw	TOTAL TAX INCOME FOREGONE
Bishop of Victoria	893.452	8	97,300	78,700	0	176,000	746.46
Broughton Curling Club	790.001	6	65,400	727,000	10,000	782,400	12,038.08
Broughton Strait Campground	2.000	6	3,200	28,700	10,000	21,900	336.96
	2.000	8	62,600	0	0	62,600	265.50
Church of Jesus Christ of Latter-day Saints	885.626	8	182,400	201,000	0	383,400	1,626.10
Full Gospel Church	885.256	8	45,500	291,000	0	336,500	1,427.19
Guide / Scout Hall	101.000	8	107,000	144,000	0	251,000	1,064.56
North Island Community Services Society (Thrift Store)	720.000	6	79,300	58,400	10,000	127,700	1,964.80
Port McNeill Baptist Church	885.370	8	108,400	256,000	0	364,400	1,545.52
Port McNeill Lions Club	893.450	8	125,000	208,000	0	333,000	1,412.34
Royal Canadian Legion Branch 281	886.005	6	68,600	91,600	10,000	150,200	2,310.99
United Church of Canada	692.000	8	100,600	182,000	0	282,600	1,198.58
TOTALS			1,045,300	2,266,400	40,000	3,271,700	\$25,937.10

2020 PROPERTY TAXES

Property taxes paid to the Town cover a wide variety of services that are provided to the residents of Port McNeill. The Town collects taxes on behalf of other governments and these taxes account for 48% of the total property taxes collect.



What Do Your Taxes Pay For?

Wages	Infrastructure	Equipment	Road/Land	Administration
Administrative	Municipal Office	Bulldozer	Sidewalks	Council conferences
Building Inspector	Information Center	Public Works trucks	Signage	Staff conferences
Bylaw Officers	Public Works Shop	Lawn Mowers	Storm drains	Staff training
Public Works	Public Works Yard	Loader	Dust control	Hydro
Corporate	Old School	Tractor	Paving	Insurance
Finance	Broughton Campground	Water works truck	Crack sealing	Legal Fees
Healthcare	Leamington MTC	Water works truck	Asset removal	Storage fees
Township	Library	Water truck	Graveling	Utilities
Emergency	Fire station	Dump truck	Sanitary	Vehicle expenses
Cemetery	Old Pond	Portable generators	Bus parking	Police
Sparks	Fire hydrants	Hydroponic equipment	Street lighting	Public correspondence
Planning	Water tower	Background equipment	Casualty	Animal control reporting
Communications	Water Wells	Fencing	Police	Vehicle expenses
Fire	Waterproof water pipes	Fire Truck	Hookup	Meals
	Underground water pipes	Fire Pump truck	Brushing	Meals
	Oil station	Fire hoses		Parade
	Senior Treatment Room	Fire Apparatus		Letter agreements
	Barbara Decker			Garage
	Harbour Office			Library
	Airport			Communications
	Transfer Pond			
	Fire Station			
	Amusement Station			
	Sold Water-Bowling			
	Recreation			



2020 FINANCIAL STATEMENTS

(following pages)

TOWN OF PORT MCNEILL
Financial Statements
December 31, 2020

TOWN OF PORT MCNEILL

Index to Financial Statements

Year Ended December 31, 2020

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MANAGEMENT REPORT

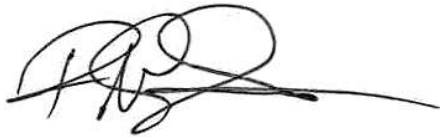
December 31, 2020

The Mayor and Council of the Town of Port McNeill has delegated the responsibility for the integrity and objectivity of the financial information contained in the financial statements to the management of the Town of Port McNeill. The financial statements which, in part, are based on informed judgments and estimates, have been prepared by management in accordance with Canadian public sector accounting standards, which have been applied on a basis consistent with that of the preceding year.

To assist in carrying out their responsibility, management maintains an accounting system and internal controls to provide reasonable assurance that transactions are properly authorized and recorded in compliance with legislative and regulatory requirements and that financial records are reliable for preparation of the financial statements. These systems are monitored and evaluated by management.

The Town of Port McNeill's independent auditors, Chan Nowosad Boates Inc., Chartered Professional Accountants, are engaged to express an opinion as to whether these financial statements present fairly the Town of Port McNeill's financial position and operating results in accordance with Canadian public sector accounting standards. Their opinion is based on procedures they consider sufficient to support such an opinion.

The financial statements have, in management's opinion, been properly prepared within reasonable limits of materiality and in accordance with Canadian public sector accounting standards. These financial statements present, in all significant respects the financial position of the Town of Port McNeill as at December 31, 2020.



Pete Nelson-Smith
Chief Administrative Officer
April 13, 2021



INDEPENDENT AUDITORS' REPORT

To the Mayor and Council of the Town of Port McNeill

Opinion

We have audited the accompanying financial statements of the Town of Port McNeill (the "Town"), which comprise the statement of financial position as at December 31, 2020, and the statements of operations, changes in net financial assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "financial statements").

In our opinion, the Town's financial statements present fairly, in all material respects, the financial position of the Town as at December 31, 2020, and of its financial performance and its cash flows for the year then ended. The financial statements have been prepared by management in accordance with Canadian public sector accounting standards.

Basis of 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 Town in accordance with the ethical requirements that are relevant to our audit of the 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 of 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 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 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 Town'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 intends for the Town to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for over-seeing the Town's financial reporting process.

Auditors' Responsibilities for the Audit of the 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 the users taken on the basis of these financial statements.

Auditors' Responsibilities for the Audit of the Financial Statements (continued)

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the 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 for 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 Town'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 Town'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 Town 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.
- 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.

Chan Nawrood Boatis Inc

Chartered Professional Accountants
Campbell River, BC

April 13, 2021

TOWN OF PORT MCNEILL

Statement of Financial Position

December 31, 2020

2020

2019

\$

\$

FINANCIAL ASSETS

Cash	5,349,796	3,811,005
Portfolio Investments (Note 2)	982,161	944,921
Accounts Receivable (Note 3)	216,638	240,791
Investment in Government Business Enterprises (Note 4)	250,979	361,901
	<u>6,799,574</u>	<u>5,358,618</u>

LIABILITIES

Accounts Payable (Note 5)	333,750	366,942
Deferred Revenue (Note 6)	404,852	289,553
Long Term Debt (Note 7)	1,150,159	1,240,350
	<u>1,888,761</u>	<u>1,896,845</u>

NET FINANCIAL ASSETS

<u>4,910,813</u>	<u>3,461,773</u>
------------------	------------------

NON-FINANCIAL ASSETS

Prepaid Expenses	57,503	58,502
Tangible Capital Assets (Note 8)	24,719,478	25,388,020
	<u>24,776,981</u>	<u>25,446,522</u>

ACCUMULATED SURPLUS (Note 12)

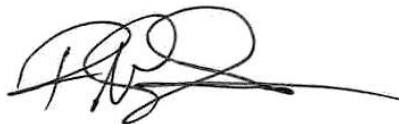
<u>29,687,794</u>	<u>28,908,295</u>
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Contingent Liabilities (Note 10)

Approved by:



Mayor



Chief Administrative Officer

TOWN OF PORT MCNEILL

Statement of Operations

Year Ended December 31, 2020

	2020		2019
	Budget	Actual	
	\$	\$	\$
	(Note 13)		
Revenues (Schedules 2 and 3)			
Taxation	1,501,601	1,498,539	1,464,334
Payments in Lieu of Taxes	56,524	55,678	50,989
Sale of Goods and Services	1,396,179	1,454,628	1,573,011
Interest and Investment Income	91,000	86,810	1,072,988
Government Transfers (Schedule 1)	<u>947,030</u>	<u>1,517,113</u>	<u>782,618</u>
	<u>3,992,334</u>	<u>4,612,768</u>	<u>4,943,940</u>
Expenditures (Schedules 2 and 3)			
General Government Services	1,163,385	1,635,841	1,772,260
Recreation and Parks Services	304,388	333,819	484,150
Protective Services	183,487	230,144	279,147
Solid Waste	198,030	205,650	199,336
Sewer Services	162,949	439,380	441,248
Water Services	272,803	403,391	397,754
Harbour and Dock	<u>356,213</u>	<u>585,044</u>	<u>666,416</u>
	<u>2,641,255</u>	<u>3,833,269</u>	<u>4,240,311</u>
Annual Surplus	1,351,079	779,499	703,629
Accumulated Surplus - Beginning of Year	<u>28,908,295</u>	<u>28,908,295</u>	<u>28,204,666</u>
Accumulated Surplus - End of Year	<u>30,259,374</u>	<u>29,687,794</u>	<u>28,908,295</u>

TOWN OF PORT MCNEILL

Statement of Change in Net Financial Assets

Year Ended December 31, 2020

	2020		2019
	Budget	Actual	
	\$	\$	\$
	(Note 13)		
Annual Surplus	1,351,079	779,499	703,629
Use of Prepaid Expenses	-	58,502	95,194
Acquisition of Prepaid Expenses	-	(57,503)	(58,502)
Net Acquisition of Tangible Capital Assets	(2,217,697)	(550,657)	(622,939)
Amortization of Tangible Capital Assets	-	1,219,199	1,211,312
	<u>(866,618)</u>	<u>1,449,040</u>	<u>1,328,694</u>
Net Financial Assets - Beginning of Year	<u>3,461,773</u>	<u>3,461,773</u>	<u>2,133,079</u>
Net Financial Assets - End of Year	<u>2,595,155</u>	<u>4,910,813</u>	<u>3,461,773</u>

TOWN OF PORT MCNEILL

Statement of Cash Flows

Year Ended December 31, 2020

2020

2019

\$

\$

Cash Flows From Operating Activities:

Annual Surplus	779,499	703,629
Items Not Involving Cash		
Amortization of Tangible Capital Assets	<u>1,219,199</u>	<u>1,211,312</u>
	1,998,698	1,914,941
Changes in Non-Cash Operating Balances		
Accounts and Taxes Receivable	24,153	287,157
Accounts Payable	(33,193)	(42,090)
Deferred Revenue	115,299	184,789
Prepaid Expenses	<u>999</u>	<u>36,692</u>
	<u>2,105,956</u>	<u>2,381,489</u>

Cash Flows From Capital Activities:

Purchase of Tangible Capital Assets	<u>(550,657)</u>	<u>(622,939)</u>
-------------------------------------	------------------	------------------

Cash Flows From Investing Activities:

Purchase of Portfolio Investments	(37,240)	(23,656)
Distributions from Government Business Enterprises	90,000	707,946
Income from Government Business Enterprises	20,923	(1,000,955)
Repayments of Long Term Debt	<u>(90,191)</u>	<u>(86,723)</u>
	<u>(16,508)</u>	<u>(403,388)</u>

Increase in Cash and Cash Equivalents

1,538,791 1,355,162

Cash and Cash Equivalents - Beginning of Year

3,811,005 2,455,843

Cash and Cash Equivalents - End of Year

5,349,796 3,811,005

TOWN OF PORT MCNEILL

Notes to the Financial Statements

December 31, 2020

The Town of Port McNeill (the "Town") was incorporated as a municipality on February 18, 1966 under the provisions of the British Columbia Municipal Act. Its principal activities are the provision of local government services to the residents of the Town. These services include fire protection, public works, planning, parks and recreation, water distribution and sewer collection, and other general government services, as governed by the Community Charter and Local Government Act.

1. Significant Accounting Policies:

a) Basis of Presentation:

The Town prepares its financial statements in accordance with Canadian public sector accounting standards using guidelines developed by the Public Sector Accounting Board ("PSAS") for the Chartered Professional Accountants of Canada.

b) Cash:

Cash consists of cash on hand and demand deposits.

c) Portfolio Investments:

Investments are comprised entirely of Municipal Finance Authority (MFA) pooled investments including money market, intermediate and short-term bond funds. Portfolio investments are carried at market value.

d) Investment in Government Business Enterprises:

Investment in Government Business Enterprises are accounted for using the modified equity method.

f) Tangible Capital Assets:

Tangible capital assets are recorded at cost less accumulated amortization and are classified according to their functional use. Cost includes amounts that are directly related to the acquisition, design, construction, development, improvement or betterment of the assets. Amortization is recorded on a straight-line basis over the estimated useful life of the tangible capital asset commencing once the asset is in use. Donated tangible capital assets are recorded at fair value at the time of the donation.

Estimated useful lives of tangible capital assets are as follows:

Buildings	20 to 40 years
Automotive	10 to 30 years
Equipment	5 to 15 years
Water and Sewer Infrastructure	30 to 80 years
Paving and Lighting	40 to 50 years
Storm Drains	60 to 80 years
Harbour	10 to 40 years

d) Collection of Taxes on Behalf of Other Taxation Authorities:

The Town collects taxation on behalf of other entities. Such levies, other revenues, expenses, assets and liabilities with respect to the operations of these other entities are not reflected in these financial statements. Levies imposed by other taxing authorities are not included as taxes for municipal purposes.

TOWN OF PORT MCNEILL

Notes to the Financial Statements

December 31, 2020

1. Significant Accounting Policies (Continued):

e) Deferred Revenue:

Funds received for specific purposes which are externally restricted by legislation, regulation or agreement and are not available for general municipal purposes are accounted for as deferred revenue on the statement of financial position. The revenue is recognized in the statement of operations in the year in which it is used for the specific purpose.

f) Revenue Recognition:

Revenues are recorded on the accrual basis of accounting and are recorded in the period in which the transaction or events occurred.

Taxes are recorded at estimated amounts when they meet the definition of an asset, have been authorized and the taxable event occurs. Tax revenue is initially measured at management's best estimate of the amount resulting from the original taxable event in accordance with tax legislation. Through the British Columbia Assessment's appeal process, taxes may be adjusted by way of supplementary roll adjustments. The affects of these adjustments on taxes are recognized at the time they are awarded. Charges for utility usage are recorded as user fees. Connection fee revenues are recognized when the connection has been established.

Government transfers, which include legislative grants, are recognized when received if the transfer is authorized and any eligibility criteria are met, except to the extent that transfer stipulations give rise to an obligation that meets the definition of a liability.

Sale of goods and services and other revenues are recognized when the service is provided or the amount is earned, when the amount can be estimated and when collection is reasonably assured. Amounts received in advance of services being rendered are recorded as deferred revenue until the Town discharges the obligation that led to the collection of the funds.

g) Administration Apportionment:

A percentage of certain budgeted general government services expenses of the Town has been allocated to other functions. These expenses include wages of administrative staff and the public works supervisor and utility discounts. Wages are allocated based on actual time spent in various segments, and utilities discounts are allocated based on the percentage of utilities revenue that relates to each segment.

h) Financial Instruments:

Financial instruments consist of cash, portfolio investments, accounts receivable and accounts payable. Unless otherwise noted, it is management's opinion that the Town is not exposed to significant interest rate, currency or credit risk arising from these financial instruments.

i) Use of Estimates:

The preparation of 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 and the disclosure of contingent assets and liabilities at the date of the financial statements, as well as the reported amounts of revenue and expenses during the reporting period.

Significant areas requiring the use of management estimates relates to the collectability of accounts receivable, valuation of investments, estimates of contingent liabilities, the provision of amortization and the estimation of potential environmental liabilities. Actual results could differ from management's best estimates as additional information becomes available in the future.

TOWN OF PORT MCNEILL

Notes to the Financial Statements

December 31, 2020

1. Significant Accounting Policies (Continued):

j) Contaminated Sites:

Governments are required to accrue a liability for the costs to remediate a contaminated site. Liabilities are recognized when an environmental standard exists, contamination exceeds the standards, the government has a responsibility for the remediation, future economic benefits will be given up, and a reasonable estimate can be made.

Management has assessed its potential liabilities under the new standard including sites that are no longer in productive use and sites which the Town accepts responsibility. There were no such sites that had contamination in excess of an environmental standard which required remediation, therefore no liability was recognized as at December 31, 2020 or December 31, 2019.

2. Portfolio Investments:

Portfolio investments includes \$982,161 (2019 - \$944,921) held with the Municipal Finance Authority (MFA) in money market, intermediate and bond funds. These investments are carried at market value.

3. Accounts Receivable:

	<u>2020</u>	<u>2019</u>
	\$	\$
Property Taxes and Utilities	117,493	151,129
Other Governments	27,757	31,883
Trade and Other	93,727	75,595
Allowance for Doubtful Accounts	<u>(22,339)</u>	<u>(17,816)</u>
	<u>216,638</u>	<u>240,791</u>

4. Investment in Government Business Enterprises:

The Town has a 33% ownership interest in North Island Community Forestry Ltd. (NICFL) and North Island Community Forest Limited Partnership (NICFLP). The investments in NICFL and NICFLP are reported as a government business enterprise and accounted for using the modified equity method. Under this method, the government businesses' accounting principles are not adjusted to conform with those of the Town and inter-corporate transactions are not eliminated.

As a government business enterprise, the NICFLP is required to report under International Financial Reporting Standards (IFRS). In the prior and current years, the NICFLP financial statements were prepared under Canadian Accounting Standards for Private Enterprises (ASPE). Any differences between ASPE and IFRS are considered to be insignificant.

TOWN OF PORT MCNEILL

Notes to the Financial Statements

December 31, 2020

4. Investment in Government Business Enterprises (Continued):

The summary of the Town's investment in government business enterprises is as follows:

	<u>2020</u>	<u>2019</u>
	\$	\$
NICFLP	229,193	340,071
NICFL	<u>21,786</u>	<u>21,830</u>
	<u>250,979</u>	<u>361,901</u>

The condensed supplementary financial information of the Town's investments in government business enterprises is as follows:

	<u>2020</u>	<u>2019</u>
	\$	\$
Total Assets	<u>795,226</u>	<u>1,132,061</u>
Total Liabilities	42,289	46,357
Total Equity	<u>752,937</u>	<u>1,085,704</u>
Total Liabilities and Equity	<u>795,226</u>	<u>1,132,061</u>
Revenue	6,480	3,029,866
Expenses	<u>69,746</u>	<u>62,813</u>
Net Income	<u>(63,266)</u>	<u>2,967,053</u>

5. Accounts Payable:

	<u>2020</u>	<u>2019</u>
	\$	\$
Other Governments	53,864	101,245
Trade and Other	236,194	219,370
Payroll Liabilities	<u>43,692</u>	<u>46,327</u>
	<u>333,750</u>	<u>366,942</u>

6. Deferred Revenue:

	<u>2019</u>	<u>Collections</u>	<u>Transfers</u>	<u>2020</u>
	\$	\$	\$	\$
Community Works Fund	183,452	153,541	(36,412)	300,581
Municipal Regional District Tax	48,137	35,093	(38,070)	45,160
Harbour Annual Contracts	44,237	39,544	(44,236)	39,545
Miscellaneous	7,245	12,800	(7,245)	12,800
Cemetery Fund	<u>6,482</u>	<u>284</u>	<u>-</u>	<u>6,766</u>
	<u>289,553</u>	<u>241,262</u>	<u>(125,963)</u>	<u>404,852</u>

TOWN OF PORT MCNEILL

Notes to the Financial Statements

December 31, 2020

7. Long Term Debt:

The Town has debt instruments through the Municipal Finance Authority (MFA) obtained for the purposes of funding Water Infrastructure. The gross amount borrowed for Water in 2008 on Water Debenture #116 was \$1,400,000 and for Water Debenture #103 in 2011 was \$500,000. Both loans are amortized over a twenty year period. The current balance of long-term debt is as follows:

	<u>2020</u>	<u>2019</u>
	\$	\$
Total Outstanding Debt - Beginning of Year	1,240,350	1,327,073
Reduction of Long-Term Debt	<u>(90,191)</u>	<u>(86,723)</u>
Total Outstanding Debt - End of Year	<u>1,150,159</u>	<u>1,240,350</u>

The interest rate for the year on Water Debenture #116 was 4.44% (2019 - 4.40%) and on Water Debenture #103 was 1.61% (2019 - 1.81%). The interest expense on the debt in the year ended December 31, 2020 is \$72,050 (2019 - \$72,050).

Future payments on net outstanding debt over the next five years are:

	<u>Water</u>	<u>Water</u>	<u>Total</u>
	<u>Debenture #116</u>	<u>Debenture #103</u>	
	\$	\$	\$
2021	66,916	26,883	93,799
2022	69,593	27,958	97,551
2023	72,377	29,076	101,453
2024	75,272	30,239	105,511
2025	<u>78,283</u>	<u>31,449</u>	<u>109,732</u>
	<u>362,441</u>	<u>145,605</u>	<u>508,046</u>

The MFA of British Columbia provides capital financing for regional districts and their member municipalities. The MFA is required to establish a debt reserve fund. Each regional district, through its member municipalities who are in the proceeds of the debt issue, is required to pay into the debt reserve fund certain amounts set out in the debt agreements. The MFA pays into the debt reserve fund these monies from which interest earned thereon less administrative expenses becomes an obligation to the regional districts. It must then use this fund if at any time there are insufficient funds to meet payments on its obligations. When this occurs, the regional districts may be called upon to restore the fund.

Upon maturity of a debt issue, the unused portion of the debt reserve fund established for the issue will be discharged to the Town. The proceeds from these discharges will be credited to income in the year they are received. As at December 31, 2020, the Town debt reserve fund was \$79,470 (2019 - \$78,955).

TOWN OF PORT MCNEILL

Notes to the Financial Statements

December 31, 2020

8. Tangible Capital Assets:

	Cost				Accumulated Amortization				Net Book Value	
	Opening \$	Additions \$	Disposals \$	Closing \$	Opening \$	Amort \$	Disposals \$	Closing \$	2020 \$	2019 \$
General Capital Assets										
Land	1,352,069	37,000	-	1,389,069	-	-	-	-	1,389,069	1,352,069
Buildings	19,795,943	68,262	-	19,864,205	15,996,079	377,145	-	16,373,224	3,490,981	3,799,864
Automotive	960,612	145,056	-	1,105,668	487,664	43,545	-	531,209	574,459	472,948
Equipment	978,422	136,362	-	1,114,784	681,836	79,793	-	761,629	353,155	296,586
Work in Progress	-	152,495	-	152,495	-	-	-	-	152,495	-
Engineered Structures										
Water Infrastructure	12,443,970	-	-	12,443,970	3,394,519	154,289	-	3,548,808	8,895,162	9,049,451
Sewer Infrastructure	9,656,718	-	-	9,656,718	5,863,016	145,395	-	6,008,411	3,648,307	3,793,702
Paving and Lighting	28,943,710	-	-	28,943,710	27,316,254	266,426	-	27,582,680	1,361,030	1,627,456
Storm Drains	2,082,940	-	-	2,082,940	780,811	26,891	-	807,702	1,275,238	1,302,129
Harbour	<u>4,834,322</u>	<u>11,482</u>	<u>-</u>	<u>4,845,804</u>	<u>1,140,507</u>	<u>125,715</u>	<u>-</u>	<u>1,266,222</u>	<u>3,579,582</u>	<u>3,693,815</u>
	<u>81,048,706</u>	<u>550,657</u>	<u>-</u>	<u>81,599,363</u>	<u>55,660,686</u>	<u>1,219,199</u>	<u>-</u>	<u>56,879,885</u>	<u>24,719,478</u>	<u>25,388,020</u>

Included in Work in Progress at December 31, 2020 is \$152,495 (2019 - \$nil) of capitalized costs for various capital projects that are not presently being amortized as a result of the projects being in various stages of construction and development and not yet being in use. The assets are expected to be placed in use during the year ending December 31, 2021, at which time amortization will begin to be recorded on the assets.

9. Collections for Other Governments:

	Actual 2020 \$	Actual 2019 \$
Province of British Columbia - School Tax	714,659	798,351
Regional Hospital District of Mount Waddington	103,732	99,721
Mount Waddington Regional District	448,362	431,684
Municipal Finance Authority	71	65
British Columbia Assessment Authority	15,638	13,857
Province of BC - Police Tax	<u>127,015</u>	<u>116,918</u>
	<u>1,409,477</u>	<u>1,460,596</u>

TOWN OF PORT MCNEILL

Notes to the Financial Statements

December 31, 2020

10. Contingent Liabilities:

- (a) The Town is a member of the Municipal Insurance Association of British Columbia and is contingently liable for claims that are in excess of insurance funds as a member. As at December 31, 2020, the Town is not liable for any claims that are in excess of insurance funds.
- (b) The Town has a lease with the Crown in right of the Province of British Columbia for the land on which the Town operates its harbour. This is a 30-year lease, which expires on January 1, 2032. Annual payments total \$14,061.
- (c) As a member of the Mount Waddington Regional District, the Town is responsible for its portion of operating deficits or the long-term debt related function in which it participates.

11. Pension Plan:

The Town and its employees contribute to the Municipal Pension Plan (a jointly trustee pension plan). The board of trustees, representing plan members and employers, is responsible for administering the plan, including investment of assets and administration of benefits. The plan is a multi-employer defined benefit pension plan. Basic pension benefits are based on a formula. As at December 31, 2019, the plan had about 213,000 active members and approximately 106,000 retired members. Active members include approximately 41,000 contributors from local governments.

Every three years, an actuarial valuation is performed to assess the financial position of the plan and adequacy of plan funding. The actuary determines an appropriate combined employer and member contribution rate to fund the plan. 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 may be adjusted for the amortization of any actuarial funding surplus and will be adjusted for the amortization of any unfunded actuarial liability.

The most recent actuarial valuation for the Municipal Pension Plan as at December 31, 2018, indicated a \$2,866 million funding surplus for basic pension benefits on a going concern basis.

The Town paid \$68,465 (2019 - \$56,926) of employer contributions while employees contributed \$60,594 (2019 - \$50,670) to the plan in fiscal 2020.

The next valuation will be as at December 31, 2021, with results available in 2022.

Employers participating in the plan record their pension expense as the amount of employer contributions made during the fiscal year (defined contribution pension plan accounting). This is because the plan records accrued liabilities and accrued assets for the plan in aggregate, resulting in no consistent and reliable basis for allocating the obligation, assets and cost to individual employers participating in the plan.

TOWN OF PORT MCNEILL

Notes to the Financial Statements

December 31, 2020

12. Accumulated Surplus:

The Town segregates its accumulated surplus in the following categories:

	<u>2020</u>	<u>2019</u>
	\$	\$
Accumulated Surplus		
Operating Surplus	1,075,243	182,209
Statutory Reserves	2,750,062	2,960,330
Internally Restricted Reserves	2,042,191	1,256,185
Equity in North Island Community Forest	250,979	361,901
Equity in Tangible Capital Assets	<u>23,569,319</u>	<u>24,147,670</u>
	<u>29,687,794</u>	<u>28,908,295</u>

Statutory Reserves

The following reserves have been set aside by Council resolution for future capital projects:

	<u>2020</u>	<u>2019</u>
	\$	\$
North Island Community Forest	1,871,069	1,891,992
Land Acquisitions	279,355	316,355
Public Works Mobile Equipment	135,337	249,137
Fire Department	128,086	139,846
Capital Priority	81,215	108,000
Harbour	<u>255,000</u>	<u>255,000</u>
	<u>2,750,062</u>	<u>2,960,330</u>

Internally Restricted Reserves

The following non-statutory reserves have been set aside by Council for future capital projects. The non-statutory reserves are not dictated by bylaws and the funds may be allocated to different projects than originally intended.

	<u>2020</u>	<u>2019</u>
	\$	\$
Old School Repairs	200,000	200,000
Road and Sidewalk Maintenance	305,782	310,000
General	200,435	260,856
Beach Drive	133,128	157,129
Stormwater	146,646	160,000
Pool	168,200	168,200
COVID-19 Recovery	<u>888,000</u>	<u>-</u>
	<u>2,042,191</u>	<u>1,256,185</u>

TOWN OF PORT MCNEILL

Notes to the Financial Statements

December 31, 2020

13. Fiscal Plan:

The Fiscal Plan amounts represent the Financial Plan Bylaw adopted by Council on May 12, 2020.

The budget anticipated use of surpluses accumulated in previous years to balance against current expenditures in excess of current year revenues. In addition, the budget anticipated capital expenditures rather than amortization expense. The following schedule reconciles the approved bylaw to the amounts presented in the financial statements.

	<u>2020</u>
	\$
Financial Plan (Budget) Bylaw	-
Add:	
Capital Expenditures	2,217,697
Contributions to Reserves	165,000
Self-Sustaining Department Surplus	628,124
Less:	
Transfers from Reserves	<u>(1,659,742)</u>
Annual Surplus Presented in Financial Statements	<u>1,351,079</u>

14. Segmented Information:

The Town provides various services within various departments. The segmented information as disclosed in Schedules 2 and 3 reflects those functions offered by the Town as summarized below:

General government services – activities related to the administration of the Town as a whole including central administration, which includes legislative services, finance, human resources, feasibility studies, grants in aid, business licensing, animal control services and bylaw enforcement. Public works consists of road and street patching, maintenance and repairs, snow removal, brush and tree cutting, maintenance of all municipal buildings and property and bylaw enforcement.

Recreation and parks services – activities related to all recreational and parks services including the maintenance of the pool, campgrounds, parks, community hall and museum.

Protective services – activities related to providing for the security of the property and citizens of the Town including fire protection, health and emergency planning.

Solid waste – activities related to solid waste management.

Sewer services – activities related to gathering, treating, transporting, storing and discharging sewage or reclaimed water.

Water services – activities related to supplying, storing, treating and transporting water.

Harbour and Dock – activities consist of operation, repairs and maintenance of the Small Craft Harbour and the Dock public boat launch.

TOWN OF PORT MCNEILL

Notes to the Financial Statements

December 31, 2020

14. Segmented Information (Continued):

For each reported segment, revenues and expenses represent amounts that are directly attributable to the segment, in addition to amounts that are allocated to each segment on a reasonable basis. Refer to Schedules 2 and 3 for segment revenues and expenses detail on a comparative basis.

15. Comparative Figures:

Certain comparative figures have been reclassified, where necessary, to conform with the current year's presentation.

16. Significant Event:

COVID-19 Pandemic

The global outbreak of the coronavirus disease (COVID-19) continued to cause economic uncertainties that are likely to have a material impact on the annual surplus of the Town. The extent, if any, of the continued impact of COVID-19 on the Town and its operations for the year ending December 31, 2021 cannot be determined at this time.

TOWN OF PORT MCNEILL

Schedule 1 - Government Grants and Transfers to the Town and Ratepayers

Year Ended December 31, 2020

	2020		2019
	Budget	Actual	
	\$	\$	\$
	(Note 13)		
Federal Government			
Other	<u>13,600</u>	<u>6,600</u>	<u>13,583</u>
Province of BC and Federal/Provincial Programs			
General Fund			
Small Communities Grant	480,930	495,904	480,930
Gas Tax	165,000	36,412	135,855
COVID Safe Restart Grant	-	888,000	-
Other	<u>56,000</u>	<u>55,727</u>	<u>80,173</u>
	<u>536,930</u>	<u>1,476,043</u>	<u>696,958</u>
General Capital			
Infrastructure (Provincial)	-	-	56,566
Other	<u>219,000</u>	<u>34,470</u>	<u>15,511</u>
	<u>219,000</u>	<u>34,470</u>	<u>72,077</u>
	<u>934,530</u>	<u>1,517,113</u>	<u>782,618</u>

TOWN OF PORT MCNEILL

Schedule 2 - Combined Statement of Operations by Segment

Year Ended December 31, 2020

	General Government Services	Recreation and Parks Services	Protective Services	Solid Waste	Sewer Services	Water Services	Harbour and Dock	2020 Actual	2020 Budget
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Revenues									
Taxation	1,498,539	-	-	-	-	-	-	1,498,539	1,501,601
Payments in Lieu of Taxes	55,678	-	-	-	-	-	-	55,678	56,524
Sales of Goods and Services	129,245	47,850	41,340	212,675	378,657	293,934	350,927	1,454,628	1,396,179
Interest and Investment Income	86,810	-	-	-	-	-	-	86,810	91,000
Government Transfers	<u>1,504,613</u>	<u>12,500</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,517,113</u>	<u>947,030</u>
	<u>3,274,885</u>	<u>60,350</u>	<u>41,340</u>	<u>212,675</u>	<u>378,657</u>	<u>293,934</u>	<u>350,927</u>	<u>4,612,768</u>	<u>3,992,334</u>
Expenses									
Amortization	419,527	95,802	65,917	-	223,394	192,477	222,081	1,219,198	-
Wages and Benefits	547,884	59,528	15,240	43,336	97,430	76,419	188,368	1,028,205	1,260,364
Operating Expenditures	553,328	177,011	144,285	162,314	114,940	61,958	167,335	1,381,171	1,275,894
Contract Services	115,102	1,478	4,702	-	3,616	487	7,260	132,645	32,947
Interest	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>72,050</u>	<u>-</u>	<u>72,050</u>	<u>72,050</u>
	<u>1,635,841</u>	<u>333,819</u>	<u>230,144</u>	<u>205,650</u>	<u>439,380</u>	<u>403,391</u>	<u>585,044</u>	<u>3,833,269</u>	<u>2,641,255</u>
Annual Surplus (Deficit)	<u>1,639,044</u>	<u>(273,469)</u>	<u>(188,804)</u>	<u>7,025</u>	<u>(60,723)</u>	<u>(109,457)</u>	<u>(234,117)</u>	<u>779,499</u>	<u>1,351,079</u>

TOWN OF PORT MCNEILL

Schedule 3 - Combined Statement of Operations by Segment

Year Ended December 31, 2019

	General Government Services	Recreation and Parks Services	Protective Services	Solid Waste	Sewer Services	Water Services	Harbour and Dock	2019 Actual	2019 Budget
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Revenues									
Taxation	1,464,334	-	-	-	-	-	-	1,464,334	1,487,000
Payments in Lieu of Taxes	50,989	-	-	-	-	-	-	50,989	42,000
Sales of Goods and Services	164,588	73,027	39,052	208,267	364,367	281,655	442,055	1,573,011	1,427,000
Interest and Investment Income	1,072,988	-	-	-	-	-	-	1,072,988	30,000
Government Transfers	<u>770,118</u>	<u>12,500</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>782,618</u>	<u>966,000</u>
	<u>3,523,017</u>	<u>85,527</u>	<u>39,052</u>	<u>208,267</u>	<u>364,367</u>	<u>281,655</u>	<u>442,055</u>	<u>4,943,940</u>	<u>3,952,000</u>
Expenses									
Amortization	422,441	93,740	60,397	-	221,973	190,954	221,807	1,211,312	-
Wages and Benefits	510,897	166,398	12,036	44,964	74,472	74,472	229,117	1,112,356	1,221,274
Operating Expenditures	741,591	221,545	199,330	154,372	144,527	59,471	213,323	1,734,159	1,730,161
Contract Services	97,331	2,467	7,384	-	276	807	2,169	110,434	39,710
Interest	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>72,050</u>	<u>-</u>	<u>72,050</u>	<u>135,855</u>
	<u>1,772,260</u>	<u>484,150</u>	<u>279,147</u>	<u>199,336</u>	<u>441,248</u>	<u>397,754</u>	<u>666,416</u>	<u>4,240,311</u>	<u>3,127,000</u>
Annual Surplus (Deficit)	<u>1,750,757</u>	<u>(398,623)</u>	<u>(240,095)</u>	<u>8,931</u>	<u>(76,881)</u>	<u>(116,099)</u>	<u>(224,361)</u>	<u>703,629</u>	<u>825,000</u>