



# District of Port Hardy Annual Report 2014

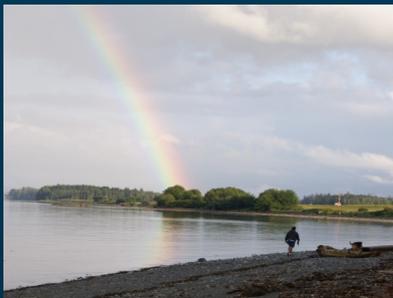
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Live

Work

Invest

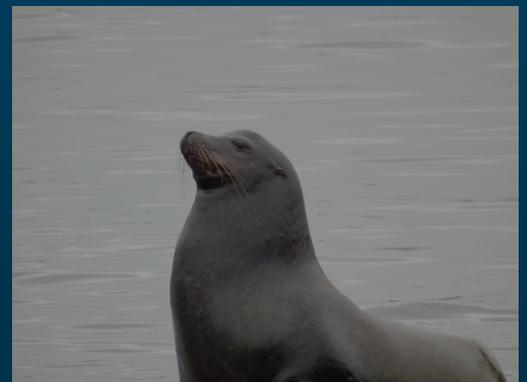


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## Mayor Hank Bood



### Message from Mayor & Council



On behalf of Council I am pleased to present the 2014 District of Port Hardy Annual Report. This document tells of our vision, values, goals, objectives and equally important, our Annual Report gives an accurate picture of Port Hardy's financial position.

Council has made it a priority to maintain a positive balance sheet while ensuring the tax requisition for an average family home remains among the most affordable in the Province. The District continues to make positive changes and is continually making strategic decisions that will maintain and improve the quality of our North Island lifestyle.

Council's focus over the next few years will be in the areas of:

Lifestyle - town beautification  
- improving cultural and recreational opportunities

Generating economic development

Improving infrastructure as well as municipal service delivery

Council is committed to working together with the citizens of Port Hardy to move the District forward and realize the many opportunities for growth and development that lie ahead.

### Appointments

*Executive Committee, Finance Committee, Regional District of Mt. Waddington Board, Regional Hospital Board, BC Ferries Northern Advisory Committee, Island Coast Economic Trust, Municipal Insurance Association*

[hbood@porthardy.ca](mailto:hbood@porthardy.ca)



## Mayor & Council



*Standing: Councillor Dennis Dugas, Councillor Rick Marcotte, Councillor Fred Robertson, Councillor John Tidbury. Sitting: Councillor Pat Corbett-Labatt, Mayor Hank Bood, Councillor Jesse Hemphill.*

The Mayor and Council for the District of Port Hardy were elected for a four-year term in November of 2014. Each member of Council represents the District at large and is appointed to both Port Hardy and regional committees. Council is committed to ensuring that policies and decisions implemented are in the best interests of Port Hardy citizens.

# Council



Councillor Pat Corbett-Labatt

## Appointments



Executive Committee, Finance Committee, First Nations Relations Committee, Poverty Pilot Program, Regional District Mt. Waddington Board (alternate) Regional Hospital Board (alternate), Mt. Waddington Health Network, Primary Care Local Working Group, Hardy Bay Senior Citizens Society

[pcorbett-labatt@porthardy.ca](mailto:pcorbett-labatt@porthardy.ca)



Councillor Dennis Dugas

## Appointments

Executive Committee, Finance Committee, Operational Services Committee, First Nations Relations Committee, Regional District of Mt. Waddington Board, Regional Hospital Board

[ddugas@porthardy.ca](mailto:ddugas@porthardy.ca)



Councillor Jessie Hemphill

## Appointments

Executive Committee, Finance Committee, First Nations Relations Committee, Community Consultative Committee, Port Hardy Heritage Society, Port Hardy Twinning Society, Vancouver Island Regional Library

[jhemphill@porthardy.ca](mailto:jhemphill@porthardy.ca)

Councillor Al Huddleston, Mayor Bev Parnham, Councillor Rick Marcotte, Councillor Jessie Hemphill, Councillor Nikki Shaw  
Sitting: Councillor Al Huddleston, Mayor Bev Parnham, Councillor Rick Marcotte  
Sitting: Councillor Al Huddleston, Mayor Bev Parnham, Councillor Nikki Shaw  
Sitting: Councillor Al Huddleston, Mayor Bev Parnham, Councillor Nikki Shaw

# Council



Councillor Rick Marcotte

## Appointments



Executive Committee, Finance Committee, Operational Services Committee, Parks & Recreation Review Committee, Community Consultative Committee, Emergency Planning Committee, Port Hardy Fire Rescue, Scott Islands Advisory Committee, Vancouver Island North Tourism

[rmarcotte@porthardy.ca](mailto:rmarcotte@porthardy.ca)



Councillor John Tidbury

## Appointments

Executive Committee, Finance Committee, Operational Services Committee, Parks & Recreation Review Committee Emergency Planning Committee, Regional District Mt. Waddington Board (alternate), Mt. Waddington Regional Transportation Committee, North Island Regional Emergency Planning Committee, Vancouver Island North Woodlands Advisory Group

[jtidbury@porthardy.ca](mailto:jtidbury@porthardy.ca)



Councillor Fred Robertson

## Appointments

Executive Committee, Finance Committee, First Nations Relations Committee, Parks & Recreation Review Committee, Job Fair Committee, Vancouver Island Regional Library (alternate)

[frobertson@porthardy.ca](mailto:frobertson@porthardy.ca)

Councillor Jessie Hemphill, Councillor Rick Marcotte  
Sitting: Councillor Al Huddleston, Mayor Bev Parnham, Councillor Nikki Shaw  
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## Message from the Chief Administrative Officer- Rick Davidge



We are pleased to provide our 2014 Annual Report for consideration by our community. The report provides a great deal of financial information, review of operations and projects and progress on Council 's goals and objectives for the year.

In 2014 the District continued to encourage growth in the business sector and reinvestment in their infrastructure. Council continued to work in conjunction with the RCMP to ensure building owners were held accountable for maintaining their properties.

The District 's departments continue to strive to find efficiencies which allow us to provide the best quality services possible to our citizens. We continue to re-invest in our community infrastructure to ensure a high standard of maintenance and upgrades where needed.

Our commitment to reduction of Greenhouse Gas emissions and reduction of energy consumption continues to be a focus for Council and staff.

The District continues to upgrade the downtown lighting of which phase 1 was completed. Recreation complex lighting is progressing and there were upgrades to Curling Club equipment in 2014. Local road infrastructure is ongoing and is a constant challenge for District funding.

I would personally like to thank our Council, staff and the many volunteers in our community for their dedication and hard work to make Port Hardy a better place to work, live and play.

# The Leadership Team

**Rick Davidge**

*Chief Administrative Officer*

**Jeff Long**

*Director of Corporate & Development Services*

**Allison McCarrick**

*Director of Finance*

**Sean Mercer**

*Manager of Operations*

**Daniel Jones**

*Building Inspector & Bylaw Enforcement*

**Melinda Dennison**

*Aquatic Coordinator*

**Vern Braun**

*Recreation Facility Foreman*

**David Pratt**

*Harbour Manager*

**Schell Nickerson**

*Fire Chief*

**Gord Brownridge**

*Staff Sergeant*



The head of the District's leadership team is the Chief Administrative Officer (CAO) who assists Council in the development of the annual Strategic Plan. This document serves as a guide for planning initiatives, infrastructure and maintenance projects for the coming year, as well as helps to determine the budget. Every team member lends their support to ensure the successful implementation of Council's goals and objectives.

The District also relies on its community partners for the important day-to-day tasks involved in keeping the community safe and vibrant. These partners include local service agencies, the Port Hardy Fire Department, the Vancouver Island Regional Library, the Port Hardy & District Chamber of Commerce, the Royal Canadian Mounted Police and the Port Hardy Museum.

"If your actions inspire others to dream more, learn more, do more and become more, you are a leader."

-- John Quincy Adams



# Community Engagement

The District of Port Hardy uses both on-line and off-line tools to communicate with the community.

Throughout the year, the District works with the Port Hardy & District Chamber of Commerce to create business attraction and retention strategies.

The District's communication strategy for 2014 included:

- District Website: [www.porthardy.ca](http://www.porthardy.ca)
- Facebook pages: Port Hardy Recreation & the Don Cruickshank Memorial Arena
- Quarterly Newsletter: distributed with utility bills
- Regular Council Meetings
- Open Houses, as appropriate
- Local Media: The District regularly advertises items of interest to the general public through the *North Island Gazette* (local print media), through the Port 1240AM (local radio), and on community channels 6 and 10
- Community Events: The District hosts and supports several key community events, including the annual Canada Day, FILOMI Days, Halloween Fireworks and Santa Parade - to name a few
- Partnerships: In addition to the communication tools outlined above, the District also co-produces materials with a variety of community partners, including Tourism Port Hardy, The Port Hardy & District Chamber of Commerce, Vancouver Island North Tourism Association and Emergency Preparedness
- Email and Phone:
  - General Inquiries:** email - [general@porthardy.ca](mailto:general@porthardy.ca) or phone 250-949-6665, Monday through Friday, from 8:30 a.m.- 4:30 p.m.
  - Business Development Inquiries:** Contact CAO Rick Davidge, at [rickd@porthardy.ca](mailto:rickd@porthardy.ca) or phone 250-949-6665.





Mayor and Council represent the people of Port Hardy by implementing an extensive strategic planning process each year. This process identifies measurable goals to be achieved over the next 12 months and sometimes longer. 2014 goals included:

- Support the completion of the primary healthcare facility
- Introduce curbside recycling
- Organize and promote broadband upgrades to ensure community sustainability and growth
- Promote tourism and develop investment opportunities
- Review service agreements with local First Nations
- Eliminate barriers for local sea foods to be harvested, processed and made available locally



## 2014 Strategic Focus

## Residential Curbside Recycling



In 2014 implementation of curb-side pickup for recyclable materials began through an agreement between the District of Port Hardy and Multi Material BC.



# Community Services

- Corporate Services
- Operational Services
- Recreation Complex
- Fire Department
- Harbour
- Twinning





### *Highlights*

#### **Administration**

- Managed and administered matters associated with over 100 contracts (including agreements and leases) between the District and other parties for a variety of purposes including such things as the lease of equipment, the provision of services by the District to others, services provided by others to the District, the lease of District land and buildings to others, the lease of Crown lands to accommodate the District's infrastructure, etc.
- Carried out administration associated with the business licensing, dog licensing, open burning permitting, sign permitting and special occasion liquor licensing programs.
- Assisted with administration required to initiate the new door-to-door recycling program through Multi-Material BC.
- Renewed the contacts for the provision of animal care and control services, as well as solid waste collection with the addition of the door-to-door recycling collection service.
- Fire Service Review Study related to the District's fire protection services was completed.
- Carried out process for filling the Emergency Coordinator position and created a new Deputy Emergency Coordinator position. Welcome back Bob Hawkins and thanks to Mike McCulley for stepping in as the new Deputy Emergency Coordinator!
- Filled a second membership position on the Board of Variance which establishes a quorum for the Board. Welcome Steve Johnson!
- Organized and facilitated the 2014 general local election.



### **Bylaws and Policies**

- Zoning Bylaw No. 1010-2013 completed by staff and adopted by Council. Replaces the 2006 Zoning Bylaw and implements the 2011 District of Port Hardy Official Community Plan.
- Prepared a new policy which establishes the procedures for facilitating and dealing with the submission of comments from the public on matters not related to bylaw enforcement.
- Revised, updated, replaced or created policies and regulatory bylaws on an as needed basis associated with:
  1. Animal Care and Control Bylaw No. 11-2012;
  2. Board of Variance Bylaw No. 1032-2014;
  3. Cemetery Bylaw No. 11-2009;
  4. Council Procedure Bylaw No. 03-2009;
  5. Council Remuneration Bylaw No. 17-2011
  6. Garbage and Recycling Bylaw No. 1027- 2014
  7. Municipal Ticket Information System Bylaw No. 01-2010;
  8. Official Community Plan Bylaw No. 15-2011
  9. Open Burning and Smoke Control Bylaw No. 15-2012;
  10. Policy AP3.9 – Organizational Chart
  11. Policy AP6.2 – Public Comments
  12. Policy CP5.5 – Polling Staff Wages
  13. Policy CP9.1 – Special Occasion Liquor Licences
  14. Policy CP10.10 – Hanging of Banners on District’s Banner Poles
  15. Sign Regulation Bylaw No. 08-2009
  16. Water Regulations Bylaw No. 02-2012
  17. Zoning Bylaw No. 1010-2013

### **Building Inspection, Fire Inspection and Bylaw Enforcement Services**

- Provided building inspection services to the Regional District of Mount Waddington for the unincorporated community of Coal Harbour, and the Village of Port Alice.
- Established a public education campaign to create awareness about the requirements associated with the Building Bylaw and BC Building Code, as well as the District's Building Permit Application process. This included the preparation of handouts to be included with application packages that are provided to the public, write ups in the quarterly newsletter, additions to the District's website and letters sent directly to known contractors involved in the building trades.
- Continued with bylaw enforcement campaign for unsightly premises in the downtown area.
- Completed compilation of a database of properties that are subject to fire safety inspections as required by the Fire Services Act. Completed thirty-five fire safety inspections.
- Issued 44 building permits with a construction value of \$3,203,065 broken down as follows:

## Corporate Services

2014 BUILDING AND DEMOLITION PERMITS		
Nature of Permit	Number of Permits	Construction Value
Residential		
New dwelling units	1	\$400,000
Additions / renovations	25	\$256,100
Commercial / Industrial		
New buildings	5	\$532,000
Additions / renovations	13	\$341,965
Institutional		
New buildings	2	1,700,000
Additions / renovations	0	0
Demolitions		
All types	4	Not applicable
<b>TOTAL</b>	<b>44 Building and 4 Demolition</b>	<b>\$3,203,065</b>

## Emergency Preparedness

The tsunami warning events in late 2012 and early 2013 prompted the District and its Emergency Planning Committee (EPC) to undertake initiatives to better educate residents about tsunami awareness which has become part of an ongoing effort by the District.

In 2014, there was a change in the Emergency Coordinator position with Bob Hawkins returning to the position and Mike McCulley stepping down, but staying on as the new Deputy Emergency Coordinator for the District.

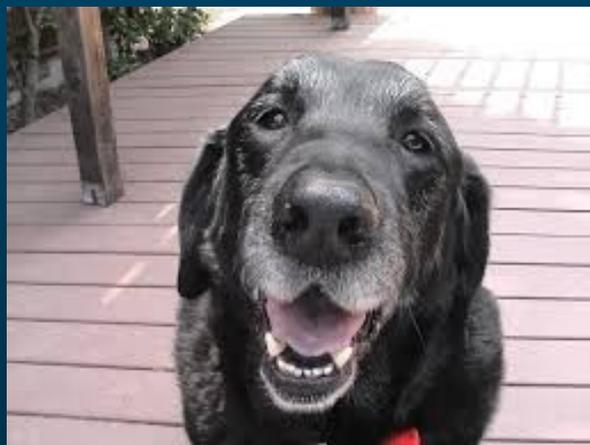
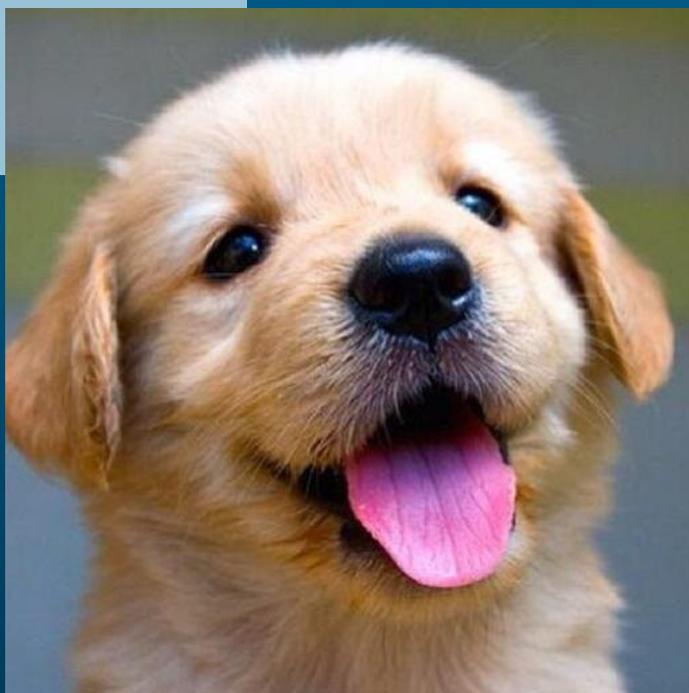
Preparation of a protocol associated with establishment of and procedures for running the Emergency Operations Centre is planned to be undertaken in 2015. This protocol would become an appendix to the District's 2007 Emergency Plan and could be revised by the EPC to accommodate changes that are required from time to time. Revisions to the Emergency Program Bylaw will be considered in 2015 to facilitate this type of arrangement.

## Animal Control

The District provides animal care and control services with the assistance of a third party contractor, Aries Security Ltd, whose contract was extended in 2014 to 2019.

Aries operates the District's animal shelter located at 5060 Pioneer Way and undertakes enforcement activities governed by the District's Animal Care and Control Bylaw No. 11-2012. Aries staffs the animal shelter every day of the week from 9:30am to 10:00am and again from 4:45pm to 5:15pm. Animal control response service is available seven days a week, twenty-four hours a day.

In 2014, a total of 125 dogs and cats were surrendered or impounded and of these, 39 were claimed and 84 were adopted or transferred to other facilities for adoption. There were a total of 28 incidents or matters that generated animal-related complaints in 2014 with some of these the subject of multiple complaints.



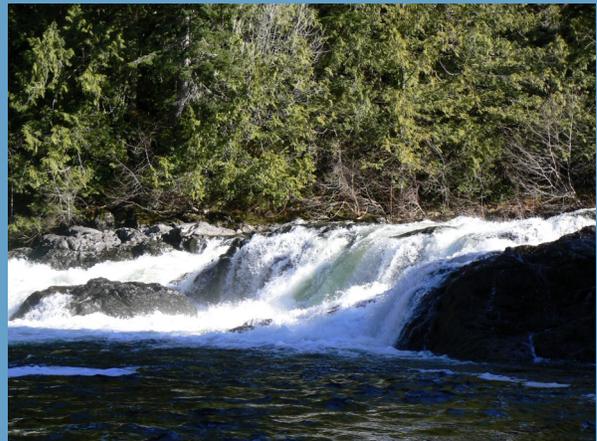


## *Highlights*

In 2014, all three treatment plants produced high quality effluent. All effluent is tested in house and is also subject to third party lab testing as described in our Permit to Operate and Operating Certificates. There were no water main breaks in 2014 although there were some property service lines that were repaired. In October, due to power fluctuations, a pump and controls failed at the Fort Rupert School Sewage Liftstation. Emergency repairs were made and operators worked through the night to make sure that there were no spills or impact to the environment.

The District's utility infrastructure includes:

- 2 Wastewater Treatment Facilities
- 1 Water Treatment Plant
- 11 wastewater liftstations
- 3 Water Reservoirs
- 7 Pressure Reducing Stations
- 1 Booster Station
- 198 Hydrants



## *Water:*

The Tzulquate River is Port Hardy's sole source of water. The water from the river is heavily tinted brown from tannins and other leachates. In May of 2000, the water treatment plant was commissioned removing the colour and filtering out turbidity. This Level III treatment plant uses a Dissolved Air Floatation (DAF) process to remove the colour and dual media filtration to remove any remaining particulate. Water is also treated with for alkalinity and pH adjustment and disinfected with sodium hypochlorite. The plant operates under Vancouver Island Health Authority (VIHA) Permit 1515.

### *Waste Water:*

The District of Port Hardy is divided into two major collection systems each with its own treatment facility. The Airport Wastewater Treatment Plant (AWWTP) built in 1975 is located adjacent to the Transport Canada Airport. This is a Level II Extended Aeration treatment process discharging under Ministry of Environment Operational Certificate 105299. The Tsulquate Wastewater Treatment Plant (TWWTP) originally built in 1972 and went through a major upgrade in 2007. It services the majority of Port Hardy and is located adjacent to the Tsulquate River estuary. This Level III facility encompasses the original Extended Aeration process running in parallel to two, Sequential Batch Reactors (SBRs). All effluent is subject to Ultraviolet (UV) light disinfection prior to discharge. The plant operates under Operational Certificate ME-00385.



The **“Water Treatment Plant and Distribution System 2014 Annual Operations Performance Report for Facility Numbers 529 & 155”** is located as Appendix I, starting on page 41 of this document.

The **“Water Treatment Plant & Distribution System Annual Operations Report 2014, MOE Certification ME-00385 & PE-04168”** can be found in Appendix II, starting on page 42 of this document.

## Recreation Complex

### *Don Cruickshank Memorial Arena*

During 2014 the Don Cruickshank Memorial Arena hosted five Minor Hockey Tournaments and the Port Hardy Wild Women's Hockey Tournament. Ice use by patrons and user groups totaled 884.25 hours. Public/Family Skates, Stick Times and special events hosted by the Recreation Department attracted 2325 skaters, with approx. 300 attending the holiday skates and stick times.

There was an additional 75 hours of dry floor rentals in the off season. The major of these hours were the result of three major events that took place while the ice was out. These events were the Harvey Walkus Memorial Floor Hockey Tournament, the North Island Eagles – FILOMI Days Dance and the Mount Waddington Regional Fall Fair. All these events had great community involvement and were an enjoyable time for all participants and attendants. 2014 saw no major capital projects take place at the Recreation Centre. Maintenance staff was kept busy with the regular yearly upkeep of the facility.



# Recreation Complex



## *2014 Events*

January 4	Heath Dennison Coaches Clinic
January 10 - 12	Port Hardy Minor Hockey Peewee Tournament
January 31 -February 2	Port Hardy Minor Hockey Bantam Tournament
February 21 - 23	Port Hardy Minor Hockey Midget Tournament
March 16	Last day of Skating
March 17	Ice out
April 25 -27	Harvey Walkus Memorial Floor Hockey Tournament
July 19	N.I. Eagles FILOMI Days Dance
September 6 – 7	Mount Waddington Regional Fall Fair
September 21	Ice in for First Skate
October 24 – 26	Port Hardy Wild Tournament
November 21 – 23	Port Hardy Minor Hockey Atom Tournament
November 28 – 30	Port Hardy Minor Hockey Novice Tournament
December 22	Started Christmas schedule

Arena staff supported the community through participation in local events such as Canada Day and FILOMI Days, assisting with event planning, set up and take down.

## *Maintenance*

### Arena

- Compressor rebuild
- Completed general plumbing, and facility repair and maintenance

### Pool

- Performed general plumbing, and facility repair and maintenance
- Main pump motor replacement
- Change room murals



# Recreation Complex

## *Aquatic Centre*

In 2014, the Aquatic Centre continued to offer many popular programs, and special event swims.

The Aquafit program and the Evening Public swim proved to be in popular demand.

The Port Hardy Aquatic Centre is very important to our community averaging approximately 1,450 participants per month during the 10.5 months it is open for use.



<i>Year-end Totals</i>	# of people
<b>Swim Type</b>	<b>TOTAL</b>
Noon Lengths	2,031
Senior Swim Family Swim Day	879
Public Swim Day	2,033
Public Swim / Eves.	3,310
Family Swim / Eves.	4,264
Aquafit Day Combined with Aquafit Eves. / Aqua Yoga	2,893
Adult Lengths / Eves.	572
<b>TOTAL</b>	<b>15,982</b>

# Fire Department

Port Hardy Fire Rescue is made up of part time Fire Chief Schell Nickerson and Deputy Chief Brent Borg, along with 28 volunteer members. We had 5 members leave with 4 new members joining our department.

Port Hardy Fire Rescue responded to 118 calls for service in 2014, which was down from 2013 of 119 calls.

2013			2014		
Calls	Response Type	% of Total	Calls	Response Type	% of Total
36	Fire	30%	41	Alarms	34%
29	Alarms	24%	25	Fire	21%
17	Assistance	14%	20	MVI	17%
12	Public Service	10%	19	Assistance	16%
10	MVI	8%	4	Haz-Mat	12%
8	Investigation	6%	3	Mutual Aid	
4	Mutual Aid	8%	3	Investigation	
2	Haz-Mat		2	Public Service	
1	Rescue		1	Rescue	
119	Total	100%	118	Total	100%

Training continues to be our biggest focus for the Fire Department.



We had 50 scheduled training nights this year along with many other special training events. Some of those special training events were Live Fire training with our mutual aid partners. We had members travel to Chemainus, Parksville, Qualicum Beach and Victoria.

We had 3 members earn their Fire Service Instructor Level 1.

We had 4 members complete the Emergency Scene Traffic Control Instructor course and we now have 21 members with their JIBC Basic Training certification.

# Fire Department

## *Highlights*

Fire Prevention and community involvement is what really brings our members together. Some of the things we did were:

- 27 students from Avalon Adventist Junior Academy came to tour the fire hall
- Travelled to Stepping Stone Daycare twice to see 38 children
- 31 students from the Quatsino First Nations School came to tour the fire hall

We visited the Fort Rupert First Nations Community Safety Fair to talk fire safety on “Stop, Drop and Roll”

Our Open House during Fire Prevention Week was another big hit with a mock living room demonstration on how quick a cigarette in a couch would light the whole room on fire.

Funding from the Port Hardy Volunteer Firefighters Association and the Sparky Fund made it possible to purchase a Sparky the Dog costume to assist with Fire Prevention Awareness programs.



Community Involvement was busy this year with:

- Art Cycle for a Wish
- Relay for Life
- Grad 2014
- BC Children’s Hospital
- Canada Day Parade
- Filomi Days Parade & Fireworks
- Orca Fest Parade
- Tour De Rock

We were also able to help with the Christmas Bazaar, Storey’s Beach Fireworks, the Pumpkin walk, Remembrance Day Ceremonies, the Santa Claus Parade and the delivering of over 60 Christmas Hampers.

## *Highlights*

Port Hardy Fire Rescue was able to purchase our first ever Air Compressor and Filling Station. We constructed a new room at Fire Hall #1 in the bay to house the filling station. We installed a flag pole at Fire Hall #1. The Port Hardy Hospital Auxiliary Society once again came forward and thanked us by purchasing us 27 dress uniforms.

Overall the Fire Department is healthy with membership. We had less fires with less fire loss. We were able to serve our community with professional training, great equipment, committed volunteer firefighters. Firefighters are the most respected service group in any community and it shows with over 9900 man hours logged in 2014.

I would like to thank all our volunteer firefighters, their families and their employers that let them attend the call of duty for the citizens of Port Hardy. Thank you all.

Remember smoke alarms, saves lives, and if you don't have one just ask and we will come and install one for you.

Fire Chief

Schell Nickerson





The Port Hardy Harbour Authority has enjoyed another successful and profitable year. The record returns of Sockeye Salmon to the Fraser River in 2014 brought a significant increase in commercial fishing vessel traffic to the harbour. This increase in vessel traffic boosting both harbour revenues and the revenues of local businesses that service the commercial fishing industry. This year it was not uncommon to see vessels rafted four and five abreast at Fisherman's Wharf

In addition to a busy summer and fall servicing the fishing fleet, the Harbour Authority worked hard planning for improvements slated for the 2015 fiscal year. In addition to planning and regular maintenance, significant improvements occurred at various harbour facilities. Attention was focused predominantly on the Fisherman's Wharf facility.

The following is a list of harbour improvements arranged by location and completed during the 2014 fiscal year:

## *T-Floats*

- Additional egress ladders were added to the floats.
- Plank replacement was conducted in addition to modifications to the water lines on the central float.



## *Seagate Pier*

- A maintenance plan was developed for the replacement of approximately 75 cross braces at the Seagate Pier.
- A Request For Quotation was advertised with a quote from a local contractor accepted for the installation of cross bracing in early 2015



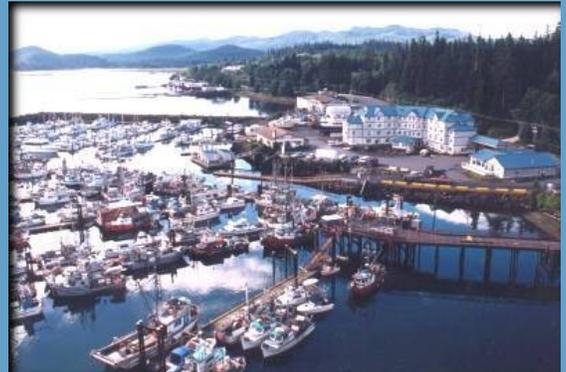


## *Seine Floats*

- SCH engineers conducted anchoring and tensioning of the Seine Float anchoring system.

## *Fisherman's Wharf*

- All existing lighting on the Fisherman's Wharf Pier was replaced with high efficiency LED lighting.
- An additional LED light and stanchion were added halfway down the pier significantly increasing visibility.
- Tuff Marine Products Ltd. replaced multiple pile caps and bearing piles in addition to 50% of the pier's cross bracing.



## *Bear Cove*

- This was the first year that the floating Bait Shack was positioned at Bear Cove. This new amenity was well received by sport fishermen.





# PORT HARDY TWINNING SOCIETY

Port Hardy, BC - Numata, Hokkaido  
Canada - Japan

To strive for the advancement of friendship between our community and Numata through the promotion of exchanges in the fields of economy, culture, education, and sports... in full and free cooperation with our sister city.

Under the guidance of Chair Patricia Corbett-Labatt, the Twinning Society enjoyed a very busy year in 2014. At an April Council meeting the Twinning Society updated and reviewed the 2014 activities of the Port Hardy Twinning Society and gave the 2014 financial report of the Twinning Society. Activities undertaken by the Society in 2014 were reviewed through a power point presentation, and plans for 2015 were discussed.

So, today in Port Hardy is a Torii Gate. There are many definitions of a Torii but the one that is very appropriate is "A **torii** is a traditional Japanese gate most commonly found at the entrance of or within a Shinto shrine, where it symbolically marks the transition from the profane to the sacred." The location chosen for our Torii - in one direction it frames our bay and the other direction it frames trees - all of which we view as very profound and special and very important.



## FILOMI DAYS July 19-21 2014

The theme of this year's Filomi Days was *Fish On* to acknowledge the role fishing has played in our community. Twinning Society members met on a number of evenings to build an andon style float. The float was constructed in the traditional Numata way with bamboo strips covered with rice paper and was placed on a rolling base. The float was then hand painted with fish and subsequently won a First Place Ribbon!



# PORT HARDY TWINNING SOCIETY

Port Hardy, BC - Numata, Hokkaido  
Canada - Japan

To strive for the advancement of friendship between our community and Numata through the promotion of exchanges in the fields of economy, culture, education, and sports... in full and free cooperation with our sister city.



## Delegation to Numata, 2014

In August an eight member delegation headed to Numata to represent the District of Port Hardy, enjoy meeting new friends, and take part in the Andon Festival. The delegates enjoyed a great week in Numata with the host families and took part in many activities during the week including touring a tomato factory, touring the countryside, and partaking in the Andon Festival.

## September Mt. Waddington Regional Fall Fair

Even though there was a shortage of volunteer manpower the weekend of the Fall Fair, the Society was still able to enter a booth. This is important to do as it is one way of recruiting new Twinning Society members.



## Social Media

The colorful Port Hardy Twinning Society Facebook page continues to be visited regularly by Society members, Numata Mayor Kanehira and citizens of both Port Hardy and Numata. Society events, photos and activities are uploaded and updated regularly. It is an open group page where a person only has to 'like' it to view it.

## Twenty Year Celebration

The Port Hardy Twinning Society's recognition of the 20 years that Port Hardy and Numata have been sister cities was formally recognized and celebrated on Thanksgiving Day.

## 2015 Plan

- Continue to try and locate a site to store and maintain the Andons
- Continue to maintain Twinning Garden
- Work with Port Hardy Secondary School to raise interest for students to go to Numata



## Taxable Property Assessments

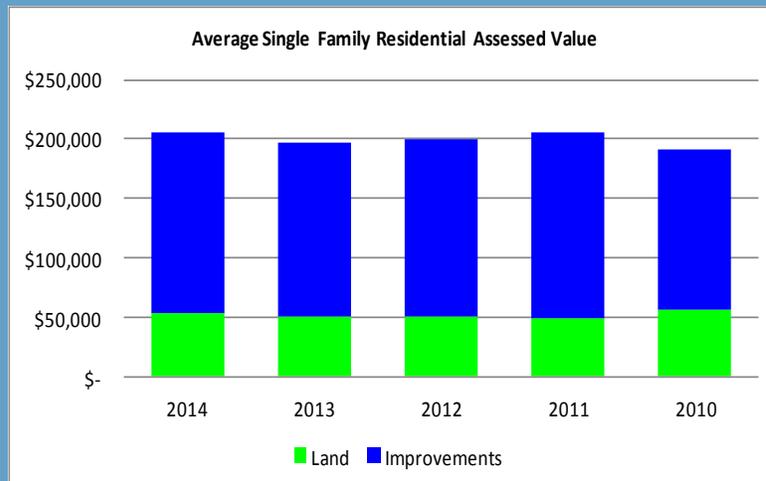
(in \$1,000's)	2014	2013	2012	2011	2010
Residential	\$ 261,596	\$ 256,225	\$ 257,891	\$ 256,961	\$ 242,241
Utilities	751	490	479	476	512
Light Industry	3,804	3,924	3,975	4,233	4,764
Business	58,419	58,169	56,840	57,242	57,948
Managed Forest	322	203	213	232	254
Recreation/Non Profit	346	367	409	409	425
	<b>\$ 325,237</b>	<b>\$ 319,378</b>	<b>\$ 319,807</b>	<b>\$ 319,553</b>	<b>\$ 306,145</b>

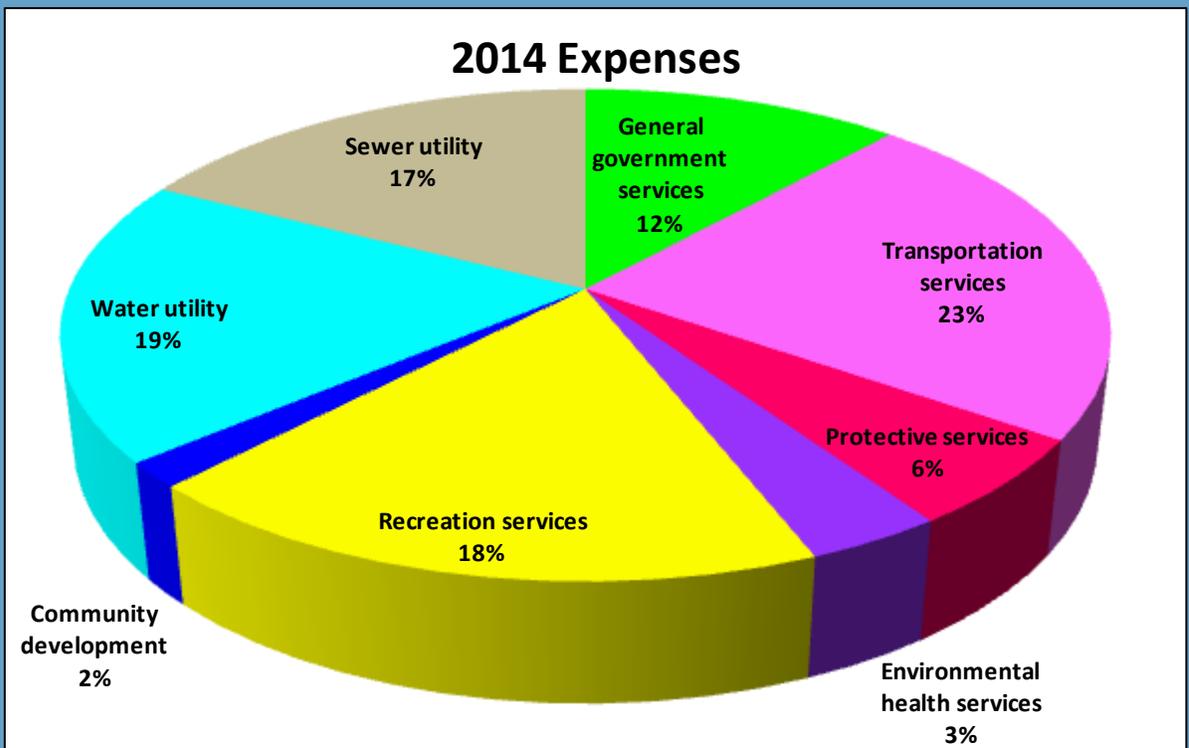
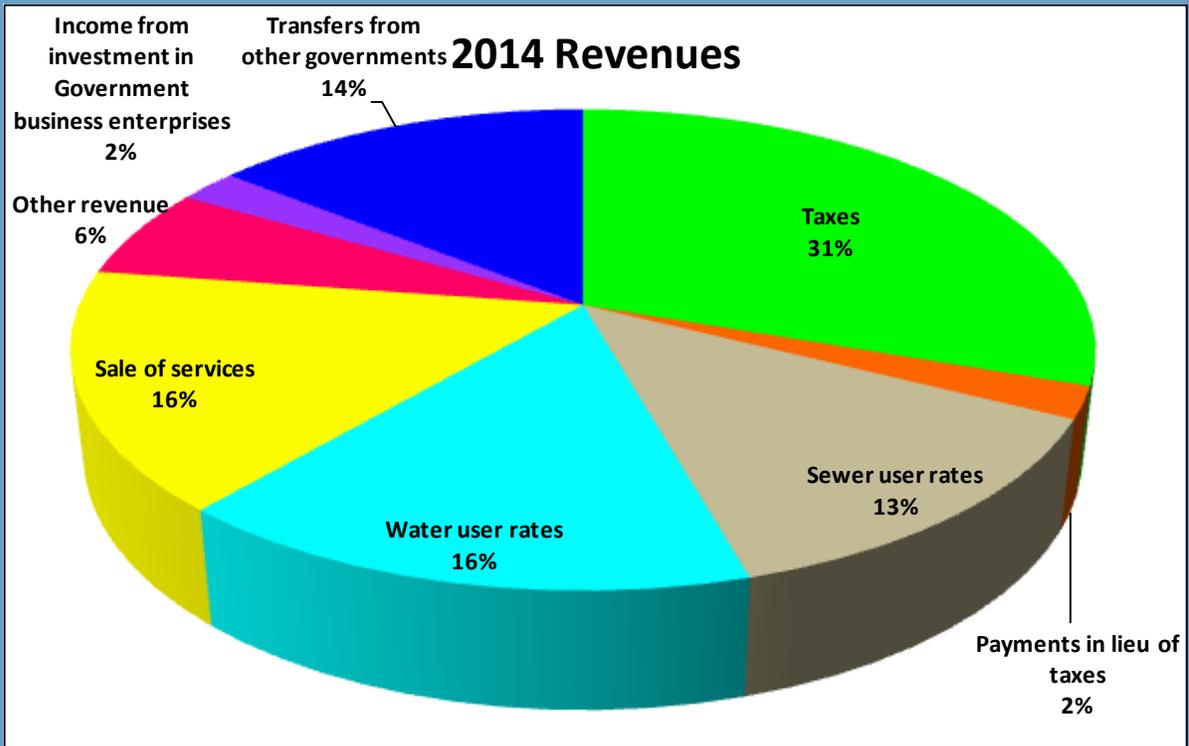
% change from prior year	1.83%	-0.13%	0.08%	4.38%	7.38%
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### Average Single Family Residential

Assessment	2014	2013	2012	2011	2010
Land	\$ 53,404	\$ 51,376	\$ 50,599	\$ 49,939	\$ 56,710
Improvements	151,996	146,224	149,001	155,592	134,499
	<b>\$ 205,400</b>	<b>\$ 197,600</b>	<b>\$ 199,600</b>	<b>\$ 205,531</b>	<b>\$ 191,209</b>

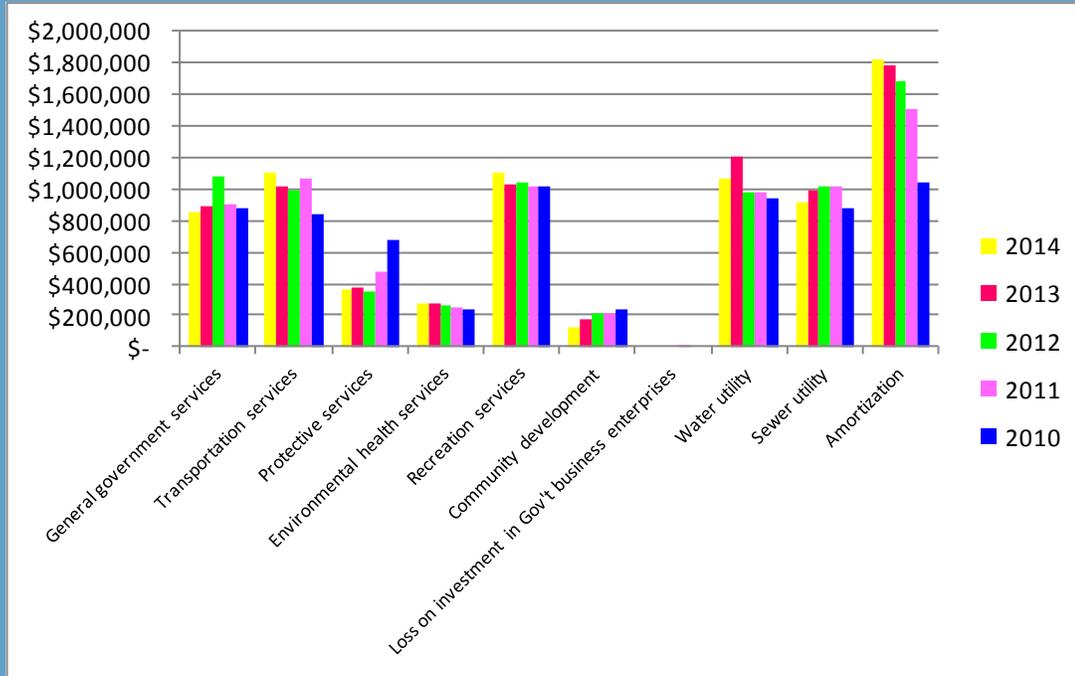
% change from prior year	3.95%	-1.00%	-2.89%	7.49%	-2.01%
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# Finance

## Expenses by Function



*Schedule of Property Tax Permissive Exemptions  
December 31, 2014*

	● ● ● ● ● ● ● ● ● ●	
Fort Rupert Curling Club	\$	6,298
Grassroots Garden Society		399
North Island Crisis and Counseling Centre Society		3,688
Pentecostal Assemblies of Canada		3,442
Port Hardy Baptist Church		1,155
Port Hardy Chamber of Commerce		3,806
Port Hardy Congr Jehovah's Witnesses		1,308
Port Hardy Ecumenical Society		2,132
Port Hardy Heritage Society		4,528
Port Hardy Hospital Auxiliary		2,495
Rainbow Country Daycare Society		2,030
Royal Canadian Legion		2,273
Seventh Day Adventist Church		24,518
St. Bonaventure Catholic Church		1,824
Tri Port Motorsport Association		732
Vancouver Island Health Authority		52,935
PH Seniors Housing		1,964
Total	<u>\$</u>	<u>115,527</u>

The District's Consolidated Financial Statements can be found in Appendix III, starting on page 43 of this document.



## Water Treatment Plant & Distribution System



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## **WATER TREATMENT PLANT & DISTRIBUTION SYSTEM**

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## **2014 Annual Operations Performance Report** **Facility Numbers 529 & 155**



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**DISTRICT OF PORT HARDY**  
**WATER SYSTEM ANNUAL REPORT 2014**



## 1. HIGHLIGHTS

### Overview

Port Hardy, with a population of about 5,000 people, is located at the northern end of Vancouver Island. In May 2000 the new water treatment plant was commissioned and helped Port Hardy's reputation of poor water quality to one of the best in British Columbia.

Port Hardy's source water is the Tsulquate River. The water from this river is tinted brown from tannins and other leachates. Port Hardy's Water Treatment Plant uses a Dissolved Air Flotation (DAF) system which is very effective in treating highly colored water. Treatment is achieved using ISOPAC 6 and Soda Ash to remove the color, particles, sediment and organics that are present. A filter aid, Hydrofloc 400 is added in trace amounts after the DAF treatment and prior to the filters to improve coagulation of fine particles. Filtration is done through a mixed media consisting silica sand and anthracite. Lime slurry, carbon dioxide and sodium hypochlorite are injected post filtration for alkalinity, pH adjustment and disinfection.

In 2014, the plant continued to produce a very high level of treatment providing excellent water quality to the District of Port Hardy.

### Permit to Operate

The Port Hardy water treatment plant is a Level III facility as deemed by the Environmental Operators Certification Program (EOCP), certification number 529. The distribution system is a Level III system with a certification number of 155.

### Certified Operators

The Operational Permit from Vancouver Island Health Authority Operational requires that a certified operator is employed to match the Water Treatment Plant Certification, a level III plant. The District currently employs a Level IV operator and one Level II operator.

Operator	Title	Certification
Joe Jewell	Utilities Supervisor	WT IV, WWT II, WD II
Justin Reusch	Chief Operator	WT II, WD I, WWT II
Roland LeFort	Operator	WWT III, WT I
Cory Henschke	Operator	WWT I, WD II

**DISTRICT OF PORT HARDY**  
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## **Operational Highlights**

### **Water Treatment Plant**

Throughout the course of 2014, there were times where due to heavy rains and high river colour events, that the water treatment process was upset. In these events, the plant is taken offline and no water is pumped to the reservoir. Water is only pumped to the reservoirs once the treatment plant's process quality is restored. This will result in lower than desired reservoir levels but quality will not be compromised.

- There were no violations to permit in 2014
- New pH and turbidity online instrumentation were installed to monitor the reservoir effluent quality. This information is logged and retained in the water plant SCADA historicals
- Clearwell pump#1 was completely rebuilt. The variable frequency drive (VFD) after a complete failure and the pump motor was sent out for a rewind

### **Water Distribution System Highlights**

- There were no main breaks in 2014
- 123 hydrants serviced
- In November, a ball valve failed on the plumbing in the Bear Cove Booster building resulting in a large loss of water. No interruption to service. The building required repair
- Water Model work performed and results sent to Aplin Martin

### **Cross Connection Control**

A formal Cross Connection Control program was presented to the District of Port Hardy in late 2010. This system was created by Maintenance Tracking Systems Inc (MTS). Currently, backflow preventers are installed in all treatment plants in areas that may be a possible risk. In 2008, all sewage liftstations with wash down hose bibs were upgraded with backflow preventers.

### **Water Wise Program Continuation**

A total of 175 meters are being read including commercial users and multi-family dwellings. All new homes and constructions will have meter setters installed as part of this program. Continuing public education around proposed metering/rate changes and general information on water wise initiatives was conducted and will be ongoing until all users are metered.

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## 2. Raw Water Production and Quality

Month	Raw Production		Dam Height (m)	Colour (TCU)	Turbidity (NTU)	Conductivity μS/cm	pH	Alkalinity (mg/L as CaCO <sub>3</sub> )	Temperature (°C)	Rain (mm) Total/Month
	(ML/day)	Total/Month								
January	4.4	135	0.35	87	0.72	20	6.6	5	4	116.4
February	4.7	131	0.32	75	0.61	23	6.6	5	2	124.0
March	4.3	132	0.43	92	0.94	20	6.5	5	4	147.8
April	4.1	124	0.35	74	0.62	20	6.6	5	7	78.4
May	4.4	137	0.25	76	0.61	21	6.7	5	12	59.2
June	4.4	132	0.19	49	0.28	25	7.0	7	14	29.5
July	4.9	151	0.17	49	0.17	26	7.6	8	10	33.2
August	5.5	171	0.13	37	0.30	28	7.0	8	16	24.2
September	4.8	143	0.15	46	0.52	30	6.9	8	13	54.8
October	4.6	144	0.47	94	1.50	34	6.6	6	12	277.0
November	4.9	146	0.45	95	1.36	21	6.5	5	7	228.4
December	4.9	151	0.43	84	1.04	19	6.4	5	7	259.2
Average	4.7	141	0.31	72	0.72	24	6.8	6	9	119.3
Total		1697								1432.1

All lab testing performed by plant operators.

*Note: Values in this table are a monthly average with the exception of raw production totals.*

## 3. TREATED WATER QUALITY

Month	Clearewell Flow	pH	Turbidity (NTU)	Conductivity μS/cm	Colour (TCU)	Total Hardness (mg/L as CaCO <sub>3</sub> )	Alkalinity (mg/L as CaCO <sub>3</sub> )	Temperature (°C)
	Total/Month							
January	133	7.7	0.13	122	0.9	30	33	5
February	127	7.6	0.13	115	0.8	34	34	8
March	125	7.7	0.12	102	1.1	27	27	5
April	120	7.6	0.11	107	0.7	30	30	8
May	130	7.7	0.12	109	0.8	29	30	12
June	129	7.8	0.12	93	1.1	28	27	14
July	142	7.7	0.11	108	1.0	35	34	16
August	163	7.7	0.13	110	1.1	34	35	16
September	140	7.4	0.09	93	1.0	25	23	14
October	140	7.4	0.13	126	1.1	26	28	12
November	143	7.4	0.10	113	0.8	28	27	7
December	163	7.5	0.14	110	1.1	28	29	6
Average	138	7.6	0.12	109	1.0	29	30	10
Total	1,656							

All lab testing performed by plant operators.

*Note: Values in this table are a monthly average with the exception of treated production totals.*

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4. FILTERED WATER QUALITY

Month	Filter #1		Filter #2		Filter #3		Filter #4	
	Turbidity (NTU)		Turbidity (NTU)		Turbidity (NTU)		Turbidity (NTU)	
	Avg.	Max.	Avg.	Max.	Avg.	Max.	Avg.	Max.
January	0.04	0.29	0.04	0.29	0.04	0.29	0.04	0.27
February	0.04	0.27	0.04	0.12	0.05	0.26	0.04	0.11
March	0.03	0.10	0.04	0.13	0.03	0.29	0.03	0.11
April	0.04	0.11	0.04	0.11	0.03	0.11	0.03	0.10
May	0.04	0.29	0.04	0.29	0.04	0.29	0.04	0.29
June	0.03	0.03	0.03	0.03	0.03	0.03	0.03	0.03
July	0.04	0.04	0.04	0.04	0.04	0.04	0.04	0.04
August	0.04	0.09	0.04	0.10	0.03	0.10	0.04	0.10
September	0.03	0.06	0.04	0.08	0.03	0.07	0.03	0.09
October	0.04	0.27	0.04	0.14	0.04	0.29	0.04	0.28
November	0.04	0.09	0.04	0.10	0.04	0.11	0.04	0.10
December	0.04	0.11	0.04	0.10	0.03	0.10	0.03	0.10
Average	0.04	0.15	0.04	0.13	0.03	0.17	0.04	0.13
Minimum	0.03	0.03	0.03	0.03	0.03	0.03	0.03	0.03
Maximum	0.04	0.29	0.04	0.29	0.05	0.29	0.04	0.29

The table displays the monthly averages and maximum monthly values.

5. CHLORINE, LOG REMOVAL & CCPP

Day	Reservoir Influent	Reservoir Effluent		Log Reduction of <i>Giardia</i> (Disinfection)	Log Reduction of <i>Giardia</i> (Total)	CCPP
	Average Free Chlorine (mg/L)	Free Chlorine (mg/L)	Total Chlorine (mg/L)			
January	1.5	1.0	1.1	2.5	5.0	-4.8
February	1.6	1.0	1.1	2.0	4.5	-4.8
March	1.6	1.1	1.1	2.7	5.2	-4.6
April	1.6	1.0	1.1	3.5	6.0	-5.2
May	1.6	1.0	1.0	3.4	5.9	-5.0
June	1.6	1.1	1.1	4.5	7.0	-4.2
July	1.7	1.0	1.1	4.4	6.9	-4.2
August	1.7	1.1	1.2	4.8	7.3	-4.2
September	1.6	1.0	1.1	4.9	7.4	-6.6
October	1.9	1.1	1.2	4.6	7.1	-6.9
November	1.6	1.1	1.2	3.3	5.8	-7.0
December	1.5	1.1	1.2	3.0	5.5	-5.0
Average	1.6	1.1	1.1	3.6	6.1	-5.2

The table displays the monthly averages.

CCPP – Calcium Carbonate Precipitation Potential

Lab tests performed by plant operators.

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**6. DISTRIBUTION WATER QUALITY AND BACTERIOLOGICAL RESULTS**

Chatham Avenue					
Sample Date	Free Chlorine (mg/l)	Turbidity (NTU)	pH	Total Coliform cfu/100ml	E.Coli cfu/100ml
1/21/14	0.5	0.15	8.4	<1	<1
2/18/14	0.6	0.25	8.3	<1	<1
3/04/14	0.6	0.17	8.4	<1	<1
4/01/14	0.4	0.15	8.6	<1	<1
5/13/14	0.5	0.41	8.2	<1	<1
6/03/14	0.7	0.18	8.0	<1	<1
7/29/14	0.6	0.24		<1	<1
8/20/14	0.5	0.17	8.2	<1	<1
9/16/14	0.4	0.22	8.2	<1	<1
10/07/14	0.3	0.42	8.0	<1	<1
11/04/14	0.4	0.26	8.0	<1	<1
12/01/14	0.6	0.23	7.8	<1	<1
Average	0.5	0.24	8.2	<1	<1
Minimum	0.3	0.15	7.8	<1	<1
Maximum	0.7	0.42	8.6	<1	<1

Jokerville / Peel Street					
Sample Date	Free Chlorine (mg/l)	Turbidity (NTU)	pH	Total Coliform cfu/100ml	E.Coli cfu/100ml
1/14/14	0.7	0.14	7.4	<1	<1
2/04/14	0.5	0.25	7.7	<1	<1
3/18/14	0.7	0.15	8.0	<1	<1
4/15/14	0.6	0.17	7.5	<1	<1
5/06/14	0.4	0.27	7.7	<1	<1
6/10/14	0.6	0.15	7.6	<1	<1
7/08/14	0.3	0.16	7.7	<1	<1
8/12/14	0.6	0.41	7.7	<1	<1
9/16/14	0.8	0.11	7.2	<1	<1
10/21/14	0.9	0.20	7.6	<1	<1
11/12/14	1.0	0.17	7.6	<1	<1
12/10/14	0.3	0.30	7.8	<1	<1
Average	0.6	0.21	7.6	<1	<1
Minimum	0.3	0.11	7.2	<1	<1
Maximum	1.0	0.41	8.0	<1	<1

Airport Inn					
Sample Date	Free Chlorine (mg/l)	Turbidity (NTU)	pH	Total Coliform cfu/100ml	E.Coli cfu/100ml
1/21/14	0.5	0.22	7.7	<1	<1
2/11/14	0.6	0.30	7.7	<1	<1
3/11/14	0.9	0.56	7.4	<1	<1
4/08/14	0.6	0.18	7.8	<1	<1
5/21/14	0.7	0.94	7.8	<1	<1
6/10/14	0.7	1.15	7.6	<1	<1
7/15/14	0.6	0.56	7.9	<1	<1
8/20/14	0.7	0.73	8.0	<1	<1
9/16/14	0.5	0.30	7.4	<1	<1
10/07/14	0.4	1.15	7.4	<1	<1
11/18/14	0.8	0.39	7.2	<1	<1
12/16/14	0.7	0.35	7.6	<1	<1
Average	0.6	0.57	7.6	<1	<1
Minimum	0.4	0.18	7.2	<1	<1
Maximum	0.9	1.15	8.0	<1	<1

Douglas Street PRV					
Sample Date	Free Chlorine (mg/l)	Turbidity (NTU)	pH	Total Coliform cfu/100ml	E.Coli cfu/100ml
1/07/14	1.0	0.15	8.0	<1	<1
2/11/14	0.9	0.27	7.8	<1	<1
3/04/14	0.9	0.15	7.6	<1	<1
4/01/14	0.8	0.24	7.6	<1	<1
5/13/14	0.7	0.18	7.9	<1	<1
6/03/14	1.0	0.16	7.8	<1	<1
7/02/14	0.7	0.39	7.7	<1	<1
8/06/14	0.8	0.36	7.7	<1	<1
9/02/14	0.9	0.18	7.6	<1	<1
10/21/14	1.1	0.36	7.8	<1	<1
11/04/14	1.0	0.19	7.4	<1	<1
12/01/14	1.1	0.46	7.5	<1	<1
Average	0.9	0.26	7.7	<1	<1
Minimum	0.7	0.15	7.4	<1	<1
Maximum	1.1	0.46	8.0	<1	<1

Hospital					
Sample Date	Free Chlorine (mg/l)	Turbidity (NTU)	pH	Total Coliform cfu/100ml	E.Coli cfu/100ml
1/21/14	0.7	0.19	7.9	<1	<1
2/18/14	0.8	0.19	7.6	<1	<1
3/11/14	0.8	0.06	7.5	<1	<1
4/08/14	0.6	0.16	7.8	<1	<1
5/13/14	0.6	0.21	8.1	<1	<1
6/17/14	0.9	0.23	7.9	<1	<1
7/08/14	0.6	0.18	8.2	<1	<1
8/12/14	0.6	0.15	7.7	<1	<1
9/09/14	0.6	0.20	7.8	<1	<1
10/14/14	0.5	0.57	7.6	<1	<1
11/12/14	0.9	0.20	7.6	<1	<1
12/16/14	0.9	0.27	7.6	<1	<1
Average	0.7	0.22	7.8	<1	<1
Minimum	0.5	0.06	7.5	<1	<1
Maximum	0.9	0.57	8.2	<1	<1

Glenlyon Inn					
Sample Date	Free Chlorine (mg/l)	Turbidity (NTU)	pH	Total Coliform cfu/100ml	E.Coli cfu/100ml
1/07/14	0.8	0.21	7.9	<1	<1
2/11/14	0.9	0.29	7.8	<1	<1
3/11/14	0.8	0.16	7.4	<1	<1
4/01/14	0.7	0.14	7.5	<1	<1
5/21/14	0.6	0.40	7.8	<1	<1
6/10/14	0.8	0.10	7.6	<1	<1
7/15/14	0.2	0.59	7.9	<1	<1
8/12/14	0.6	0.17	7.8	<1	<1
9/02/14	0.6	0.22	7.6	<1	<1
10/07/14	0.7	0.20	7.3	<1	<1
11/18/14	0.9	0.30	7.2	<1	<1
12/16/14	0.8	0.20	7.6	<1	<1
Average	0.7	0.25	7.6	<1	<1
Minimum	0.2	0.10	7.2	<1	<1
Maximum	0.9	0.59	7.9	<1	<1

The table displays the monthly averages.  
Lab tests performed by plant operators.

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Airport Washroom					
Sample Date	Free Chlorine (mg/l)	Turbidity (NTU)	pH	Total Coliform cfu/100ml	E.Coli cfu/100ml
1/07/14	0.4	0.23	8.2	<1	<1
2/11/14	0.6	0.25	7.8	<1	<1
3/18/14	0.7	0.21	8.0	<1	<1
4/22/14	0.8	0.42	7.6	<1	<1
5/13/14	0.5	0.36	7.7	<1	<1
6/17/14	0.7	0.58	8.2	<1	<1
7/02/14	0.4	0.26	7.7	<1	<1
8/12/14	0.5	0.30	8.1	<1	<1
9/02/14	0.7	0.19	7.9	<1	<1
10/14/14	0.5	0.38	7.7	<1	<1
11/12/14	0.6	0.43	7.7	<1	<1
12/01/14	0.6	0.48	7.7	<1	<1
Average	0.6	0.34	7.9	<1	<1
Minimum	0.4	0.19	7.6	<1	<1
Maximum	0.8	0.58	8.2	<1	<1

Bear Cove Reservoir					
Sample Date	Free Chlorine (mg/l)	Turbidity (NTU)	pH	Total Coliform cfu/100ml	E.Coli cfu/100ml
1/14/14	0.9	0.18	7.6	<1	<1
2/04/14	0.7	0.24	7.8	<1	<1
3/04/14	0.6	0.18	7.7	<1	<1
4/01/14	0.7	0.17	7.7	<1	<1
5/21/14	0.2	0.48	7.7	<1	<1
6/10/14	0.7	0.17	7.6	<1	<1
7/02/14	0.5	0.15	7.6	<1	<1
8/06/14	0.7	0.20	7.5	<1	<1
9/02/14	0.5	0.22	7.7	<1	<1
10/07/14	0.5	0.70	7.3	<1	<1
11/12/14	0.7	0.20	7.6	<1	<1
12/10/14	0.8	0.40	7.3	<1	<1
Average	0.6	0.27	7.6	<1	<1
Minimum	0.2	0.15	7.3	<1	<1
Maximum	0.9	0.70	7.8	<1	<1

G & N School / Public Works					
Sample Date	Free Chlorine (mg/l)	Turbidity (NTU)	pH	Total Coliform cfu/100ml	E.Coli cfu/100ml
1/14/14	0.8	0.54	7.6	<1	<1
2/04/14	0.7	0.32	7.9	<1	<1
3/04/14	0.6	0.22	7.6	<1	<1
4/08/14	0.6	0.17	7.6	<1	<1
5/06/14	0.6	0.17	7.6	<1	<1
6/03/14	0.7	0.15	7.6	<1	<1
7/08/14	0.5	0.23	8.0	<1	<1
8/06/14	0.6	0.17	8.2	<1	<1
9/16/14	0.2	0.13	8.7	<1	<1
10/21/14	0.2	0.47	9.1	<1	<1
11/18/14	0.5	0.56	7.6	<1	<1
12/10/14	0.8	0.22	7.3	<1	<1
Average	0.6	0.28	7.9	<1	<1
Minimum	0.2	0.13	7.3	<1	<1
Maximum	0.8	0.56	9.1	<1	<1

Ferry					
Sample Date	Free Chlorine (mg/l)	Turbidity (NTU)	pH	Total Coliform cfu/100ml	E.Coli cfu/100ml
1/07/14	0.2	0.23	7.6	<1	<1
2/18/14	0.5	0.20	7.6	<1	<1
3/11/14	0.5	0.24	7.5	<1	<1
4/08/14	0.5	0.06	7.6	<1	<1
5/13/14	0.3	0.19	7.6	<1	<1
6/03/14	0.5	0.21	7.3	<1	<1
7/08/14	0.4	0.18	7.8	<1	<1
8/20/14	0.5	0.27	7.6	<1	<1
9/09/14	0.2	0.18	7.6	<1	<1
10/14/14	0.2	0.27	7.6	<1	<1
11/04/14	0.7	0.19	7.5	<1	<1
12/01/14	0.5	0.27	7.7	<1	<1
Average	0.4	0.21	7.6	<1	<1
Minimum	0.2	0.06	7.3	<1	<1
Maximum	0.7	0.27	7.8	<1	<1

Pioneer Inn					
Sample Date	Free Chlorine (mg/l)	Turbidity (NTU)	pH	Total Coliform cfu/100ml	E.Coli cfu/100ml
1/14/14	0.9	0.13	7.6	<1	<1
2/04/14	0.9	0.21	8.0	<1	<1
03/18/014	0.9	0.14	8.1	<1	<1
4/22/14	0.8	0.24	7.5	<1	<1
5/21/14	0.6	0.27	7.7	<1	<1
6/17/14	0.8	0.20	7.9	<1	<1
7/15/14	0.8	0.17	7.9	<1	<1
8/20/14	0.7	0.15	8.3	<1	<1
9/09/14	0.7	0.16	7.7	<1	<1
10/14/14	0.8	0.47	7.6	<1	<1
11/04/14	0.9	0.17	7.4	<1	<1
12/16/14	0.9	0.20	7.0	<1	<1
Average	0.8	0.21	7.7	<1	<1
Minimum	0.6	0.13	7.0	<1	<1
Maximum	0.9	0.47	8.3	<1	<1

Tsukate River (Untreated)					
Sample Date	Free Chlorine (mg/l)	Turbidity (NTU)	pH	Total Coliform cfu/100ml	E.Coli cfu/100ml
1/21/14		0.55	6.7	58.3	<1
2/18/14		0.60	6.5	38.9	1.0
3/18/14		0.62	6.7	29.8	<1
4/15/14		1.00	6.7	325.5	36.8
5/06/14		0.61	6.8	191.8	5.2
6/17/14		0.39	7.0	1986.3	2.0
7/02/14		0.19	6.8	1046.2	9.6
8/06/14		0.30	7.0	1413.6	3.0
9/09/14		0.25	7.1	1203.3	5.2
10/21/14		1.33	6.7	1413.6	18.5
11/18/14		0.41	6.7	980.4	3.1
12/10/14		0.42	6.2	816.0	4.1
Average		0.56	6.7	792.0	8.9
Minimum		0.19	6.2	29.8	1.0
Maximum		1.33	7.1	1986.3	36.8

The table displays the monthly averages.  
Lab tests performed by plant operators.

**DISTRICT OF PORT HARDY  
WATER SYSTEM ANNUAL REPORT 2014**



**7. CHEMICAL USE**

<b>Chemical Usage</b>													
	January	February	March	April	May	June	July	August	September	October	November	December	Total
ISOPAC 6 Coagulant in kg	5224	4098	3900	3917	5214	3084	3465	3152	3757	8495	6692	5779	56777
Soda Ash in kg	2781	2148	2140	2056	2700	1285	1526	1372	1826	3998	3165	2915	27912
Filter Aid (LT20) in kg	0.82	0.97	1.02	1.08	1.16	1.05	1.11	1.12	1.08	1.12	1.17	1.17	12.87
Salt for Chlorine Generator in kg	601	627	624	585	660	642	756	876	696	789	692	690	8237
Liquid Sodium Hypochlorite 12% in kg								45				50	95
Lime in kg	2135	1982	2102	2271	1770	1870	2398	2358	1088	2350	2043	2201	24569
Carbon Dioxide in kg	3277	2932	2146	2410	2867	2311	3374	3809	1893	2491	4767	2924	35201



## Wastewater Treatment Plants & Collection System



# **District of Port Hardy**

## **Wastewater Treatment Plants & Collection System**



**Annual Operations Report 2014**

**MOE Certification ME-00385 & PE-04168**



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## Overview

Port Hardy is located on the northeastern tip of Vancouver Island, British Columbia. There are two major collection areas in the town, each with a wastewater treatment facility. The Airport Wastewater Treatment Plant (AWWTP), built in 1975, is located adjacent to the Transport Canada Airport facility. In February 2012, the existing permit was updated to a new Operational Certificate (ME-105299). Effluent is discharged into the Queen Charlotte Strait. There are three lift stations located in the AWWTP collection system.

The Tsulquate Wastewater Treatment Plant (TWWTP), originally built in 1972, services the majority of the population of Port Hardy, and has historically operated under permit PE-385. The discharge from this facility is sent into Hardy Bay. There are eight lift stations located in the TWWTP collection system. The plant underwent a major upgrade in 2007 which included the addition of two sequential batch reactors, a new headworks and ultraviolet disinfection (UV). The permit was also updated into a more stringent Operational Certificate (ME-00385).

## Permits

The Airport wastewater treatment facility is a Class 2 facility and operates under Operational Certificate ME-105299.

The Tsulquate wastewater treatment facility is a Class 3 facility as deemed by the Environmental Operators Certification Program (EOCP), certification number 1488. The fully upgraded Tsulquate plant operates under the Ministry of Environments Operating Certificate of ME-00385. The historical permit that applied before the upgrades were completed was PE-385.

Operator	Title	Certification
Joe Jewell	Utilities Supervisor	WT IV, WWT II, WD II
Justin Reusch	Chief Operator	WT II, WD I, WWT II
Roland LeFort	Operator	WWT III, WT I
Cory Henschke	Operator	WWT I, WD II



## Tsulquate Wastewater Treatment Plant Highlights

The upgraded Tsulquate wastewater treatment plant (TWWTP) has performed very well since the new SBR trains have been online and the modifications to the extended aeration plant were completed in 2008. The combined average effluent flow over the course of 2014 was 1956 m<sup>3</sup>/day. The design capacity for the entire plant with the SBR trains and the extended aeration train is 2700 m<sup>3</sup>/day.

Receiving waters monitoring was performed this year as well as an LC50 test. Results were returned within operating guidelines

### Incidents

- Fecal coliform counts in the effluent were an issue in 2014. Many solutions were tried including cleaning the ultraviolet bulbs several times and eventually replacing the bulbs. Another faulty dissolved oxygen probe on the system giving a high value which caused issues with the biomass.
- On October 31<sup>st</sup>, a power brown out caused one of the blower valve actuators to fail. Luckily one was borrowed to avoid any down time while a replacement was ordered



## Airport Wastewater Treatment Plant Highlights

The Airport wastewater treatment plant (AWWTP) continued to produce excellent effluent in 2014. There were no permit violations. The average influent effluent flow was 654 m<sup>3</sup>/day.

Receiving waters monitoring was performed this year as well as an LC50 test. Results were returned within operating guidelines

### Incidents

Currently, the outfall for the Airport Wastewater Treatment Plant is damaged. A contractor has done and video inspected the outfall. Pacificus Biological Ltd. has been retained to gather samples in the receiving waters to monitor the fecal coliforms to assess the impact. An engineering firm has also been hired to assess the outfall pipe and provide an improved design or other options to divert flow from the Airport Plant back to the Tsulquate Wastewater Plant in town through an upgraded collection system. The situation is currently classified as a spill due to the fact that the treated effluent is not reaching its intended depth and distance for the shore. The beach continues to be closed from shellfish harvesting as it has for many years. The Ministry of Environment has been contacted and a Provincial Emergency Program (PEP) number has been generated.



## Collection System

The collection system is operating well considering the age of the infrastructure. The lift stations remain a focus for the maintenance and capital upgrade programs to address aging infrastructure, as identified in the Liquid Waste Management Plan.

### Incidents

There were no incidents within the collection system in 2014 resulting in spills to the environment. There were numerous events in which losses of power to the liftstations caused by blown line fuses interrupted service but none of them resulted in a spill. Each liftstation is equipped with an alarm dialer on an Uninterrupted Power Supply (UPS) to alert operators in the event of a loss of power or a failure of equipment.

On October 24<sup>th</sup>, operators were called to the Fort Rupert School Liftstation at 2:00am because for a high level alarm. Upon arrival an odour of burnt plastic and electrical was noted. It was found that the pump contactor for Pump #1 was completely burnt and would need to be replaced. The station is a duplex station with two pumps but the check valve on Pump #2 had failed which was causing the forcemain to drain back into the station's wetwell each time the pump was shut off. This resulted in a drastic increase in pump hours while the wastewater recirculated. As a result, Pump #2's checkvalve was isolated and the pump isolated. An electrician was called to the station in an effort to switch contactors to energize Pump #1 but upon further inspection it was found that the pump's motor was also burnt out. A sewage vacuum truck was called to site start pumping out the wetwell but was not able to keep up with the incoming flow. A HIAB truck capable of lifting the pumps out of the wetwell was called in to remove the broken Pump #1 and also take Pump #2 and put in back down the well in Pump #1's position. We were then able to start pumping down the well and avoid a spill.

Due to the age of the Fort Rupert Liftstation, repair parts for the checkvalve are not attainable; the manufacturer no longer makes a rebuild kit or makes a new checkvalve assembly of that exact same dimension. To order another to put in it's place will require a substantial retrofit of the station. Pump #1 has been rebuilt and is back in service.



## EFFLUENT QUALITY DATA

Effluent quality monitoring of the plant has increased substantially for the upgraded TWWTP, partially due to the monitoring requirements identified in the operational certificate and also due to the increased monitoring that is required to meet higher treatment standards. The data presented in this report includes the results from samples sent to an external laboratory, certified to ISO17025 by CALA, as well as the internal testing results for some of the parameters completed onsite. While the internal data is not CALA accredited, it goes through an extensive QA/QC process. It complements the external data in demonstrating treatment performance due to the increased frequency of the internal testing.

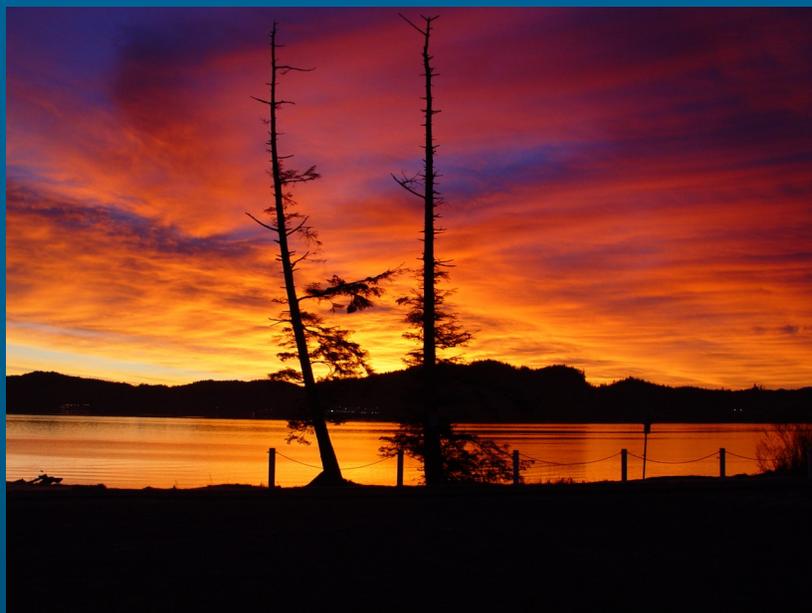
The following two tables summarize the key quality parameters for the Tsulquate and Airport Wastewater Treatment Plants. Receiving environment monitoring was also completed.

**Table 1 - TWWTP Effluent Quality Summary**

Month	Flow cubic meters / day		TSS mg/L	CBOD mg/L	Total Coliforms cfu/100 ml	Total Ammonia mg/L	Un-Ionized Ammonia mg/L
	Avg	Max					
Monthly Average							
January	2011	3579	8	5	124	14.9	0.04
February	2082	3349	15	5	524	19.6	0.07
March	2045	3337	11	0	496	14.0	0.03
April	1861	2579	23	0	651	15.8	0.04
May	1685	2260	20	0	329	16.0	0.08
June	1581	2083	36	0	3819	15.8	0.08
July	1532	2047	9	6	26	15.9	0.07
August	1663	3050	7	0	7	3.4	0.01
September	1732	2576	5	<5	9	0.3	<0.01
October	2457	4109	7	0	26	2.5	<0.01
November	2441	5506	12	7	173	8.0	0.02
December	2379	4195	10	9	148	13.1	0.04

**Table 2 - AWWTP Effluent Quality Summary**

Month	Flow cubic meters / day		pH	TSS mg/L	CBOD <sub>5</sub> mg/L	Total Ammonia mg/L	Unionized Ammonia mg/L	Fecal Coliforms cfu/100ml	Enterococcus cfu/100ml
	Avg	Max							
January	748	1085	6.4	10	<5	6.03	<0.01		
February	723	928	7.3	22	13	6.03	0.03	450000	94500
March	710	928	6.2	11	<5	0.03	<0.01		
April	678	998	6.9	7	<5	0.05	<0.01	100000	125000
May	652	805	6.7	<5	<5	0.13	<0.01		
June	562	713	6.7	25	20	0.06	<0.01	790000	1155000
July	528	686	6.3	<5		0.19	<0.01		
August	528	623	6.8	14	<5	0.16	<0.01		
September	559	752	6.6	27	<5	0.04	<0.01		
October	704	975	7.0	18	<5	0.09	<0.01	8700	45000
November	722	1263	7.3	20	26	10.20	0.06		
December	735	1071	7.2	19	7	5.10	0.02	3100	56000



## Audited Financial Statements

# District of Port Hardy

## Consolidated Financial Statements

December 31, 2014





## **THE DISTRICT OF PORT HARDY**

### **2014 ELECTED OFFICIALS**

Mayor H. Bood

Councillor P. Corbett-Labatt

Councillor J. Hemphill

Councillor D. Dugas

Councillor R. Marcotte

Councillor F. Robertson

Councillor J. Tidbury

### **DISTRICT OFFICIALS**

Chief Administrative Officer

Director of Financial Services

Director of Corporate Services

Manager of Operations

Royal Canadian Mounted Police

Fire Chief

R. Davidge

A. McCarrick

J. Long

S. Mercer

Staff Sgt. Brownridge

S. Nickerson

### **MUNICIPAL AUDITORS**

MNP LLP

### **BANKERS**

CIBC

The accompanying financial statements are the responsibility of management. To ensure their integrity, objectivity and reliability, the statements have been prepared in accordance with the recommendations of the Public Sector Accounting Board, which are generally accepted accounting principles for British Columbia municipalities and are outlined in (Note 1) to the Consolidated Statements. Some amounts on these statements are based on management's best estimates and careful judgment.

Management maintains a system of internal accounting controls to provide reasonable assurance that assets are safeguarded and that transactions are authorized, recorded and reported properly.

Council is responsible for ensuring that management fulfils its responsibilities for financial reporting and internal control and exercises this responsibility through the Council. The Council reviews external Audited Financial Statements annually.

The external auditors, MNP LLP, are appointed by Council to conduct an independent examination in accordance with Canadian auditing standards, and express their opinion on the financial statements. Their examination includes a review and evaluation of the District'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 financial records and management of the District of Port Hardy.



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A. McCarrick

Chief Financial Officer



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Hank Bood

Mayor

# District of Port Hardy

December 31, 2014

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## Independent Auditors' Report

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To the Mayor and Council of the District of Port Hardy:

We have audited the accompanying consolidated financial statements of the District of Port Hardy, which comprise the consolidated statement of financial position as at December 31, 2014 and the consolidated statements of operations, changes in net financial assets and cash flows for the year then ended, and a summary of significant accounting policies, schedules 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 public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

### *Auditors' 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 auditors' 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 audit opinion.

### *Opinion*

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the District as at December 31, 2014, and the results of its operations, changes in net financial assets and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Campbell River, British Columbia

May 4, 2015

*MNP LLP*

Chartered Accountants

**District of Port Hardy**  
**Consolidated Statement of Financial Position**  
**As At December 31, 2014**

	2014	2013
<b>Financial Assets</b>		
Cash and cash equivalents (Note 2)	\$ 3,610,933	\$ 3,113,570
Accounts receivable (Note 3)	1,585,629	1,962,298
Investment in Government business enterprises (Note 19)	211,877	237,572
Tax sale properties	13,509	27,725
Land held for resale	506	506
	<u>5,422,454</u>	<u>5,341,671</u>
<b>Financial Liabilities</b>		
Accounts payable and other liabilities (Note 4)	558,154	867,638
Tax sale properties deposits	7,765	33,856
Performance deposits and bonds (Note 5)	12,794	14,900
Deferred revenue (Note 6)	135,082	685,659
Capital leases (Note 8)	642,705	897,605
Capital borrowing (Note 21)	59,600	80,000
Long-term debt (Note 9)	684,287	895,066
	<u>2,100,387</u>	<u>3,474,724</u>
<b>Net Financial Assets</b>	<u>3,322,067</u>	<u>1,866,947</u>
<b>Non-Financial Assets</b>		
Tangible capital assets (Note 10)	39,731,026	41,009,780
Inventory	196,175	206,003
Prepays	68,687	59,449
	<u>39,995,888</u>	<u>41,275,232</u>
<b>Accumulated Surplus (Schedule 3)</b>	<u>\$ 43,317,955</u>	<u>\$ 43,142,179</u>

Commitments and contingencies (Note 16)

Approved by:

  
 A. McCarrick

Chief Financial Officer

The accompanying notes are an integral part of these financial statements.

**District of Port Hardy**  
**Consolidated Statement of Operations**  
**For the Year Ended December 31, 2014**

	2014	2014 Budget (Note 12)	2013
<b>Revenue</b>			
Taxes	\$ 2,366,928	\$ 2,376,788	\$ 2,295,127
Payments in lieu of taxes	166,292	163,330	163,888
Sewer user rates	1,027,703	1,170,000	1,025,846
Water user rates	1,222,983	1,397,000	1,195,605
Sale of services	1,252,528	786,404	1,124,837
Other revenue	477,479	314,384	387,983
Income from investment in Government business enterprises (Note 19)	174,305	-	291,870
Government transfers from other governments	1,116,914	607,017	1,239,437
	<u>7,805,132</u>	<u>6,814,923</u>	<u>7,724,593</u>
<b>Expenses</b>			
General government services	892,945	942,453	926,695
Transportation services	1,749,519	1,671,838	1,646,468
Protective services	442,703	437,784	457,279
Environmental health services	273,210	282,348	273,990
Recreation and culture	1,387,894	1,325,913	1,274,352
Community development	126,013	166,021	171,028
Water	1,422,665	1,288,067	1,559,189
Sewer	1,334,407	1,363,247	1,413,744
	<u>7,629,356</u>	<u>7,477,671</u>	<u>7,722,745</u>
Annual surplus	175,776	(662,748)	1,848
Accumulated surplus, beginning of year	43,142,179	43,142,179	43,140,331
<b>Accumulated surplus, end of year</b>	<u><u>\$ 43,317,955</u></u>	<u><u>\$42,479,431</u></u>	<u><u>\$ 43,142,179</u></u>

The accompanying notes are an integral part of these financial statements.

# District of Port Hardy

## Consolidated Statement of Changes in Net Financial Assets As At December 31, 2014

	2014	2014 Budget (Note 12)	2013
Annual surplus	\$ 175,776	\$ (662,748)	\$ 1,848
Acquisition of tangible capital assets	(597,438)	(805,000)	(1,507,743)
Amortization	1,820,611	1,650,000	1,782,876
Loss on disposal of tangible capital assets	19,140	-	13,365
Proceeds on sale of tangible capital assets	36,441	-	-
	1,278,754	845,000	288,498
Acquisition of prepaid expense	(68,687)	-	(59,449)
Acquisition of supplies inventory	9,828	-	(122,232)
Use of prepaid expense	59,449	-	18,693
	590	-	(162,988)
Change in net financial assets	1,455,120	182,252	127,358
Net financial assets, beginning of year	1,866,947	1,866,947	1,739,589
Net financial assets, end of year	\$ 3,322,067	\$ 2,049,199	\$ 1,866,947

The accompanying notes are an integral part of these financial statements.

**District of Port Hardy**  
**Consolidated Statement of Cash Flows**  
**For the Year Ended December 31, 2014**

	<b>2014</b>	<b>2013</b>
<b>Cash Provided By (Used In)</b>		
Operating Activities		
Annual Surplus	\$ 175,776	\$ 1,848
Increase (Decrease) in Non Financial Assets		
Amortization	1,820,611	1,782,876
Loss on disposal of assets	19,140	-
Trade-in of capital asset	(3,300)	-
Change in inventory	9,828	(122,232)
Change in prepaids	(9,238)	(40,756)
	<u>2,012,817</u>	<u>1,621,736</u>
(Increase) Decrease in Financial Assets and Liabilities		
Change in accounts receivable	376,669	1,483,359
Change in loan receivable	-	38,333
Change in accounts payable	(309,484)	103,481
Change in tax sale properties	14,216	(14,813)
Change in tax sale deposits	(26,091)	16,944
Change in performance deposits and bonds	(2,106)	4,900
Change in investment in Government business enterprises	25,695	(191,870)
Change in Actuarial	(44,197)	(36,090)
Change in deferred revenue	(550,577)	(207,298)
	<u>1,496,942</u>	<u>2,818,682</u>
<b>Cash provided by operating transactions</b>		
Capital Activities		
Acquisition of tangible capital assets	(523,316)	(1,392,913)
Proceeds on sale of tangible capital assets	36,441	-
	<u>(486,875)</u>	<u>(1,392,913)</u>
Financing Activities		
Capital lease repaid	(346,122)	(321,580)
Debenture debt repaid	(166,582)	(166,582)
Capital borrowing	-	100,000
	<u>(512,704)</u>	<u>(388,162)</u>
Net increase in cash and cash equivalents	497,363	1,037,607
Cash and cash equivalents at beginning of period	3,113,570	2,075,963
Cash and cash equivalents at end of period	<u>\$ 3,610,933</u>	<u>\$ 3,113,570</u>

Continued on next page

The accompanying notes are an integral part of these financial statements.

# District of Port Hardy

## Consolidated Statement of Cash Flows For the Year Ended December 31, 2014

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	2014	2013
Consolidated Statement of Cash Flows continued.		
Represented by		
Cash	\$ 586,871	\$ 394,338
Investments	3,024,062	2,719,232
	<u>\$ 3,610,933</u>	<u>\$ 3,113,570</u>
Supplemental information		
Interest paid	\$ 156,124	\$ 152,031
Interest received	\$ 53,721	\$ 48,262

The accompanying notes are an integral part of these financial statements.

# District of Port Hardy

## Notes to the Consolidated Financial Statements For the Year Ended December 31, 2014

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The District of Port Hardy was incorporated in 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 Municipality. These services include general government administration, bylaw enforcement, planning and land use, building inspection, fire protection, parks and recreation, water distribution and sewer collection, wastewater disposal, garbage and recycling services and road and street maintenance.

### 1. Significant Accounting Policies:

#### a) Basis of Presentation

The District of Port Hardy follows accounting principles accepted for British Columbia municipalities and applies these principles consistently. The consolidated financial statements have been prepared in accordance with Canadian public sector accounting standards as prescribed by the Public Sector Accounting Board (PSAB) of CPA Canada. The consolidated financial statements reflect the combined results and activities of the reporting entity which is comprised of the General, Water and Sewer, Operating, Capital and Reserve funds. Inter-fund transactions have been eliminated on consolidation.

#### b) Revenue Recognition

Sources of revenue are recorded on the accrual basis and include revenue in the period in which the transaction or events occurred. Taxation revenues are recognized at the time of issuing the 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 District. Development contributions are recorded as contributed tangible capital assets at their fair value on the date of contribution. Amounts received from non-government sources in advance of services being rendered are recorded as deferred revenue until the obligations that led to the collection of funds has been discharged. The District recognizes a government transfer as revenue when the transfer is authorized and all eligibility criteria, if any, have been met. A government transfer with stipulations giving rise to an obligation that meets the definition of a liability is recognized as a liability. In such circumstances, the District recognizes revenue as the liability is settled. Transfers of non-depreciable assets are recognized in revenue when received or receivable. Other revenue is recorded when performance of services is complete, amounts are measurable, and collectibility is reasonably assured. Income from investment in Government business enterprises is recorded using the modified equity method, based on the District's portion of annual earnings from the government business enterprises for the year (see Note 19).

#### c) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, demand deposits and short-term highly liquid investments with original maturities of three months or less that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

#### d) Inventory

Inventory is valued at the lower of cost and net realizable value. Cost is determined by the weighted average method. Inventory held for resale which includes property and chattels is recorded as accrued property tax revenue, interest, penalties, cost of chattels and carrying costs less a provision for potential shortfall of proceeds from a sale or conversion. Inventory for resale is recorded at lower of cost or net realizable value as a financial asset. Inventory of supplies is recorded at the lower of cost or net realizable value as a non-financial asset.

# District of Port Hardy

Notes to the Consolidated Financial Statements  
For the Year Ended December 31, 2014

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## 1. Significant Accounting Policies Continued:

### e) Leases

Leases, which transfer substantially all of the benefits and risks incidental to ownership of property are accounted for as leased tangible capital assets. All other leases are accounted for as operating leases and related payments are charged to expenses as incurred.

### f) Financial Instruments

The Municipality's financial instruments consist of cash and cash equivalents, accounts receivable, accounts payable and other liabilities, performance deposit and bonds and long-term debt. It is management's opinion that the Municipality is not exposed to significant interest, currency or credit risk arising from these financial instruments.

### g) Accrued Employee Benefits

Accrued employee benefits include an allowance for sick leave, vacation and severance benefits. These benefits are based on obligations as determined by collective agreements and contractual arrangements. Allowances for sick leave and vacation entitlement are recorded in the year in which they are earned. Severance benefits are recorded in the year in which they are earned. For union employees, 1 week is earned for each year of employment, to a maximum of 10 or 12 weeks depending on the union. Non-union employees earn severance in accordance with individual contracts or the BC labour standards. The severance banks are then multiplied by 10% for senior management and 2% for all other employees to estimate the potential for the District paying out severance.

### h) Use of Estimates

The preparation of consolidated financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the reported amounts of revenues and expenses during the period. Significant areas requiring estimates include the determination of collectability of accounts receivable, accrued payroll liabilities, tangible capital assets and provisions for contingencies. Accounts receivable are stated after evaluation of their collectability. Amortization is based on the estimated useful lives of tangible capital assets. Accrued employee benefits liabilities are estimated based on the anticipated wage rate increases, time value of money and expected average length of employment of District staff. These estimates and assumptions are reviewed periodically and, as adjustments become necessary, they are reported in earnings in the periods in which they become known.

# District of Port Hardy

Notes to the Consolidated Financial Statements  
For the Year Ended December 31, 2014

## 1. Significant Accounting Policies Continued:

### i) Tangible Capital Assets

Tangible capital assets are recorded at cost, net of disposals, write-downs and amortization. Tangible capital asset expenditures exceeding the thresholds per major category are capitalized. The average useful life is applied straight line to calculate amortization. Amortization is taken at one-half of the calculated amount in the year of acquisition and/or disposal.

	Average Useful Life
Land	Indefinite
Land Improvements	10-40 years
Buildings	20-80 years
Equipment	5-25 years
<b>Engineering Structures</b>	
Roads	10-60 years
Water	8-100 years
Sewer	8-100 years

Carrying costs directly attributable to the acquisition, construction or development activity are capitalized to the point in time the asset is substantially complete and ready for use. Contributed tangible capital assets are recorded at their fair value on the date of contribution. Assets under construction are not amortized until the asset is in use.

### j) Recent Accounting Pronouncements

In June 2010, the Public Sector Accounting Board issued PS 3260 Liability for contaminated sites to establish recognition, measurement and disclosure standards for liabilities associated with the remediation of contaminated sites. The new section defines activities included in a liability for remediation, establishes when to recognize and how to measure a liability for remediation, and provides the related financial statement presentation and disclosure requirements. PS 3260 is effective for fiscal years beginning on or after April 1, 2014. The District has not yet determined the effect of the new section on its consolidated financial statements.

## 2. Cash and cash equivalents

	2014	2013
General revenue fund	\$ 3,599,088	\$ 3,101,852
Reserve accounts	11,845	11,718
	<u>\$ 3,610,933</u>	<u>\$ 3,113,570</u>

The above balances include Municipal Finance Authority money market account \$3,024,062 (2013 - \$2,719,233), carried at cost, which is also equal to market value.

# District of Port Hardy

Notes to the Consolidated Financial Statements  
For the Year Ended December 31, 2014

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## 3. Accounts Receivable

	2014	2013
Property taxes	\$ 624,788	\$ 652,054
Other Governments	313,378	587,183
Trade and other	912,971	974,237
	<u>1,851,137</u>	<u>2,213,474</u>
Less allowance for doubtful accounts	<u>(265,508)</u>	<u>(251,176)</u>
	<u><u>\$ 1,585,629</u></u>	<u><u>\$ 1,962,298</u></u>

## 4. Accounts Payable and other liabilities

	2014	2013
Other Governments	\$ 79,654	\$ 64,185
Accrued wages and benefits	255,225	289,435
Trade and other	223,275	514,018
	<u>\$ 558,154</u>	<u>\$ 867,638</u>

## 5. Performance deposits and bonds

	2014	2013
Performance deposits	\$ -	\$ 10,000
Other deposits	12,794	4,900
	<u>\$ 12,794</u>	<u>\$ 14,900</u>

## 6. Deferred Revenue

	2014	2013
Prepaid taxes	\$ 31,840	\$ 37,400
Prepaid fees and charges	50,888	51,616
Other deferred revenue	52,354	596,643
	<u>\$ 135,082</u>	<u>\$ 685,659</u>

# District of Port Hardy

Notes to the Consolidated Financial Statements  
For the Year Ended December 31, 2014

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## 7. Federal Gas Tax Funds

As of April 1, 2014, a change in the Gas Tax Agreement has resulted in the District's revisiting the accounting treatment relating to the receipt and expenditure of these funds. As a result, beginning in 2014, Gas Tax transfers will be recorded as revenues when received, then held in surplus, and no longer classified as deferred revenue.

	2014	2013
Opening balance of unspent funds	\$ 512,117	\$ 518,227
Add: Amount received during the year	214,358	204,000
Interest earned	5,644	5,367
Less: Amount spent on eligible projects	(197,094)	(215,477)
<b>Closing balance of unspent funds</b>	<b>\$ 535,025</b>	<b>\$ 512,117</b>

## 8. Capital Leases

The Municipality leases fire and rescue equipment and a water system under capital leases. The economic substance of the leases is that the Municipality is financing the acquisition of the assets through the leases and accordingly, they are recorded in the Municipality's tangible capital assets and liabilities. (Note 10)

Future minimum lease payments under the capital leases together with the balance of the obligations due:

2015	\$ 530,064
2016	52,181
2017	36,116
2018	24,885
2019	7,996
Total minimum lease payments	<u>651,242</u>
Less: amount representing interest	<u>(8,537)</u>
Obligations under capital lease	<u><u>\$ 642,705</u></u>

Total interest expense during the year was \$14,310 (2013 \$20,184) and interest rates were constant at 2.00% (2.00% in 2013).

# District of Port Hardy

Notes to the Consolidated Financial Statements  
For the Year Ended December 31, 2014

## 9. Long-Term Debt

	Balance, Beginning of year	Additions	Principal repayments and actuarial recognized	Balance, end of year
<b>Sewer Fund</b>				
Long-term debt	\$ 895,066	\$ -	\$ (210,779)	\$ 684,287

The following represents the principal repayments over the next three years: The loan will be repaid in 2017.

2015	\$ 166,582
2016	166,582
2017	166,582
	<u>\$ 499,746</u>

This long-term debt is payable to the Municipal Finance Authority (MFA). The debt is repayable at \$166,582 plus interest (4.82%) per year.

## 10. Tangible Capital Assets (Schedule 2)

	2014	2013
Land and Improvements	\$ 4,908,534	\$ 4,999,105
Buildings	3,678,211	3,847,743
Furniture and Equipment	2,871	2,871
Vehicles and Machinery	1,387,813	1,484,688
Computer Hardware and Software	12,366	17,313
Engineering Structures		
Roads	12,977,943	13,243,444
Water	6,424,106	6,705,510
Sewer	10,339,182	10,709,106
	<u>\$39,731,026</u>	<u>\$41,009,780</u>

The cost of capital assets under construction in 2014 is \$NIL (\$NIL in 2013).

The net book value of leased assets in 2014 is \$1,406,023 (\$1,385,257 in 2013)

Tangible capital assets include land under the District's roads, which is disclosed at a nominal amount. Art and historic treasures are displayed at various District facilities and consist of painting, historical photographs, sculptures, carvings and other cultural artifacts. These items have not been included in tangible capital assets due to the inability of estimating future benefits associated with such property.

# District of Port Hardy

## Notes to the Consolidated Financial Statements

### For the Year Ended December 31, 2014

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#### 11. Pension Liability

The Municipality and its employees contribute to the Municipal Pension Plan (Plan), a jointly trustee pension plan. The Board of Trustees, representing plan members and employers, is responsible for overseeing the management of the Plan, including investment of the assets and administration of benefits. The Plan is a multi-employer contributory pension plan. Basic pension benefits provided are based on a formula. The Plan has about 182,000 active members and approximately 75,000 retired members. Active members include approximately 30 contributors from the District of Port Hardy.

The most recent actuarial valuation as at December 31, 2012 indicated a \$1.370 billion funding deficit for basic pension benefits. The next valuation will be as at December 31, 2015 with results available in 2016. 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 with the result that there is no consistent and reliable basis for allocating the obligation, assets and cost to the individual employers participating in the Plan.

The District of Port Hardy paid \$154,397 (2013-\$129,018) for employer contributions while employees contributed \$143,992 (2013-\$112,937) to the plan in fiscal 2014.

#### 12. Budget Figures

The budget amounts presented throughout these financial statements are based on the Five Year Financial Plan bylaw adopted by Council on March 24, 2014, except in regard to budget amounts for amortization and tangible capital assets.

Annual surplus, as adopted March 24, 2014	0
Add:	
Aquisition of tangible capital assets	\$ 805,000
Debenture principal repayments	520,414
Less:	
Debenture debt issue	(80,000)
Interfund transfers	(1,908,162)
Annual deficit restated	<u>\$ (662,748)</u>

# District of Port Hardy

Notes to the Consolidated Financial Statements  
For the Year Ended December 31, 2014

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## 13. Collections for Other Governments

The District is required to collect taxes on behalf of and transfer these amounts to the governments and/or its agencies noted below. These sums are not included in the schedules to these statements.

	2014	2013
School District 85	\$ 1,427,213	\$ 1,398,361
Mount Waddington Regional District	388,020	446,749
Mount Waddington Regional Hospital District	142,860	147,572
B.C. Assessment Authority	28,687	28,320
Municipal Finance Authority	87	86
Provincial Government - Police Tax	176,518	171,839
Vancouver Island Regional Library	129,488	124,568
	<u>\$ 2,292,873</u>	<u>\$ 2,317,495</u>

## 14. Trust Funds

The District operates the cemetery and maintains a cemetery perpetual care fund in accordance with the Cremation, Interment and Funeral Services Act. The trust fund assets and liabilities are not included in the consolidated financial statements. At December 31, 2014, the balance of funds held in trust was \$29,753 (2013 - \$29,753).

The District operates the Fisherman's Wharf for the Department of Fisheries and Oceans and acts as project manager for the capital items constructed. The assets and liabilities of the operations are not included in the consolidated financial statements.

## 15. Payroll Benefits

Full-time permanent employees receive their full sick bank up to 60 days upon retirement or one third upon termination. There are no additional liabilities accrued for these amounts as they are included in the sick leave and vacation liability accounts. Specified officers of the District are entitled to severance benefits. This liability is recorded as the severance benefits are negotiated. The reported liability reflects the likelihood that employees will become eligible for this benefit.

Vacation liability at December 31, 2014 is \$31,379 (2013 - \$30,926).

Sick leave liability at December 31, 2014 is \$79,030 (2013 - \$96,493).

Severance liability at December 31, 2014 is \$46,051 (2013 - \$34,356).

# District of Port Hardy

Notes to the Consolidated Financial Statements  
For the Year Ended December 31, 2014

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## 16. Commitments and Contingencies

### a) Municipal Insurance Association of British Columbia

The District is a subscribed member of the Municipal Insurance Association of British Columbia as provided by section 3.02 of the Insurance Act of the Province of British Columbia (the Exchange"). The main purpose of the Exchange is to pool the risks of liability so as to lessen the impact upon any subscriber. Under the Reciprocal Insurance Exchange Agreement, the District is assessed a premium and a specific deductible for claims is based on population. The obligation of the District with respect to the Exchange and/or contract and obligation entered into by the Exchange on behalf of its subscribers in connection with the Exchange are in every case several, not joint and several. The District irrevocably and unconditionally undertakes and agrees to indemnify and save harmless the other subscribers against liability losses and costs which the other subscriber may suffer.

### b) Legal Actions

Each year the District is involved in certain legal actions. Financial implications of potential claims against the District, resulting from such litigation and not covered by insurance, are accrued to the extent that amounts can be reasonably estimated. Otherwise, such claims are recognized in the year in which a definitive obligation is determined.

### c) Mount Waddington Regional District

The District is responsible, as a member of the Mount Waddington Regional District, for its portion of any operating deficits or long-term debt related function in which it participates.

### d) Airport Wastewater Treatment Facility

The District's outfall at the airport wastewater facility has significant storm damage. The facility is currently operating within the effluent treatment parameters, but significant repairs are needed. The District is evaluating options and anticipates future costs between \$750,000 and \$1,000,000, depending on the planned course of action. The District is working with senior levels of government to formulate an action plan. As at December 31, 2014 no amounts have been accrued in these financial statements for anticipated future costs.

## 17. Deposit and Reserve - Municipal Finance Authority

The District issues certain of its debt instruments through the Municipal Finance Authority of British Columbia (the Authority). As a condition of these borrowings and as required by legislation, a debt reserve fund is to be established in the amount of one-half the average annual installment of principal and interest as set out in the agreement(s) entered into. The reserve is funded in part by cash, being the withholding of 1% of the total issue proceeds, and the remainder being funded by a demand note whereby the District may be required to loan certain amounts to the Municipal Finance Authority. These demand notes are contingent in nature and are not reflected in the accounts of the District.

Details of the cash deposits on hand are:

	2014	2013
<b>Sewer Fund</b>		
Cash Deposits	\$ 25,610	\$ 24,889

# District of Port Hardy

Notes to the Consolidated Financial Statements  
For the Year Ended December 31, 2014

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## 18. Segmented Information

For management reporting purposes the District's operations and activities are organized and reported by Fund. Funds were created for the purpose of recording specific activities to attain certain objectives in accordance with special regulation, restriction or limitations. District services are provided by departments and their activities are reported in the funds. Certain departments that have been separately disclosed in the segmented information on Schedule 1, along with the services they provide, are as follows:

### **Protection**

Protection is comprised of the Volunteer Fire Department, the Emergency Preparedness coordinator, building inspection and bylaw enforcement.

### **Community Development**

The Community development department provides economic development services. These services consist of downtown revitalization, grant proposals and new business and development.

### **Recreation & Culture**

The Recreation and Culture department provides recreation and leisure services such as fitness and aquatic programs, the library and the museum.

### **Waste Management**

This service is for the collection and disposal of solid waste and recycling program.

### **Public Works**

The Public Works department delivers the municipal services related to maintenance of the roads, sidewalks, parks, open space, street lighting and storm drains.

### **General Government**

Provide services related to corporate and legislative administration, governance, financial management, human resources and information technology.

### **Water**

The water department is responsible for the water treatment plant and distribution system.

### **Sewer**

The waste water department is responsible for the treatment and collection system for waste water.

For each reported segment, revenues and expenses represent amounts that are directly attributable to the segment and amounts that are allocated on a reasonable basis. The General Revenue Fund reports on municipal services that are funded by taxation. The taxes are apportioned to the fund services based on the net surplus.

# District of Port Hardy

Notes to the Consolidated Financial Statements  
For the Year Ended December 31, 2014

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## 19. Investment in Government Business Enterprises

The investment in the North Island Community Forest Limited Partnership (NICFLP) is reported as a government business partnership and North Island Community Forest Ltd. (NICF LTD) as a government business enterprise. These businesses are accounted for using the modified equity method. Under this method, the government businesses' accounting principles are not adjusted to conform with those of the District and inter-corporate transactions are not eliminated.

As a government business partnership, the NICFLP is required to report under International Financial Reporting Standards (IFRS). In the prior and current year, the NICFLP financial statements were prepared under Canadian Accounting Standards for Private Enterprises (ASPE). Any difference between ASPE and IFRS would likely be insignificant.

	2014	2013
Summary of investment in Government Businesses		
NICFLP	\$ 206,807	\$ 234,245
NICF LTD.	5,070	3,327
	<u>211,877</u>	<u>237,572</u>
Summary of results of operations		
NICFLP	172,562	288,951
NICF LTD.	1,743	2,919
	<u>\$ 174,305</u>	<u>\$ 291,870</u>

The condensed supplementary financial information of the NICFLP is as follows:

	2014	2013
Financial Position		
Current and other assets	\$ 667,286	\$ 723,492
Current and other liabilities	31,608	10,729
Partners' capital	635,678	712,763
Results of operations		
Revenues	573,576	919,848
Expenses	50,660	44,239
Net surplus (loss)	<u>\$ 522,916</u>	<u>\$ 875,609</u>

During the year the District received a dividend from the NICFLP of \$200,000 (2013 - \$100,000).

## 20. Comparative Figures

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

# **District of Port Hardy**

**Notes to the Consolidated Financial Statements**  
**For the Year Ended December 31, 2014**

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## **21. Capital Borrowing**

Short term financing is secured through the Municipal Finance Authority for capital initiatives approved under loan authorizations. Interest is calculated daily on a variable rate basis at a .5% spread on top of the CDOR rate. In 2014 the rate was 1.74%. Short term borrowing is replaced by long term debt periodically when balances and interest rates are considered inappropriate.

# District of Port Hardy

## Consolidated Schedule of Segmented Disclosure

For the Year Ended December 31, 2014

Schedule 1  
(Note 18)

	General government services			Transportation services			Protective services			Environmental health services			Recreation and culture		
	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013	
<b>Revenues</b>															
Taxes	\$ 2,366,928	\$ 2,295,127	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Payments in lieu of taxes	166,292	163,888	-	-	-	-	-	-	-	-	-	-	-	-	
Sale of services	-	-	379,338	323,210	27,823	37,008	251,369	273,008	209,046	209,436					
Income from investment in Government business enterprises	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Government transfers from other governments	337,900	340,017	11,014	312,321	-	123,921	-	-	-	-	-	-	-	-	
Actuarial recognized	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Other revenue	223,762	152,912	39,669	30,309	53,355	66,939	2,786	3,201	38,275	34,553					
	3,094,882	2,951,944	430,021	665,840	81,178	227,868	254,155	276,209	247,321	243,989					
<b>Expenses</b>															
Salaries and benefits	695,585	727,551	472,236	440,398	114,402	123,260	17,020	20,596	644,778	605,688					
Goods and services	114,992	122,095	395,919	310,285	172,622	169,483	30,910	29,791	324,147	337,585					
Contracted services	40,494	34,735	236,058	260,063	74,502	78,284	225,280	223,603	141,268	80,899					
Interest	5,833	6,361	-	-	-	-	-	-	-	-					
Amortization	36,041	35,953	645,306	635,722	81,177	86,252	-	-	277,701	250,180					
	892,945	926,695	1,749,519	1,646,468	442,703	457,279	273,210	273,990	1,387,894	1,274,352					
<b>Net Surplus (Deficit)</b>	\$ 2,201,937	\$ 2,025,249	\$ (1,319,498)	\$ (980,628)	\$ (361,525)	\$ (229,411)	\$ (19,055)	\$ 2,219	\$ (1,140,573)	\$ (1,030,363)					

The accompanying notes are an integral part of these financial statements.

**District of Port Hardy**  
**Consolidated Schedule of Segmented Disclosure**  
**For the Year Ended December 31, 2014**

Schedule 1

	Community development		Water		Sewer		Consolidated		Consolidated	
	2014	2013	2014	2013	2014	2013	Actual	Budget	Actual	Budget
<b>Revenues</b>										
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,366,928	\$ 2,376,788	\$ 2,295,127	\$ 2,296,415
Payments in lieu of taxes	-	-	-	-	-	-	166,292	163,330	163,888	160,930
Sale of services	-	-	1,468,783	1,329,463	1,166,855	1,174,163	3,503,214	3,353,404	3,346,288	3,211,231
Income from investment in Government business enterprises	174,305	291,870	-	-	-	-	174,305	-	291,870	-
Government transfers from other governments	768,000	446,834	-	-	-	16,344	1,116,914	607,017	1,239,437	1,474,520
Actuarial recognized	-	-	-	-	44,197	36,090	44,197	-	36,090	-
Other revenue	32,305	31,401	16,636	18,850	26,494	13,728	433,282	314,384	351,893	306,307
	974,610	770,105	1,485,419	1,348,313	1,237,546	1,240,325	7,805,132	6,814,923	7,724,593	7,449,403
<b>Expenses</b>										
Salaries and benefits	14,430	56,906	389,409	114,761	242,720	60,191	2,590,580	2,600,000	2,149,351	2,150,000
Goods and services	29,942	28,459	586,191	215,504	373,914	187,925	2,028,637	2,100,000	1,401,127	1,350,000
Contracted services	81,641	85,663	80,633	863,904	153,528	610,209	1,033,404	970,802	2,237,360	2,212,668
Interest	-	-	9,694	13,179	140,597	132,490	156,124	156,869	152,030	138,170
Amortization	-	-	356,738	351,841	423,648	422,929	1,820,611	1,650,000	1,782,877	1,520,000
	126,013	171,028	1,422,665	1,559,189	1,334,407	1,413,744	7,629,356	7,477,671	7,722,745	7,370,838
<b>Net Surplus (Deficit)</b>	\$ 848,597	\$ 599,077	\$ 62,754	\$ (210,876)	\$ (96,861)	\$ (173,419)	\$ 175,776	\$ (662,748)	\$ 1,848	\$ 78,565

The accompanying notes are an integral part of these financial statements.

**District of Port Hardy**  
**Consolidated Statement of Tangible Capital Assets**  
**For the Year Ended December 31, 2014**

Schedule 2

	Costs						Accumulated Amortization					
	Add			Less			Add			Less		
	Opening Balance	Additions	Construction in progress	Disposals	Closing Balance	Opening Balance	Amortization	Accumulated Amortization on Disposals	Closing Balance	2014	2013	
Land and Land Improvements	\$ 6,648,186	\$ 141,366	-	\$ (23,107)	\$ 6,766,445	\$ 1,649,081	\$ 208,830	-	\$ 1,857,911	\$ 4,908,534	\$ 4,999,105	
Buildings	9,774,892	63,392	-	-	9,838,284	5,927,149	232,924	-	6,160,073	3,678,211	3,847,743	
Furniture and Equipment	397,093	-	-	-	397,093	394,222	-	-	394,222	2,871	2,871	
Vehicles and Machinery	3,826,973	100,017	-	(82,378)	3,844,612	2,342,285	164,418	(49,904)	2,456,799	1,387,813	1,484,688	
Computer Hardware and Software	159,982	-	-	-	159,982	142,669	4,947	-	147,616	12,366	17,313	
<b>Engineering Structures</b>												
Roads	24,452,506	163,606	-	-	24,616,112	11,209,062	429,107	-	11,638,169	12,977,943	13,243,444	
Water	13,087,858	75,334	-	-	13,163,192	6,382,348	356,738	-	6,739,086	6,424,106	6,705,510	
Sewer	16,190,358	53,723	-	-	16,244,081	5,481,252	423,647	-	5,904,899	10,339,182	10,709,106	
	\$ 74,537,848	\$ 597,438	-	\$ (105,485)	\$ 75,029,801	\$ 33,528,068	\$ 1,820,611	\$ (49,904)	\$ 35,298,775	\$ 39,731,026	\$ 41,009,780	

The accompanying notes are an integral part of these financial statements.

**District of Port Hardy**  
**Consolidated Statement of Accumulated Surplus**  
**For the Year Ended December 31, 2014**

**Schedule 3**

	<b>2014</b>	<b>2013</b>
<b>Surplus</b>		
Invested in tangible capital assets	\$ 38,348,734	\$ 39,137,109
Operating funds	3,603,958	2,677,108
	<u>41,952,692</u>	<u>41,814,217</u>
<b>Reserves</b>		
Buildings	137,462	135,984
Computers	20,746	20,523
Equipment replacement	207,028	204,802
General capital works	189,871	187,964
Park development	38,516	38,102
Recreation facilities	100,078	76,246
Sidewalks and roads	179,621	177,690
Tax sale	17,008	16,825
	<u>890,330</u>	<u>858,136</u>
<b>Water Reserve Fund</b>		
Water capital works	160,780	159,051
<b>Sewer Reserve Fund</b>		
Sewer capital works	314,153	310,775
	<u>1,365,263</u>	<u>1,327,962</u>
<b>Accumulated Surplus, end of year</b>	<u><u>\$ 43,317,955</u></u>	<u><u>\$ 43,142,179</u></u>

The accompanying notes are an integral part of these financial statements.



## Statement of Financial Information

**DISTRICT OF PORT HARDY**  
**Statement of Financial Information**  
**For the year ended December 31, 2014**



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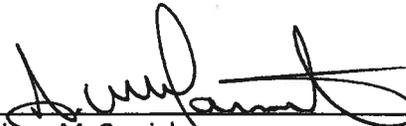
Management Report

Approval of Financial Information

**DISTRICT OF PORT HARDY**  
**Statement of Financial Information Approval**  
**For year ended December 31, 2014**

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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*.

  
\_\_\_\_\_  
Allison McCarrick  
Director of Financial Services  
May 12, 2015

  
\_\_\_\_\_  
Hank Bood  
Mayor  
May 12, 2015

**DISTRICT OF PORT HARDY**  
**Schedule of Remuneration and Expenses**  
**For year ended December 31, 2014**

<b>Elected Officials</b>		<u>Remuneration</u>	<u>Expenses</u>
Bood, Hank	Mayor	2,022.00	0.00
Corbett-Labatt, Pat	Councillor	1,011.00	0.00
Dugas, Dennis	Councillor	1,011.00	0.00
Hemphill, Jessie	Councillor	12,132.00	4,940.88
Marcotte, Bruce	Councillor	12,132.00	3,207.78
Robertson, Fred	Councillor	1,011.00	0.00
Tidbury, John	Councillor	12,132.00	5,205.69
Parnham, Beverly	Mayor	10,110.00	2,050.47
Huddlestan, Deborah	Councillor	11,121.00	1,624.46
Shaw, Nikki	Councillor	11,121.00	517.29
Dorward, Janet	Councillor	11,121.00	6,528.07
		<u>84,924.00</u>	<u>24,074.64</u>
 <b>Employees</b>			
Davidge, Richard	Chief Administrative Officer	122,246.00	16,780.00
Jewell, Joe	Utilities Supervisor	92,325.00	0.00
Kushner, Trevor	Director of Engineering & Operations	110,353.00	3,484.09
Long, Jeffrey	Director of Corporate Services	88,658.00	1,705.00
McCarrick, Allison	Director of Finance	85,836.00	2,605.00
Mercer, Sean	Manager of Operations	80,950.00	1,621.29
 Consolidated total of other employees with remuneration and expenses of \$75,000 or less		<u>1,583,888.00</u>	<u>27,655.02</u>
		<u>2,164,256.00</u>	<u>53,850.40</u>
 <b>Reconciliation</b>			
Elected officials' total remuneration			84,924.00
Employees' total remuneration			<u>2,164,256.00</u>
			2,249,180.00
			0.00
Variance			<u>341,400.00</u>
<b>Total salaries and benefits per Consolidated Financial Statements, Schedule 1</b>			<u>2,590,580.00</u>

**Payroll variance**

Overhead is included in the Financial Statements but not in the T-4 remuneration.  
Employer statutory contributions account for the balance of the variation.

**DISTRICT OF PORT HARDY**  
**Statement of Severance Agreements**  
**For year ended December 31, 2014**

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There were no severance agreements under which payment commenced between the District of Port Hardy and its non-unionized employees during fiscal year 2014.

**DISTRICT OF PORT HARDY**  
**Schedule of Payments Made to Suppliers**  
**For year ended December 31, 2014**

**Suppliers who received aggregate payments exceeding \$25,000**

Acklands - Grainger Inc.	35,704.53
Ana's Hardy Clean	29,803.24
Aplin & Martin Consultants Ltd.	139,784.32
Aries Security Ltd.	41,362.13
BC Hydro	495,692.39
Canwest Propane	29,568.59
Chevron Canada Ltd.	91,838.80
CNJ Lighting Solutions	28,248.64
Coastal Community Insurance Services	161,406.00
D.K.I. Services	37,050.08
Dekan Enterprises	25,846.58
Duncan Electric Motors Ltd.	46,446.45
Fox's Disposal Services Ltd.	210,727.81
Home Hardware Building Centre	26,595.73
I.C.B.C.	32,304.80
K & K Electric	95,579.98
Minister of Finance	47,246.32
MNP	41,895.00
Municipal Insurance Association of BC	27,074.00
Municipal Pension Plan	301,266.49
O.K. Paving Company	91,507.50
Orach Enterprises Ltd.	43,254.03
Pacific Blue Cross	108,263.17
Pacificus Biological Services Ltd.	151,112.02
Port Hardy Bulldozing Ltd.	85,383.25
Praxair Distribution	47,667.03
Receiver General for Canada	611,285.74
Regional District of Mount Waddington	97,172.20
Stantec Consulting	33,763.36
Telus	56,056.04
Telus Communications Company	31,514.89
Univar Canada Ltd.	42,092.31
Workers Compensation Board of BC	30,235.61
Waterhouse Environmental Services Corp.	117,128.70
Total paid to suppliers who received aggregate payment of \$25,000 or more	<u><b>3,491,877.73</b></u>
Total paid to suppliers who received aggregate payments of \$25,000 or less	1,303,069.64
Total of payments to suppliers for grants exceeding \$25,000	97,757.00
Less: expenses paid on behalf of elected official & employees	<u>(77,925.04)</u>
<b>Total</b>	<u><b>4,814,779.33</b></u>
<b>Reconcile:</b>	
Total aggregate payments exceeding \$ 25,000	3,491,877.73
Total consolidated payments of \$ 25,000 or less	<u>1,322,901.60</u>
	<u><b>4,814,779.33</b></u>
Expenses from the Consolidated Statement of Operations	7,629,356.00
Adjustments - including amortization and capital project expenditures	<u>2,814,576.67</u>
	<u><b>4,814,779.33</b></u>

**DISTRICT OF PORT HARDY**  
**Schedule of Guarantee and Indemnity Agreements**  
**For year ended December 31, 2014**

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This organization has not given any guarantees or indemnities under the *Guarantees and Indemnities Regulation*.

DISTRICT OF PORT HARDY  
Schedule of Property Tax Permissive Exemptions  
For year ended December 31, 2014

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<b>Organization</b>	<b>Total</b>
Fort Rupert Curling Club	6,297.58
Grassroots Garden Society	398.72
North Island Crisis and Counseling Centre Society	3,687.71
Pentecostal Assemblies of Canada	3,441.84
Port Hardy Baptist Church	1,155.18
Port Hardy Chamber of Commerce	3,806.23
Port Hardy Congr Jehovah's Witnesses	1,307.96
Port Hardy Ecumenical Society	2,132.02
Port Hardy Heritage Society	4,528.21
Port Hardy Hospital Auxiliary	2,495.34
Rainbow Country Daycare Society	2,029.81
Royal Canadian Legion	2,273.49
Seventh Day Adventist Church	24,518.22
St. Bonaventure Catholic Church	1,823.79
Tri Port Motorsport Association	732.30
Vancouver Island Health Authority	52,934.63
PH Seniors Housing	1,964.33
	<u>115,527.36</u>

District of Port Hardy

Management Report

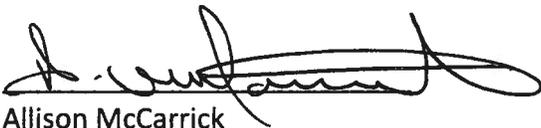
The Financial Statements contained in this Statement of Financial Information under the *Financial Information Act* have been prepared by management in accordance with generally accepted accounting principles or stated accounting principles, and the integrity and objectivity of these statements are management's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

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

The Municipal Council is responsible for ensuring that management fulfils its responsibilities for financial reporting and internal control and exercises this responsibility through the Council. Council reviews the financial statements on a monthly basis.

The external auditors, MNP, LLP, conduct an independent examination, in accordance with generally accepted auditing standards, and express their opinion on the financial statements. Their examination does not relate to the other schedules and statements required by the *Act*. Their examination includes a review and evaluation of the District'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 records of the Municipality.

On behalf of the District of Port Hardy



Allison McCarrick

Director of Financial Services