



DISTRICT OF PORT HARDY

AGENDA REGULAR MEETING OF COUNCIL 7:00 PM TUESDAY, MAY 7, 2013

MUNICIPAL HALL COUNCIL CHAMBERS

Mayor: Bev Parnham
Councillors: Janet Dorward, Jessie Hemphill, Rick Marcotte, Nikki Shaw,
John Tidbury

Staff: Rick Davidge, Chief Administrative Officer
Jeff Long, Director of Corporate & Development Services
Allison McCarrick, Director of Financial Services
Trevor Kushner, Director of Operational Services
Leslie Driemel, Secretary

**DISTRICT OF PORT HARDY
AGENDA FOR THE REGULAR MUNICIPAL COUNCIL MEETING
7:00 pm TUESDAY, MAY 7 2013
Council Chambers - Municipal Hall**

Page		Time:
	A. CALL TO ORDER	
	B. APPROVAL OF AGENDA AS PRESENTED (or amended)	
	Motion required	1. 2.
	C. ADOPTION OF MINUTES	
1-4	1. The minutes of the Regular Council Meeting held April 23, 2013.	
	Motion required	1. 2.
	D. DELEGATIONS AND REQUEST TO ADDRESS COUNCIL	
	None	
	E. BUSINESS ARISING FROM THE MINUTES AND UNFINISHED BUSINESS	
5	1. Council Action items. For information.	
	F. CORRESPONDENCE	
6	1. Carly Perkovich, Executive Director, Port Hardy & District Chamber of Commerce, on behalf of Black Press Community News Media VanIsle 360 (Apr.19/13) re: Requests for support for 2013 VanIsle 360 race June 13-14, 2013.	
	Motion / direction	1. 2.
7	2. Graham Lasure, Manager, W.D. Moore Logging Co. Ltd. (Apr.20/13) re: Thank you for meeting and 'This is My Office' dvd. For information.	
8-11	3. Sharon MacKenzie, Executive Director, Intergenerational Society of Canada (Apr.23/13) re: Request to proclaim Saturday June 1 st as <i>Intergenerational Day Canada</i> in Port Hardy. (Proclamation request brought forward by Mayor Pamham, per Council policy CP1.2)	
	Motion / direction	1. 2.
12	4. Mayor Mary Sjostrom, President UBCM (Apr.26/13) re: 2013 Provincial Election. For information.	
	G. NEW BUSINESS	
	None	
	H. COUNCIL REPORTS	
	1. Verbal reports from Council members.	
	I. COMMITTEE REPORTS	
13-16	1. Economic Development Committee, minutes of the meeting held April 23, 2013. For information.	

J. STAFF REPORTS

- 17-18** 1. Accounts Payable for April 2013. For information.
- 19-45** 2. Allison McCarrick, Director Financial Services (May 2/13) re: District of Port Hardy Draft 2012 Financial Statements
- Motion required 1. 2.
- 46-48** 3. Patti Smedley, Economic Development & Community Coordinator (May 2 2012) re: Costs for information stands at Carrot Park.
- Motion / direction 1. 2.

K. CURRENT BYLAWS AND RESOLUTIONS

- 49-51** 1. Bylaw 1013-2013, A Bylaw to Set the 2013 Annual Tax Rate. For Adoption.
- Motion required 1. 2.

L. PENDING BYLAWS

District of Port Hardy Zoning Bylaw 1010-2013

M. INFORMATION AND ANNOUNCEMENTS

- May 8 WCB Audit, 1:00 pm, Council Chambers
May 9 Staff: Sr Staff Meeting, 10:00 am Council Chambers
May 13 Twinning Society, 7:00 pm Council Chambers
May 14 Committee: Sustainability Committee 4:30 pm, Council Chambers
May 20 Victoria Day, Municipal Hall Closed
May 23 Committee: Operational Services 9:00 am, Council Chambers
May 27 Committee: Community Consultative Committee, 6:00 pm Council Chambers
May 28 Committee: Emergency Preparedness Noon, Council Chambers
Committee: Economic Development 4:30 pm, Council Chambers
Council: In Camera Council meeting - to be confirmed
Council: Regular Council meeting, 7:00 pm Council Chambers
June 7 Oceans Day & National Surveillance Program, 4:00 - 6:00 pm Port Hardy Airport
June 13 VanIsle 360 Welcome, 6:00 pm Carrot Park
June 14 VanIsle 360 Departure Leg 7 Port Hardy to Winter Harbour, 9:00 am Seagate Pier

N. NOTICE OF IN-CAMERA MEETING

No In-Camera Meeting scheduled at this time.

- O. ADJOURNMENT** 1. Time:



**MINUTES OF THE DISTRICT OF PORT HARDY
REGULAR MEETING OF COUNCIL
APRIL 23, 2013**

CALL TO ORDER: Mayor Parnham Time: 7:00 pm

PRESENT: Mayor Parnham, Councillors Dorward, Hemphill, Marcotte, Shaw and Tidbury

REGRETS: Rick Davidge, Chief Administrative Officer

ALSO PRESENT: Jeff Long, Director of Corporate & Development Services
Leslie Driemel, Recording Secretary

Media: North Island Gazette
Members of the Public: 2

APPROVAL OF AGENDA

Mayor Parnham requested an addendum to the agenda under Correspondence: Email from Sabrina Dent, Chair, Port Hardy Relay for Life (April 11/13) re: Request for an exemption from Noise Bylaw 949 for the duration of the Relay from 6:00 pm May 25, 2013 to 6:00 am May 26, 2013.

2013-054
APPROVAL OF AGENDA
AS AMENDED

Moved/Seconded/Carried
THAT the agenda be approved as amended.

ADOPTION OF MINUTES

1. Minutes of the Regular Council Meeting held April 9, 2013.

2013-055
REGULAR COUNCIL
MEETING MINUTES
APRIL 9, 2013

Moved/Seconded/Carried
THAT the minutes of the Regular Meeting of Council held April 9, 2013 be approved as presented.

DELEGATION

1. Staff Sgt. Gord Brownridge re: RCMP Quarterly Report (January to March 2013).

DELEGATION
STAFF SGT. GORD
BROWNRIDGE RE:
RCMP QUARTERLY
REPORT

Staff Sgt. Brownridge reviewed the January, February and March 2013 statistics and strategic priorities and provided a written report on same. Council was advised 807 files were opened during the quarter. Goals include a 10% reduction in break and enters as well and single vehicle motor vehicle accidents as well as a 5% or better reduction in public intoxication files.

Council discussed with Staff Sgt. Brownridge traffic on the Holberg Road, false alarms and mapping of motor vehicle accidents. Staff Sgt. Brownridge will forward information regarding ICBC statistics on Port Hardy traffic incidents to Jeff Long, Director of Corporate & Development Services.

DELEGATION
FIRE CHIEF SCHELL
NICKERSON, PORT
HARDY FIRE RESCUE
RE: QUARTERLY
UPDATE.

2. Fire Chief Schell Nickerson, Port Hardy Fire Rescue re: Quarterly Update.

Fire Chief Nickerson reviewed the activities of Port Hardy Fire Rescue (PHFR) for January, February and March 2013. Council was advised there were twenty-four calls including ten calls for fires that resulted in losses of over \$800,000. Training, membership and equipment updates were reviewed. Council was advised PHFR sent one engine and five members to its first mutual aid call for the Town of Port McNeill. Discussion with Council included the need for education on house numbering and proper installation and use of smoke detectors.

BUSINESS ARISING FROM THE MINUTES AND UNFINISHED BUSINESS

1. Council action items were received as information.

Mayor Parnham advised that an update to Council by Geoscience BC will be scheduled for May.

CORRESPONDENCE

Addendum

1. Email from Sabrina Dent, Chair, Port Hardy Relay for Life (April 11/13) re: Request an exemption from Noise Bylaw 949 for the duration of the Relay from 6:00 pm May 25, 2013 to 6:00 am May 26, 2013. They will be advising surrounding neighborhoods of the event.

2013-056
RELAY FOR LIFE RE:
EXEMPTION FROM
NOISE BYALW 949

Moved/Seconded/Carried

THAT the Relay for Life Committee be granted an exemption from Noise Regulation Bylaw 949 for the 2013 Port Hardy Relay for Life event at the Port Hardy High School track from 6:00 pm May 25, 2013 to 6:00 am May 26, 2013.

NEW BUSINESS

1. Mayor Parnham re: Appointment to Regional District Board of Directors.

Mayor Parnham discussed with Council the need for an appointment to the Regional District Board of Directors.

2013-057
APPOINTMENTS TO
RDMW BOARD &
REGIONAL HOSPITAL
BOARD

Moved/Seconded/Carried

THAT the following appointments be made to the Regional District of Mount Waddington:

Regional District of Mt. Waddington (4 votes) Board of Directors	Mayor Parnham Alternate-Councillor Janet Dorward
Regional District of Mt. Waddington (3 votes) Board of Directors	Councillor John Tidbury Alternate-Councillor Nikki Shaw
Regional Hospital Board (4 votes)	Mayor Parnham Alternate-Councillor Janet Dorward
Regional Hospital Board (3 votes)	Councillor-John Tidbury Alternate-Councillor Nikki Shaw

COUNCIL REPORTS

COUNCIL REPORTS

Mayor Parnham and Councillors Dorward, Hemphill, Marcotte, Shaw and Tidbury gave verbal reports on recent meetings and other activities they attended on behalf of the District of Port Hardy.

Mayor Parnham advised of a dinner meeting with Mr. Don Demons, President and CEO of Western Forest Products and mention was made of the Twinning Society torii gate project. Mr. Demons was very interested in the project and advised that Western Forest Products would be interested in a wood donation.

COMMITTEE REPORTS

1. Sustainability Committee, Minutes of the meeting held April 9, 2013 was received as information.
2. Community Consultative Committee, Minutes of the meeting held April 8, 2013 and recommendation to Council: To continue discussion and possibly implement an independent survey after Mayor Parnham's meeting with the recruiter, Brenda Warren and Allison Mitchell regarding physician recruitment, was received as information.

STAFF REPORTS

1. Melinda Dennison, Aquatic Supervisor (April 4, 2013) re: Council Proclamation of June 1, 2013 as National Health & Fitness Day and request for input on waiving or reduce fees.

Moved/Seconded/Carried

THAT Council authorizes the use of the pool facility from 12:00 pm to 3:45 pm on Saturday June 1, 2013 to conduct drop-in admission swim rate of \$2.00 per person in regards to the "National Health and Fitness Day".

2. Allison McCarrick, Director of Financial Services re: Report on the 2013-2017 Financial Plan Presentation held April 9, 2013 was received as information.
3. Jeff Long, Director of Corporate & Development Services (April 19, 2013) re: By-Election for Councillor Position

Moved/Seconded/Carried

THAT Council appoints Jeffrey Long, Director of Corporate & Development Services, as Chief Election Officer and Susan Bjarnason, Finance / Admin Clerk, as Deputy Chief Election Officer, in accordance with sections 37(4) and 41(1) of the *Local Government Act*, for the purpose of organizing and conducting a by-election associated with the position of Councillor for the District of Port Hardy.

BYLAWS

1. Bylaw No. 1011-2013, A Bylaw to Adopt the Annual Five Year Financial Plan for the period 2013 - 2017. For Adoption

2013-058
\$2.00 SWIM FOR
'NATIONAL HEALTH &
FITNESS DAY JUNE 1,
2013

2013-059
APPOINTMENT OF
ELECTION OFFICERS
FOR BY-ELECTION

2013-060
BYL 1011-2013 ANNUAL
FIVE YEAR FINANCIAL
PLAN FOR 2013-3017
ADOPTED

Moved/Seconded/Carried
THAT District of Port Hardy Financial Plan 2013-2107 Bylaw No. 1011-2013 be adopted.

2. Memo from Allison McCarrick, Director of Financial Services (April 14, 2013) re: District of Port Hardy Annual Tax Rates Bylaw 1013-2013.

Bylaw 1013-2013, A Bylaw to Set the 2013 Annual Tax Rate. For First, Second and Third Readings.

2013-061
BYLAW 1013-2013
ANNUAL TAX RATES
BYLAW FOR 2013 1ST
2ND 3RD READINGS

Moved/Seconded/Carried
THAT District of Port Hardy Annual Tax Rates Bylaw 1013-2013 receive First, Second and Third Readings.

ADJOURNMENT

2013-062
ADJOURNMENT

Moved
THAT the meeting be adjourned. Time: 7:58 pm

CORRECT

APPROVED

DIRECTOR OF CORPORATE &
DEVELOPMENT SERVICES

MAYOR

COUNCIL ACTION REPORT

REGULAR COUNCIL MEETING - APRIL 23, 2013		WHO	STATUS /COMMENTS
ITEM	ACTION		
RCMP monthly report	Obtain ICBC traffic/accident statistics and circulate to Council	JL	
Relay for Life re: request for exemption from Noise Bylaw 949	Approved. Advise Relay for Life organizers	JL	Done
Appointments to RDMW	Approved as presented by Mayor Parnham. Advise RDMW	JL	Done
Aquatic Supervisor re: \$2 swim for National health & Fitness Day June 1	Approved. Advertise / post as required.	MD	
Appoint Chief Election and Deputy Chief Election Officers for Municipal By-Election	Approved as presented. Complete appointment forms and proceed with election as required	JL	
REGULAR COUNCIL MEETING - APRIL 9, 2013			
ITEM	ACTION	WHO	STATUS /COMMENTS
Rotary Club re: support for RCMP Musical Ride Aug 7 2013	Approved as requested in letter. Provide support as requested	RD/TK	Scheduled with Op Scvs
Cape Scott Windfarm re; interpretive center	Contact CSW with request to consider building an interpretive center	RD	
REGULAR COUNCIL MEETING - MARCH 12, 2013			
ITEM	ACTION	WHO	STATUS /COMMENTS
Councillor Tidbury relayed concerns from the Port Ardy Fire Department regarding the regulations on the Office of the Fire Commissioner	Write and invite a representative from the Office of the Fire Commissioner to meet with Council to discuss issues and concerns regarding regulations	RD	Underway
Purchase and Installation of Visual Equipment for Council Chambers.	Discuss the issue at the next RDMW Board meeting. Purchase and installation of the visual aid equipment for the Council chambers approved Purchase equipment	MP JL	Electrical contractor has been given go ahead to conduct electrical wiring component
REGULAR COUNCIL MEETING - JANUARY 22, 2013			
ITEM	ACTION	WHO	STATUS /COMMENTS
Cenotaph Project	Prepare grant application and related information and that the application/info be brought back before Council for further consideration.	PS/TK	In progress
REGULAR COUNCIL MEETING - JANUARY 8, 2013			
ITEM	ACTION	WHO	STATUS /COMMENTS
#2 Geoscience BC Update	Invite to upcoming council meeting	MP	To come to Council meeting in May



Port Hardy & District Chamber Of Commerce
P.O Box 249, Port Hardy, BC V0N2P0
phcc@cablerocket.com
www.ph-chamber.bc.ca
250-949-7622



April 19, 2013



Mayor and Council
District of Port Hardy
PO Box 68
Port Hardy BC V0N 2P0

Dear Mayor and Council Members:

Re: 2013 VanIsle 360 Race

The Chamber of Commerce is requesting District of Port Hardy support for the 2013 VanIsle 360 race. The competitors will arrive in Port Hardy late in the afternoon of June 13 and depart first thing the next morning. Port Hardy is an important provisioning stop for the boats and the District will see an economic impact from this event. The community has supported this event in the past and we would like to see our great hospitality extend into this year.

As in years past, the event organizers do not require a financial contribution, but request services "in kind" for the awards event. We request District of Port Hardy support the Van Isle 360 race with the following:

- Exclusive use of the "summer floats" at the District (Seagate) Wharf for one night
- Set up, use and take down of four porta potties near the Chamber building
- District staff to provide and help set up the inflatable shell, stage and sound system near the Chamber of Commerce building

Thank you for your consideration of this matter and we hope to see you at the VanIsle 360 Awards June 13th.

Yours truly,

Carly Perkovich
Executive Director
Port Hardy & District Chamber of Commerce
on behalf of
Black Press Community News Media Van Isle 360

W.D. MOORE LOG
Co. Ltd.
"Downtown"
WINTER HARBOUR

1 Bill Moore Road, Winter Harbour, B.C., V0N 3L0
Phone 250-969-4222 Ext 1 Fax 250-969-4222
E-mail: graham@wdmoore.ca
www.wdmoore.ca

April 20, 2013

Bev Parham, Mayor of Port Hardy

Dear Bev;

Thank you for meeting Dwight and I the other day to discuss forestry and other issues in your area. The TLA is always here to support forestry and the rural communities supported by our industry. I hope we can come forward with numbers that show the true benefit of forestry to these communities as we believe the benefit is much greater than most understand, especially as it is no longer directly visible as it once was.

Our primary company, W.D. Moore Logging has been providing, direct and indirect jobs, revenue and support for the local economy since 1928, and we plan to continue doing so. We are also now a more direct benefit to Port Hardy through our new company Topknot Timber located in Port Hardy.

As well as the support we are happy to offer your district, both from the TLA and our private companies, we hope that the support is mutual as we all want to grow our jobs and economy. The TLA and our companies believe the best way to do this is through the growth of the many small private businesses that work in rural areas and are truly the backbone of B.C. If I can be of any service, either as a business owner or a representative of the TLA, please feel free to contact me at the above information.

I have enclosed a few copies of "This Is My Office" DVD which I hope you will find informative and entertaining. It was created by the Pacific Logging Congress and Pacific Forest Foundation, along with TLA financial support, in order to help draw the next generation back into forestry for the benefit of all. As the current President of the PLC and PFF I brought a film crew to the North Island for most of the footage, it was filmed mostly in Tahsis and Woss and there are likely a few people from the Port Hardy/McNeil region in the footage. Please distribute to whoever may have a use for it, schools etc., perhaps Janet is already aware of this and I can get more copies as needed.

Yours,

Graham Lasure
Manager

W.D. Moore Logging Co. Ltd., Winter Harbour, B.C.
Topknot Timber Co. Ltd., Port Hardy, B.C.

From: Sharon MacKenzie [igday.june1@gmail.com]
Sent: Tuesday, April 23, 2013 2:22 PM
To: general@porthardy.ca
Subject: PORT HARDY proclamation request
Attachments: IG Day to Mayor_Council Apr.22_13.doc; Victoria City IG Day Proclamation sm.pdf

Dear Mayor and Council,

Please see the attached invitation sent to your community from i2i Intergenerational Society. (www.intergenerational.ca)

Over 50 cities across Canada have already endorsed this initiative. They include: Victoria, Vancouver, Campbell River, Port Alberni, Duncan, Comox, Courtney, Colwood, Sidney, District of Saanich, Kelowna, St. John's, Halifax, Oshawa, Yellowknife, Regina, Calgary, Edmonton, Fredericton, Jasper, etc.

We would be honoured to include your community in this growing list of support for respectful intergenerational relations in our media releases going out next month. Please see the attachments for further details and a suggested template.

Thank you for your interest. We look forward to hearing from you at your earliest convenience.

**Sincerely,
Sharon L. MacKenzie, Executive Director
Linda Totino, Executive Assistant**



igday.june1@gmail.com

April 22, 2013
i2i Intergenerational Society of Canada
www.intergenerational.ca 1-250-308-7892

Dear Mayor and Council,

We would like to invite you to proclaim **June 1st** as **Intergenerational Day Canada** in your city.

This 4th **Intergenerational Day Canada** is a national initiative* created by adults and youth:

- to remind people of the importance of simple and respectful connecting between generations, and
- to raise awareness of the many benefits inter-generational connecting brings to education, health and community safety.
(www.intergenerational.ca)

Respectful and purposeful inter-generational connecting is a way to prevent isolation and mistreatment of older and younger generations. It effectively creates safer and more resilient communities. By breaking down ageism, we build all-age-friendly neighbourhoods.

Intergenerational Day Canada June 1st provides an easy opportunity to make a powerful statement about the value of intergenerational relations within your community. This year Vancouver, Victoria, Calgary, Yellowknife, Regina, Halifax, to name a few, have already proclaimed this day. As the number of Canadian cities acknowledging this focus day grows, the more vibrantly the message is heard across the nation.

A Proclamation (attached e.g., Victoria, BC) will encourage those within your community already involved in inter-generational activities to share and celebrate. As well, our organization will invite and assist others within your jurisdiction to build bridges of understanding between age groups. We will provide ideas on our website and through local media, and assist citizens in networking their ideas. There is no financial or other commitment requested from you. This is an awareness initiative only.

Please consider working towards a stronger Canada by:

1. proclaiming **June 1st** officially as **Intergenerational Day Canada** in your City,
2. allowing publication of this Proclamation in your local media and on the i2i website in order to build community and national awareness, and
3. sharing news of your Proclamation through word-of-mouth, newsletters and social media.

If your community would like to participate in any way, contact us, or check out the ideas for IG Day Canada at www.intergenerational.ca. Thank you for your consideration and support.

Sincerely,
Sharon MacKenzie, Executive Director
i2i Intergenerational Society of Canada

*Intergenerational Day Canada is acknowledged in the following government publications:

-PHAC document- Across the Generations—Respect All Ages

English- <http://www.intergenerational.ca/images/stories/pdfs/AcrossGenerationsEnglish.pdf>

French- <http://www.intergenerational.ca/images/stories/pdfs/AcrossGenerationsFrench.pdf>

-International Federation on Ageing/PHAC/International Network for the Prevention of Elder Abuse publication, Elder Abuse Awareness Teen Kit, Intergenerational Day, p. 20 <http://www.intergenerational.ca/images/stories/pdfs/Elder-Abuse-Awareness-Teen-Tool-Kit.pdf>

See below: template-example of Proclamation



District of Port Hardy

7360 Columbia Street ♦ PO Box 68
Port Hardy BC V0N 2P0 Canada
Telephone: (250) 949-6665 ♦ Fax (250) 949-7433
Email: general@porthardy.ca ♦ www.porthardy.ca



PROCLAMATION

SATURDAY JUNE 1, 2013 INTERGENERATIONAL DAY CANADA

- WHEREAS** *Intergenerational Day Canada, June 1st, is meant to raise awareness about the simplicity and power of intergenerational connections;*
- WHEREAS** *Intergenerational Day Canada, June 1st is a day to focus on the profound positive influence intergenerational connecting has in creating healthy, all-age friendly communities;*
- WHEREAS** *Intergenerational Day Canada, June 1st is a day to celebrate all of the good things presently taking place between generations in local community;*
- WHEREAS** *Intergenerational Day Canada, June 1st does not require funding, excessive time or extensive planning;*
- WHEREAS** *Intergenerational Day Canada, June 1st will have its greatest strength as a reminder, an invitation for every individual to take one small respectful step to bridge generations within his or her local community. (How much effort and time does it take to smile at someone from a different generation...with such huge sustainable return?)*

AND NOW THEREFORE, The District of Port Hardy does *hereby proclaim*

SATURDAY JUNE 1st, 2013 AS INTERGENERATIONAL DAY CANADA

IN WITNESS WHEREOF, *I hereby set my hand this the (date)* _____

Signed _____
Bev Parnham, Mayor



CITY OF VICTORIA

PROCLAMATION


"INTERGENERATIONAL DAY CANADA"

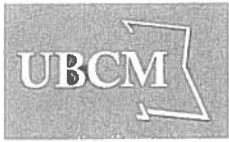
- WHEREAS Intergenerational Day Canada is meant to raise awareness about the simplicity and power of intergenerational connections; and*
- WHEREAS Intergenerational Day Canada will have its greatest strength as a reminder, an invitation for every individual to do something positive in bridging generations with the local community; and*
- WHEREAS Intergenerational Day is a focus day, and does not require funding, time or extensive planning. Mostly it requires limited energy...how much effort does it take to smile at someone from a different generation?...with huge return.*

NOW, THEREFORE I do hereby proclaim the day of June 1st, 2012 as **"INTERGENERATIONAL DAY CANADA"** in the **CITY OF VICTORIA, CAPITAL CITY** of the **PROVINCE of BRITISH COLUMBIA**.

IN WITNESS WHEREOF, I hereto set my hand this 24th day of May, Two Thousand and Twelve.



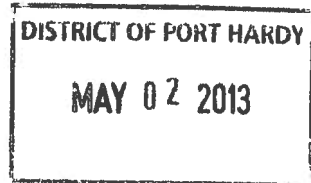

 DEAN FORTIN
 MAYOR
 CITY OF VICTORIA
 BRITISH COLUMBIA



Union of BC Municipalities
Suite 60 10551 Shellbridge Way
Richmond, BC, Canada V6X 2W9

Phone: 604.270.8226
Email: ubcm@ubcm.ca

April 26, 2013



Mayor Beverly (Bev) Parnham and Council
District of Port Hardy
Box 68
Port Hardy, BC V0N 2P0

Dear Mayor Beverly (Bev) Parnham and Council:

The 2013 Provincial election provides an opportunity for local governments to engage with candidates about the broad priorities shared by BC communities.

Last month, the Union of BC Municipalities released our 2013 Provincial Election Platform *Building Tomorrow Together*. The platform sets out five themes of interest to local government throughout the province - governance, finance, infrastructure, economic development and the environment. The platform also poses questions for response from the four main parties. UBCM will be posting the responses we receive on our website throughout the campaign so you can compare how the party platforms will impact local governments.

Throughout the campaign, I will be looking for opportunities to meet with each of the leaders of the four main parties. I will also be speaking with our Executive later this week about the need for all of us to work together to engage with candidates from our respective regions, to make sure they have received a copy of the platform, and have heard from us personally on how local and regional issues play into the five themes. In my meetings so far, I have sat down with NDP leader Adrian Dix to go over the platform. I have also met with candidates seeking re-election, including Bill Bennett, Pat Bell and Steve Thompson, Norm McDonald and Bob Simpson. The responses that I have received leaders and candidates so far have been appreciative of the constructive, non-partisan approach UBCM is taking.

If you and the members of your Council have not yet had a look at the platform, I encourage you to do so by visiting our website (www.ubcm.ca). My hope is that this resource will support your outreach to local candidates, and that together we can make sure that the future Members of the Legislative Assembly are aware of topics we will be discussing with the next provincial government.

Sincerely,

A handwritten signature in cursive script that reads "Mary Sjoström".

Mayor Mary Sjoström
President



**DISTRICT OF PORT HARDY
ECONOMIC DEVELOPMENT COMMITTEE**

MINUTES OF THE MEETING HELD APRIL 23, 2013

Call to Order: Mayor Bev Parnham

Time: 4:31 p.m.

Present: Mayor Parnham, Councillor Tidbury, Councillor Dorward, Councillor Hemphill, Councillor Marcotte, Councillor Shaw, Jeff Long, Patti Smedley

Absent: Rick Davidge, CAO

Minutes

1. Acceptance of the Minutes for the meeting held on March 25, 2013.

THAT the minutes for the meeting held March 25, 2013 be adopted as presented.

Hemphill / Marcotte

2. Mayor Parnham requested an addendum to the agenda to include "Band Width" as item 6 and "Housing" as item 7

Old Business

3. *Seagate Property Update*

J. Long provided an overview of his recent meeting with the new owner of the Seagate Annex, Jack Lee, with the following highlights:

- Jack Lee is planning on moving forward quickly with revitalizing the Annex, with his first step to put on a new roof. He has no hotel operation experience, but has a diverse business background. He has purchased furniture from a Comfort Inn, which was new in 2010 and acquired for the Olympics. He would like to bring people from the mainland to help with his business venture. He wanted information on local services and J. Long provided a local phone book. He plans on moving here with his wife, who is a nurse, and his two children. Mr. Lee is also interested in purchasing the adjacent Seagate property which houses the old pub. In addition, he would like to add a restaurant at his hotel. He expressed concern that there might be underground fuel tanks on the property.

R. Marcotte assured J. Long that there are no tanks on the property; that they are on the old Chevron cardlock, which does not affect the property in question.

Mayor Parnham expressed her relief that the property would be revitalized and was not purchased on speculation.

J. Long added that he had given Mr. Lee Lukas Polacek's contact information.

New Business

4. *Possible Planning Study for Airport Land Use*

Mayor Parnham provided background on the benefits of a possible planning study for the lands around the airport.

P. Smedley explained the funding process for the new ICET planning grants, and the average costs associated with hiring a planner to complete this type of work.

Mayor Parnham discussed the idea of requesting \$10,000 from the Regional District of Mt. Waddington, with possible contributions of up to \$30,000 from ICET and \$20,000 from the District of Port Hardy. She then posed the question to Committee members if they believed this was the route to go?

A general discussion ensued around reasons why businesses such as Vancouver Island helicopters have moved, as well as why we have not been able to offer additional hanger space at the airport. The group also discussed the challenges around connecting with the right individuals in government who could move this initiative forward. They also agreed that the airport offers a short commute to Vancouver and that it is imperative to find a way to maximize this. P. Smedley brought up the multiple land owners who have interests in these properties (Province, Feds, First Nations and the District) and how this complicates identifying contacts.

The group then discussed the benefits of inviting representatives from the Ministry of Jobs, Innovation and Tourism to present at the next Economic Development Meeting.

5. *Coast Guard Station Update*

P. Smedley said she will work with Rick Davidge to follow-up as no new information is currently available on the status of the Coast Guard's plans for the new station.

6. *Band Width*

Mayor Parham provided an overview of the challenges with band width, including that the problem is regional not just specific to Port Hardy. She also suggested that the Telus representative who is scheduled to speak at an upcoming Council Meeting also be invited to present to a Council of the Whole prior to the scheduled presentation to Council.

Janet Dorward posed the question about whether Telus would be able to address this problem more quickly than the anticipated year to 1.5 years. The group agreed that this challenge is not helpful when encouraging families to move here.

Mayor Parham stated that she will follow-up with Neil Smith at the Regional District of Mt. Waddington about this situation. The question was raised as to whether Telus was operating outside of the CRTC by not informing local governments / communities of these challenges.

J. Hemphill likes the idea of Telus offering new residents band width by satellite until they can meet their commitments to increase band width in the community. J. Dorward agreed with J. Hemphill that an interim measure is needed.

Mayor Parnham suggested that the District talk with the Ministry of Jobs, Innovation and Tourism about these challenges. It was also discussed that increasing band width might be

accomplished through a "Triple P" partnership, which has worked in other communities. The Mayor also said it might be of value to bring this topic up at the All Candidates Meeting.

7. *Housing Strategy*

Mayor Parnham described Councillor Shaw's extensive work on the regional committee, looking to address housing issues on the North Island. The Mayor also said she would like to see housing as a topic for discussion on all future Economic Development Committee agendas.

N. Shaw provided an overview of the work that has been accomplished to date on this subject at the regional level. She stated that the efforts have mainly focused on identifying gaps rather than particular strategies. Factors affecting housing identified during this process, and specific to Port Hardy, include:

- The highest risk population for homelessness
- The region's oldest housing stock
- A large off-reserve population moving between town and the reserve
- Insecurity across all sectors

Councillor Shaw also discussed the Federal government's five-year funding commitment to addressing housing needs, and the funding associated with this commitment. She also stated that the next regional Housing Committee meeting was slated for May 28.

The group agreed that Port Hardy, while supporting the regional plan, is ready to move forward with its own housing strategy. It was also agreed that zoning is imperative to setting housing standards. Councillor Shaw also recommended the Fernwood Neighbourhood Resource Group - with its focus on maintaining affordability for long-term residents - as a good model for moving forward. The group also concluded that the biggest challenge will be identifying a champion to move this work forward. Next steps should consider:

- Team of "experts" (could include realtors, social workers, First Nations, etc) needed - multi-disciplinary group to take on this issue
- Must be a grassroots effort
- First Nations should be part of the solution (350 band members moving between town and the reserve)
- Must prioritize needs to put in place a solid strategy
- Economic Development Committee members need to review housing reports and work done to date to determine next steps
- A big issue will be aging in place
- Need for short-, medium- and long-range planning solutions

Recommendations / Action Items

Airport Lands

- P. Smedley to contact Laurie at the Ministry of Jobs, Innovation and Tourism to see if there has been any progress in identifying a contact to discuss the airport lands.
- P. Smedley to invite representatives from the Ministry of Jobs, Innovation and Tourism to the next Economic Development Meeting.

Coast Guard

- P. Smedley to follow-up with Rick Davidge to determine the status of the new Coast Guard Station

Band Width

- Invite Telus representative to present to Committee of the Whole prior to scheduled presentation at an upcoming regular Council Meeting
- Talk to the Ministry of Jobs, Innovation and Tourism re: band width challenges

Housing

- P. Smedley to explore potential for funds available through BC Housing to develop a localized plan specific to Port Hardy.

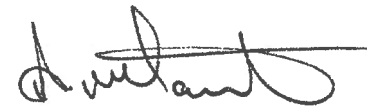
Adjournment

Time: 5:50 p.m.

Cheque #	Pay Date	Vendor #	Vendor Name	Paid Amount	Void
002137	04/04/2013	01805	BUSY B'S DISTRIBUTING	66.54	
002138	04/04/2013	02715	Frost Alert Ltd.	189.28	
002139	04/04/2013	02189	GOLETAS HEIGHTS DEVELOPM	358.60	
002140	04/04/2013	00058	GUILLEVIN INTERNATIONAL	2,240.00	
002141	04/04/2013	02245	Gunson, Lionel	365.36	
002142	04/04/2013	02499	Hemphill Jessie	628.73	
002143	04/04/2013	01875	ISLAND ADVANTAGE DISTRIB	2,535.68	
002144	04/04/2013	02712	Klatt, Ron	169.53	
002145	04/04/2013	01777	MCCARRICK,ALLISON	35.00	
002146	04/04/2013	00638	MINISTER OF FINANCE	525.00	
002147	04/04/2013	01014	NICKERSON, SCHELL	35.00	
002148	04/04/2013	00175	PARNHAM, BEV	649.65	
002149	04/04/2013	00369	PICKWICK, MICHAEL	355.32	
002150	04/04/2013	00264	PORT HARDY HERITAGE SOCI	60.25	
002151	04/04/2013	02152	QUINSAM RADIO COMMUNICAT	155.12	
002152	04/04/2013	00187	REGIONAL DISTRICT OF MT	18.40	
002153	04/04/2013	02119	SHAW, NIKKI	780.05	
002154	04/04/2013	02107	SMEDLEY, PATTI	149.64	
002155	04/04/2013	00113	STRYKER ELECTRONICS LTD.	712.52	
002156	04/04/2013	00160	TELUS	2,906.51	
002157	04/04/2013	02486	Trapeze Communications I	145.60	
002158	04/04/2013	02272	WAJAX EQUIPMENT	205.37	
002159	11/04/2013	00437	ACME SUPPLIES LTD.	368.84	
002160	11/04/2013	01184	AON REED STENHOUSE INC.	6,984.00	
002161	11/04/2013	00047	B.C. HYDRO	29,636.88	
002162	11/04/2013	02013	BRAUN, WERNER	284.60	
002163	11/04/2013	02468	Canwest Propane	386.47	
002164	11/04/2013	00281	CHEVRON CANADA LTD.	1,221.51	
002165	11/04/2013	01433	COMOX PACIFIC EXPRESS LT	44.13	
002166	11/04/2013	01982	DIGITAL POSTAGE ON CALL	1,050.00	
002167	11/04/2013	00020	E.J. KLASSEN MOTORCADE L	288.94	
002168	11/04/2013	00595	GRIER, W. PAUL	222.42	
002169	11/04/2013	00052	HARDY BUILDERS' SUPPLY	26.70	
002170	11/04/2013	00253	Keta Cable	145.87	
002171	11/04/2013	02378	KGC Fire Rescue Inc.	308.61	
002172	11/04/2013	00695	LINDE CANADA LIMITED C31	453.24	
002173	11/04/2013	02487	Minister of Finance	364.35	
002174	11/04/2013	00304	MONK OFFICE	103.03	
002175	11/04/2013	00017	MUNICIPAL INSURANCE ASSO	3,148.73	
002176	11/04/2013	00033	NAPA AUTO PARTS/PORT HAR	258.93	
002177	11/04/2013	00027	NORTH ISLAND VETERINARY	151.10	
002178	11/04/2013	02071	PACIFICUS BIOLOGICAL SER	11,195.52	
002179	11/04/2013	01807	PORT HARDY TWINNING SOCI	5,055.00	
002180	11/04/2013	00769	Praxair Distribution	411.03	
002181	11/04/2013	02624	Razmpoosh, Mehran	800.00	
002182	11/04/2013	00107	RECEIVER GENERAL FOR CAN	17,694.53	
002183	11/04/2013	00710	Receiver General for Can	230.65	
002184	11/04/2013	02681	Ripple Rock Restorations	1,000.00	
002185	11/04/2013	02234	Sutherland Armbrust	162.50	
002186	11/04/2013	01026	VIMAR EQUIPMENT LTD.	1,381.41	
002187	11/04/2013	02037	WATSON VENTURES LTD	352.80	
002188	11/04/2013	01864	WISHBONE INDUSTRIES LTD.	3,669.12	
002189	11/04/2013	00164	Xerox Canada Ltd.	277.21	
002190	18/04/2013	02718	Aero Geometrics Ltd.	945.00	
002191	18/04/2013	00829	ANA'S HARDY CLEAN	1,695.68	
002192	18/04/2013	01836	ARIES SECURITY LTD.	3,652.00	
002193	18/04/2013	00047	B.C. HYDRO	628.78	
002194	18/04/2013	02328	Cape Scott Water Taxi &	672.00	
002195	18/04/2013	00281	CHEVRON CANADA LTD.	2,773.81	
002196	18/04/2013	01476	DOR-TEC SECURITY LTD.	122.90	
002197	18/04/2013	00099	FOX'S DISPOSAL SERVICES	16,920.68	
002198	18/04/2013	02557	Frontline Glass Solution	216.16	
002199	18/04/2013	00063	HOME HARDWARE BUILDING C	219.09	
002200	18/04/2013	02600	Kushner, Trevor	43.56	
002201	18/04/2013	00069	MACANDALE'S	70.99	
002202	18/04/2013	01014	NICKERSON, SCHELL	136.90	
002203	18/04/2013	01645	NORTH ISLAND COMMUNICATI	301.31	
002204	18/04/2013	01021	NORTHERN ROPES & INDUSTR	222.26	
002205	18/04/2013	00217	ORKIN CANADA CORPORATION	71.12	
002206	18/04/2013	02374	Providence Place Society	500.00	
002207	18/04/2013	00080	PUROLATOR INC.	81.94	

Cheque #	Pay Date	Vendor #	Vendor Name	Paid Amount	Void
002208	18/04/2013	02107	SMEDLEY, PATTI	86.63	
002209	18/04/2013	02522	Strathcon Industries	15.71	
002210	18/04/2013	00089	THE HOBBY NOOK	479.73	
002211	18/04/2013	00011	Tidbury, John	81.18	
002212	18/04/2013	02535	Time Business Machines L	45.92	
002213	18/04/2013	02717	Tourism Association of V	172.57	
002214	18/04/2013	02321	TWOFOURONE Consulting Lt	236.60	
002215	18/04/2013	00329	WALSH, ROD	282.22	
002216	25/04/2013	00829	ANA'S HARDY CLEAN	868.00	
002217	25/04/2013	01236	B.C. HYDRO	3,316.95	
002218	25/04/2013	02013	BRAUN, WERNER	127.00	
002219	25/04/2013	00580	BRITISH COLUMBIA SAFETY	1,010.00	
002220	25/04/2013	02468	Canwest Propane	2,458.23	
002221	25/04/2013	02575	Central Island Boat Movi	1,575.00	
002222	25/04/2013	02711	Cox, Daniel	573.90	
002223	25/04/2013	00539	CUPE LOCAL 2045	508.58	
002224	25/04/2013	00054	DAVE LANDON MOTORS LTD.	125.71	
002225	25/04/2013	00183	DRIEMEL, LESLIE	52.00	
002226	25/04/2013	01637	EPCOR UTILITIES INC.	446.11	
002227	25/04/2013	00099	FOX'S DISPOSAL SERVICES	604.55	
002228	25/04/2013	00052	HARDY BUILDERS' SUPPLY	219.71	
002229	25/04/2013	01980	HETHERINGTON INDUSTRIES	80.60	
002230	25/04/2013	00194	INT'L UNION OPERATING EN	508.93	
002231	25/04/2013	02726	Island Document Storage	429.45	
002232	25/04/2013	01032	K PEARSON CONTRACTING LT	789.60	
002233	25/04/2013	02007	MARSHALL WELDING AND FAB	21,087.36	
002234	25/04/2013	02725	Minister of Finance & Co	463.49	
002235	25/04/2013	00447	MNP	9,922.50	
002236	25/04/2013	00033	NAPA AUTO PARTS/PORT HAR	472.04	
002237	25/04/2013	02002	Neopost	624.41	
002238	25/04/2013	00075	O.K.TIRE STORE (PORT HAR	1,201.60	
002239	25/04/2013	00175	PARNHAM, BEV	121.77	
002240	25/04/2013	00080	PUROLATOR INC.	59.86	
002241	25/04/2013	00107	RECEIVER GENERAL FOR CAN	16,361.36	
002242	25/04/2013	00187	REGIONAL DISTRICT OF MT	3,155.66	
002243	25/04/2013	02724	Reusch, Justin	772.45	
002244	25/04/2013	02522	Strathcon Industries	421.45	
002245	25/04/2013	02234	Sutherland Armbrust	32.50	
002246	25/04/2013	01884	Tru Hardware	43.07	
002247	25/04/2013	00201	Vancouver Island Regiona	31,142.00	
002248	25/04/2013	01627	WOLDEN, GORDON	98.00	
Total:				231,313.85	

*** End of Report ***



DISTRICT OF PORT HARDY INTEROFFICE MEMORANDUM

TO: Rick Davidge, CAO
FROM: Allison McCarrick, DFS
SUBJECT: District of Port Hardy Draft 2012 Financial Statements
DATE: May 2, 2013

District of Port Hardy Draft 2012 Financial Statements

The audit firm of MNP, LLP has completed the audit for the year 2012.

The District of Port Hardy 2012 Draft Financial Statements must be approved by Council prior to the Independent Auditor's Report being issued.

Recommendation:

That Council accept the Draft 2012 Financial Statements for the District of Port Hardy.

Respectfully submitted,

Allison McCarrick, DFS

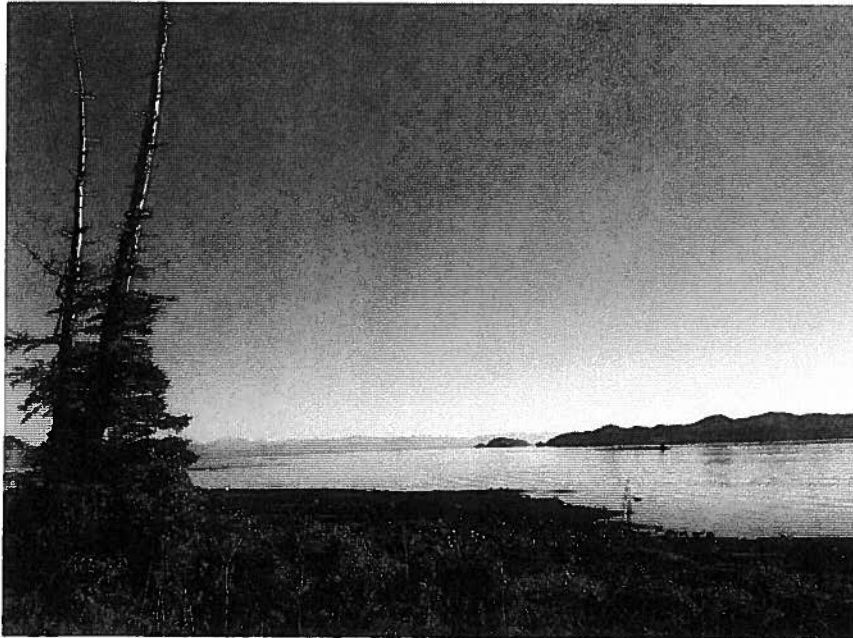
I agree with the recommendation,

Rick Davidge, CAO

District of Port Hardy

Consolidated Financial Statements

December 31, 2012





THE DISTRICT OF PORT HARDY

2012 ELECTED OFFICIALS

Mayor B. Parnham

Councillor J. Dorward

Councillor J. Hemphill

Councillor A. Huddleston

Councillor R. Marcotte

Councillor N. Shaw

Councillor J. Tidbury

DISTRICT OFFICIALS

Chief Administrative Officer

Director of Financial Services

Director of Corporate Services

Royal Canadian Mounted Police

Fire Chief

R. Davidge

A. McCarrick

J. Long

Staff Sgt. Brownridge

S. Nickerson

MUNICIPAL AUDITORS

Meyers Norris Penny LLP

BANKERS

CIBC

District of Port Hardy

December 31, 2012

CONTENTS

	<u>Page</u>
Financial Statements	
Managements' Report	
Independent Auditors' Report	
Consolidated Statement of Financial Position	1
Consolidated Statement of Operations	2
Consolidated Statement of Changes in Net Financial Assets	3
Consolidated Statement of Cash Flows	4
Notes to the Consolidated Financial Statements	6
Schedules	18

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 internal financial statements on a monthly basis and external Audited Financial Statements yearly.

The external auditors, MNP LLP, are appointed by Council to conduct an independent examination in accordance with generally accepted 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.



A. McCarrick

Chief Financial Officer

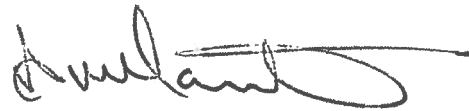


Bev Parnham

Mayor

Independent Auditors' Report

This will be completed by the Auditor MNP, LLP once 2012 Draft Financial Statements have been accepted by motion.



District of Port Hardy
Consolidated Statement of Financial Position
As At December 31, 2012

	2012	2011
Financial Assets		
Cash and cash equivalents (Note 2)	\$ 2,075,963	\$ 1,008,248
Accounts receivable (Note 3)	3,445,657	4,172,456
Loan receivable (Note 20)	38,333	38,333
Investment in Government business enterprises (Note 20)	45,702	-
Tax sale properties	12,912	78,946
Land held for resale	506	506
	<u>5,619,073</u>	<u>5,298,489</u>
Financial Liabilities		
Accounts payable and other liabilities (Note 4)	764,157	730,088
Tax sale properties deposits	16,912	56,647
Performance deposits and bonds (Note 5)	10,000	18,500
Deficit in Government business enterprises (Note 20)	-	16,538
Deferred revenue (Note 6)	892,957	530,913
Capital leases (Note 8)	1,097,719	1,377,593
Long term debt (Note 9)	1,097,739	1,292,616
	<u>3,879,484</u>	<u>4,022,895</u>
Net Financial Assets	<u>1,739,589</u>	<u>1,275,594</u>
Non-Financial Assets		
Tangible capital assets (Note 10)	41,298,278	40,892,777
Inventory	83,771	81,344
Prepays	18,693	15,990
	<u>41,400,742</u>	<u>40,990,111</u>
Accumulated Surplus (Schedule 3)	<u>\$ 43,140,331</u>	<u>\$ 42,265,705</u>

Commitments and Contingencies (Note 17)

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, 2012

	2012	2012 Budget Unaudited (Note 13)	2011
Revenue			
Taxes	\$ 2,335,809	\$ 2,336,793	\$ 2,236,667
Payments in lieu of taxes	156,649	197,711	147,034
Sewer user rates	1,011,733	951,218	938,523
Water user rates	1,253,300	1,287,543	1,222,373
Sale of Service	972,716	926,412	1,480,125
Other revenue	475,480	265,323	413,120
Income from investment in Government business enterprises (Note 20)	62,240	-	-
Development contributions	645,225	645,225	1,213,698
Government transfers from other governments (Note 20)	1,704,800	1,610,266	1,789,836
	<u>8,617,952</u>	<u>8,220,491</u>	<u>9,441,376</u>
Expenses			
General government services	1,114,282	878,647	940,579
Transportation services	1,589,595	1,589,070	1,568,976
Protective services	435,337	402,565	582,576
Environmental health services	263,013	262,904	246,607
Recreation & Culture	1,381,482	1,317,774	1,233,330
Community development	215,632	262,205	226,501
Water	1,332,469	1,328,511	1,301,013
Sewer	1,411,516	1,380,403	1,359,069
	<u>7,743,326</u>	<u>7,422,079</u>	<u>7,458,651</u>
Annual Surplus	<u>874,626</u>	<u>798,412</u>	<u>1,982,725</u>
Accumulated surplus beginning of year	42,265,705	42,265,705	40,282,980
Accumulated Surplus, end of year	<u><u>\$ 43,140,331</u></u>	<u><u>\$ 43,064,117</u></u>	<u><u>\$ 42,265,705</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, 2012

	2012	2012 Budget Unaudited (Note 13)	2011
Annual Surplus	\$ 874,626	\$ 798,412	\$ 1,982,725
Acquisition of tangible capital assets	(1,447,634)	(802,746)	(2,723,521)
Amortization	1,687,356	1,687,356	1,509,655
Loss on disposal of assets	-	-	20,910
Proceeds on sale of tangible capital assets	-	-	5,021
Development contributions	(645,225)	(645,225)	(1,213,698)
	(405,503)	239,385	(2,401,633)
Acquisition of prepaid expense	(18,693)	-	(15,990)
Consumption (acquisition) of supplies inventories	(2,425)	-	7,325
Use of prepaid expense	15,990	-	14,960
	(5,128)	-	6,295
Change in net financial assets	463,995	1,037,797	(412,613)
Net financial assets, beginning of year	1,275,594	1,275,594	1,688,207
Net financial assets, end of year	\$ 1,739,589	\$ 2,313,391	\$ 1,275,594

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, 2012

	2012	2011
Cash Provided By (Used In)		
Operating Activities		
Annual Surplus	\$ 874,626	\$ 1,982,725
Increase (Decrease) in Non Financial Assets		
Amortization	1,687,356	1,509,655
Gain on disposal of assets	-	(40,000)
Loss on disposal of assets	-	20,910
Developer tangible capital asset contribution	(645,225)	(1,213,698)
Change in inventory	(2,426)	7,325
Change in prepaids	(2,703)	(1,030)
	<u>1,911,628</u>	<u>2,265,887</u>
(Increase) Decrease in Financial Assets and Liabilities		
Change in accounts receivable	726,799	2,462,825
Change in loan receivable	-	(38,333)
Change in accounts payable	34,070	(1,334,901)
Change in tax sale properties	66,034	(73,124)
Change in tax sale deposits	(39,735)	36,233
Change in performance deposits and bonds	(8,500)	(284,826)
Change in investment in Government business enterprises	(62,240)	16,538
Change in Actuarial	(28,295)	(20,800)
Change in deferred revenue	362,044	50,818
	<u>2,961,805</u>	<u>3,080,317</u>
Cash provided by operating transactions	<u>2,961,805</u>	<u>3,080,317</u>
Capital Activities		
Acquisition of tangible capital assets	(1,447,634)	(1,993,509)
Proceeds on sale of tangible capital assets	-	5,021
	<u>(1,447,634)</u>	<u>(1,988,488)</u>
Financing Activities		
Capital lease repaid	(279,874)	(273,249)
Debenture debt repaid	(166,582)	(166,582)
	<u>(446,456)</u>	<u>(439,831)</u>
Net cash increase (decreases) in cash and cash equivalents	1,067,715	651,998
Cash and cash equivalents at beginning of period	1,008,248	356,250
Cash and cash equivalents at end of period	<u>\$ 2,075,963</u>	<u>\$ 1,008,248</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, 2012

	<u>2012</u>	<u>2011</u>
Consolidated Statement of Cash Flows continued.		
Represented by		
Cash	\$ 412,194	\$ 157,143
Investments	1,663,769	851,105
	<u>\$ 2,075,963</u>	<u>\$ 1,008,248</u>
Supplemental information		
Interest paid	\$ 152,452	\$ 140,905
Interest received	\$ 39,332	\$ 20,595

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, 2012

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 the Canadian Institute of Chartered Accountants (CICA). 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. Capital grants are recognized when the related expenditure is incurred. Development contributions are recorded as contributed tangible capital assets at their fair value on the date of contribution. Amounts received in advance of services being rendered are recorded as deferred revenue until the obligations that led to the collection of funds has been discharged.

c) 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.

d) Financial Instruments

The Municipality's financial instruments consist of cash, cash equivalents, accounts receivable, loan receivable, accounts payable, 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.

Cash and cash equivalents comprise of 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.

District of Port Hardy

Notes to the Consolidated Financial Statements
For the Year Ended December 31, 2012

1. Significant Accounting Policies Continued:

e) 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.

f) Use of Estimates

The preparation of consolidated financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities 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.

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.

g) Tangible Capital Assets

Tangible capital assets are recorded at cost, net of disposals, write-downs and amortization. Tangible capital asset expenses 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.

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 the related payments are charged to the expenses as incurred.

	Average Useful Life
Land	Indefinite
Land Improvements	10-40 years
Buildings	20-80 years
Equipment	5-25 years
Engineering Structures	
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.

District of Port Hardy

Notes to the Consolidated Financial Statements For the Year Ended December 31, 2012

1. Significant Accounting Policies Continued:

h) Recent Accounting Pronouncements

In February 2010, the Public Sector Accounting Board (PSAB) issued PS 3510 Tax Revenue to provide guidance on how to account for and report tax revenue in Municipal financial statements. This section establishes recognition, measurement, presentation and disclosure requirements for tax revenue. PS 3150 is effective for fiscal years beginning on or after April 1, 2012. The District does not expect the adoption of the new section to have a material impact on its consolidated financial statements.

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.

In March 2011, the Public Sector Accounting Board replaced and revised existing section PS 3410 Government Transfers with a newly amended section PS 3410. Newly issued PS 3410 establishes standards on how to account for and report government transfers to individuals, organizations and other governments from both a transferring government and a recipient government perspective. This section permits a recipient government to recognize government transfers as revenue when the transfer is authorized by the transferring government, unless the transfer creates a liability for the recipient. A liability is created as a result of the recipient government not yet meeting eligibility criteria or the existence of stipulations in the transfer agreement. When a government transfer results in recognition of a liability, revenue is recognized by a recipient government as the liability is settled. A transferring government recognizes an expense when the transfer is authorized and the recipient has met all eligibility criteria. Newly revised and issued PS 3410 may be applied prospectively or retroactively and is effective for fiscal years beginning on or after April 1, 2012; however, earlier adoption is encouraged. PS 3410 will be applied prospectively and the District does not expect the adoption of the newly issued section to have a material impact on its consolidated financial statements.

2. Cash and cash equivalents

	2012	2011
General revenue fund	\$ 2,064,372	\$ 996,779
Reserve accounts	11,591	11,469
	<u>\$ 2,075,963</u>	<u>\$ 1,008,248</u>

The above balances include Municipal Finance Authority money market account \$1,663,769 (2011 - \$851,104), 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, 2012

3. Accounts Receivable

	2012	2011
Property taxes	\$ 798,779	\$ 620,281
Other Governments	1,844,611	2,403,059
Trade and other	1,046,368	1,435,700
	<u>3,689,758</u>	<u>4,459,040</u>
Less allowance for doubtful accounts	(244,101)	(286,584)
	<u>\$ 3,445,657</u>	<u>\$ 4,172,456</u>

4. Accounts Payable and other liabilities

	2012	2011
Other Governments	\$ 125,839	\$ 152,745
Accrued wages and benefits	227,181	218,377
Trade and other	411,137	358,966
	<u>\$ 764,157</u>	<u>\$ 730,088</u>

5. Performance deposits and bonds

	2012	2011
Performance deposits	\$ 10,000	\$ 10,000
Other deposits	-	8,500
	<u>\$ 10,000</u>	<u>\$ 18,500</u>

6. Deferred Revenue

	2012	2011
Prepaid taxes	\$ 26,668	\$ 39,640
Prepaid fees and charges	49,576	48,548
Federal gas tax and other	816,713	442,725
	<u>\$ 892,957</u>	<u>\$ 530,913</u>

District of Port Hardy

Notes to the Consolidated Financial Statements
For the Year Ended December 31, 2012

7. Federal Gas and Public Transit Funds

Gas Tax funding is provided by the Government of Canada and the use of the funding is restricted by the terms of a funding agreement between the District and the Union of British Columbia Municipalities. Gas Tax funding may be used towards designated public transit, community energy, water, wastewater, solid waste and capacity building projects, as specified in the funding agreements.

	2012	2011
Opening balance of unspent funds	\$ 369,160	\$ 333,973
Add: Amount received during the year	204,071	204,071
Interest earned	4,996	3,966
Less: Amount spent on eligible projects	(60,000)	(172,850)
Closing balance of unspent funds	\$ 518,227	\$ 369,160

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.

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

2013	\$ 321,969
2014	320,676
2015	473,970
2016	16,065
Total minimum lease payments	1,132,680
Less: amount representing interest	(34,961)
Obligations under capital lease	<u>\$ 1,097,719</u>

Total interest expense during the year was \$23,593 (2011 \$27,980) and interest rates ranged from 1.25% to 5.25% (2.75% to 5.25% in 2011).

District of Port Hardy

Notes to the Consolidated Financial Statements
For the Year Ended December 31, 2012

9. Long-Term Debt

	Balance, Beginning of year	Additions	Principal repayments and actuarial recognized	Balance, end of year
Sewer Fund				
Long term debt	\$ 1,292,616	\$ -	\$ (194,877)	\$ 1,097,739

The following represents the principal repayments over the next five years:

2013	\$ 166,582
2014	166,582
2015	166,582
2016	166,582
2017	166,582
	<u>\$ 832,910</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)

Land and Improvements	\$ 4,278,558	\$ 4,060,267
Buildings	3,920,054	4,134,317
Furniture and Equipment	2,871	28,759
Vehicles and Machinery	1,578,684	1,759,469
Computer Hardware and Software	22,260	-
Engineering Structures		
Roads	13,394,252	13,185,009
Water	7,018,443	6,990,535
Sewer	11,083,156	10,734,421
	<u>\$41,298,278</u>	<u>\$40,892,777</u>

The cost of capital assets under construction in 2012 is \$645,478 (\$4,596,254 in 2011).

The net book value of leased assets in 2012 is \$1,385,257 (\$1,154,007 in 2011)

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, 2012

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 176,000 active members and approximately 67,000 retired members. Active members include approximately 35,000 contributors from local governments.

The most recent actuarial valuation as at December 31, 2009 indicated a \$1.024 billion funding deficit for basic pension benefits. The next valuation will be as at December 31, 2012 with results available in 2013. Defined contribution plan accounting is applied to the Plan as the Plan exposes the participating entities to actuarial risks associated with the current and former employees of other entities, with the result that there is no consistent and reliable basis for allocating the obligation, Plan assets and cost to individual entities participating in the Plan.

The District of Port Hardy paid \$115,637 (2011-\$102,378) for employer contributions while employees contributed \$92,773 (2011-\$83,665) to the plan in fiscal 2012.

12. Contractual Obligations

As a part of its ongoing operations, the Municipality is involved with projects that require it to enter into contractual obligations. At December 31, 2012, the significant obligations are:

- Payments to EPCOR Water Services Inc. for \$1,141,000 annually (with allowance for inflationary adjustments) for 17 years for water treatment/distribution and wastewater collection/treatment services beginning in 2002.

13. Budget Figures

The budget amounts presented throughout these financial statements are based on the Five Year Financial Plan bylaw adopted by Council on May 8, 2012, except in regard to budget amounts for amortization and tangible capital assets.

Annual surplus, as adopted May 8, 2012	Nil
Add:	
Acquisition of tangible capital assets	\$ 1,447,634
Debenture principal repayments	451,659
Less:	
Debenture debt issue	(225,000)
Interfund transfers	(875,881)
Annual surplus restated	<u>\$ 798,412</u>

District of Port Hardy

Notes to the Consolidated Financial Statements
For the Year Ended December 31, 2012

14. 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.

	2012	2011
School District 85	\$ 1,344,864	\$ 1,364,597
Mount Waddington Regional District	449,623	431,818
Mount Waddington Regional Hospital District	148,118	148,476
B.C. Assessment Authority	28,096	29,079
Municipal Finance Authority	85	85
Provincial Government - Police Tax	157,102	156,463
	<u>\$ 2,127,888</u>	<u>\$ 2,130,518</u>

15. 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, 2012, the balance of funds held in trust was \$29,753 (2011 - \$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.

16. 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, 2012 is \$20,964 (2011 - \$21,820).

Sick leave liability at December 31, 2012 is \$95,566 (2011 - \$95,514).

Severance liability at December 31, 2012 is \$28,258 (2011 - \$32,963).

District of Port Hardy

Notes to the Consolidated Financial Statements
For the Year Ended December 31, 2012

17. 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.

18. 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:

	2012	2011
Sewer Fund		
Cash Deposits	\$ 22,277	\$ 23,036

District of Port Hardy

Notes to the Consolidated Financial Statements For the Year Ended December 31, 2012

19. 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, 2012

20. Investment in Government Businesses

The investment in the 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 NICF LTD is required to report under International Financial Reporting Standards (IFRS). In the prior and current year, the NICF LTD financial statements have not been audited or reviewed, therefore they were not prepared in accordance with IFRS. Any difference between the accounting standards used and IFRS would likely be insignificant.

	2012 Unaudited	2011 Unaudited
Summary of investment in Government Businesses		
NICFLP	\$ 45,295	\$ (16,323)
NICF LTD.	407	(215)
	<u>45,702</u>	<u>(16,538)</u>
Summary of results of operations		
NICFLP	61,618	(21,323)
NICF LTD.	622	(215)
Other Adjustments	-	5,000
	<u>\$ 62,240</u>	<u>\$ (16,538)</u>

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

	2012 Unaudited	2011 Unaudited
Financial Position		
Current and other assets	\$ 276,673	\$ 127,485
Current and other liabilities	139,520	177,050
Partners' capital	<u>137,153</u>	<u>(49,565)</u>
Net assets	<u>276,673</u>	<u>127,485</u>
Results of operations		
Revenues	203,525	9,678
Expenses	16,804	74,293
Net surplus/(loss)	<u>\$ 186,721</u>	<u>\$ (64,615)</u>

In 2011 the District loaned the North Island Community Forest Limited Partnership (NICFLP) \$38,333. The loan is unsecured, non-interest bearing and due on or before December 31, 2015.

District of Port Hardy

Notes to the Consolidated Financial Statements
For the Year Ended December 31, 2012

21. Comparative Figures

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

District of Port Hardy

Consolidated Schedule of Segmented Disclosure

For the Year Ended December 31, 2012

Schedule 1
(Note 19)

	General government services			Transportation services			Protective services			Environmental health services			Recreation & Culture		
	2012	2011	2010	2012	2011	2010	2012	2011	2010	2012	2011	2010	2012	2011	2010
Revenues															
Taxes	\$ 2,335,809	\$ 2,236,667	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Payments in lieu of taxes	156,649	147,034	-	-	-	-	-	-	-	-	-	-	-	-	-
Sale of service	-	-	290,565	234,858	34,443	269,038	212,509	207,649							
Income from investment in Government business enterprises	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Government transfers from other governments	727,501	707,694	644,935	642,764	57,665	-	-	4,278							
Development contributions	-	-	-	720,720	-	-	-	-	-	-	-	-	-	-	-
Capital recognized	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
City	285,186	162,610	35,776	80,096	32,238	58,289	3,164	3,032	33,876	33,212					
	3,505,145	3,254,005	971,276	1,678,438	124,986	92,732	276,437	272,070	246,385	245,139					
Expenses															
Salaries and benefits	848,238	697,121	404,629	356,290	111,084	107,131	12,886	8,149	613,528	554,857					
Goods and services	166,487	170,617	327,905	338,434	157,824	155,357	27,012	109,462	334,890	260,635					
Contracted services	49,635	41,725	256,927	351,132	79,103	211,001	223,115	129,997	217,164	204,625					
Interest	10,811	-	-	9,013	-	5,721	-	-	-	1,763					
Loss on Govt business enterprise	-	-	-	-	-	-	-	-	-	-					
Loss on disposal of assets	-	-	-	18,526	-	-	-	-	-	-					
Amortization	39,111	31,116	600,134	495,581	87,326	103,366	-	-	215,900	211,450					
	1,114,282	940,579	1,589,595	1,568,976	435,337	582,576	263,013	246,608	1,381,482	1,233,330					
Net Surplus (Deficit)	\$ 2,390,863	\$ 2,313,426	\$ (618,319)	\$ 109,462	\$ (310,351)	\$ (489,844)	\$ 13,424	\$ 25,462	\$ (1,135,097)	\$ (988,191)					

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, 2012

Schedule 1

	Community development		Water		Sewer		Consolidated Actual		Budget Unaudited		Consolidated Actual		Budget Unaudited	
	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011
Revenues														
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,335,809	\$ -	\$ 2,336,793	\$ 2,236,667	\$ 2,218,882	\$ 2,236,667	\$ 2,218,882	\$ 2,218,882
Payments in lieu of taxes	-	-	-	-	-	-	156,649	-	197,711	147,034	151,956	147,034	151,956	151,956
Sale of service	-	-	1,341,582	1,432,653	1,084,737	1,462,378	3,237,749	3,641,019	3,165,173	3,641,019	3,655,587	3,641,019	3,655,587	3,655,587
Income from investment in Government business enterprises	62,240	-	-	-	-	-	62,240	-	-	-	-	-	-	-
Government transfers from other governments	188,316	116,246	60,000	-	26,383	318,854	1,704,800	1,789,836	1,610,266	1,789,836	1,661,628	1,789,836	1,661,628	1,661,628
Development contributions	-	-	-	492,978	645,225	-	645,225	1,213,698	645,225	1,213,698	3,015,500	1,213,698	3,015,500	3,015,500
Actuarial recognized	-	-	-	-	28,295	20,800	28,295	20,800	-	20,800	-	20,800	-	-
Net	31,048	27,578	12,772	14,592	13,125	12,911	447,185	392,320	265,323	392,320	298,938	392,320	298,938	298,938
Expenses														
Salaries and benefits	56,090	54,540	7,999	3,978	2,303	222	2,056,757	1,782,288	1,763,484	1,782,288	1,733,263	1,782,288	1,733,263	1,733,263
Goods and services	45,422	94,036	98,526	96,493	117,722	116,131	1,275,788	1,341,165	1,257,817	1,341,165	1,373,990	1,341,165	1,373,990	1,373,990
Contracted services	114,120	61,387	858,265	849,712	772,645	793,222	2,570,974	2,641,801	2,569,903	2,641,801	2,455,587	2,641,801	2,455,587	2,455,587
Interest	-	-	16,945	20,084	124,695	104,324	152,451	140,905	123,519	140,905	146,247	140,905	146,247	146,247
Loss on Govt business enterprise	-	16,538	-	-	-	-	-	16,538	-	16,538	-	16,538	-	-
Loss on disposal of assets	-	-	-	3,895	-	3,878	-	26,299	-	26,299	-	26,299	-	-
Amortization	-	-	350,734	326,851	394,151	341,291	1,687,356	1,509,655	1,687,356	1,509,655	1,470,000	1,687,356	1,470,000	1,470,000
Net Surplus (Deficit)	215,632	226,501	1,332,469	1,301,013	1,411,516	1,359,068	7,743,326	7,458,651	7,422,079	7,458,651	7,179,087	7,458,651	7,179,087	7,179,087
	\$ 65,972	\$ (82,677)	\$ 81,885	\$ 639,210	\$ 386,249	\$ 455,875	\$ 874,626	\$ 1,982,725	\$ 798,412	\$ 1,982,725	\$ 3,823,404	\$ 1,982,725	\$ 3,823,404	\$ 3,823,404

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, 2012

Schedule 2

	Costs				Accumulated Amortization						
	Opening Balance	Additions	Construction In progress	Less Disposals	Closing Balance	Opening Balance	Amortization	Less Accumulated Amortization on Disposals	Closing Balance	2012	2011
Land and Land Improvements	\$ 5,439,172	\$ 318,067	\$ -	\$ -	\$ 5,757,239	\$ 1,378,905	\$ 99,776	\$ -	\$ 1,478,681	\$ 4,278,558	\$ 4,060,267
Buildings	9,612,904	-	-	-	9,612,904	5,478,587	214,263	-	5,692,850	3,920,054	4,134,317
Furniture and Equipment	397,093	-	-	-	397,093	371,243	22,979	-	394,222	2,871	25,850
Vehicles and Machinery	3,745,150	-	-	-	3,745,150	1,985,681	180,785	-	2,166,466	1,578,684	1,759,469
Computer Hardware and Software	138,158	21,824	-	-	159,982	135,249	2,473	-	137,722	22,260	2,909
Engineering Structures											
Roads	23,549,233	104,154	527,284	-	24,180,671	10,364,224	422,195	-	10,786,419	13,394,252	13,185,009
Water	12,670,309	378,642	-	-	13,048,951	5,679,774	350,734	-	6,030,508	7,018,443	6,990,535
Other	15,398,594	742,886	-	-	16,141,480	4,664,173	394,151	-	5,058,324	11,083,156	10,734,421
	\$ 70,950,613	\$ 1,565,573	\$ 527,284	\$ -	\$ 73,043,470	\$ 30,057,836	\$ 1,687,356	\$ -	\$ 31,745,192	\$ 41,298,278	\$ 40,892,777

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, 2012

Schedule 3

	2012	2011
Surplus		
Invested in tangible capital assets	\$ 39,102,820	\$ 38,222,568
Operating funds	2,637,428	2,558,220
	<u>41,740,248</u>	<u>40,780,788</u>
Reserves		
Buildings	134,509	133,102
Computers	20,301	20,088
Equipment replacement	202,580	200,461
General capital works	210,789	208,583
Park development	37,689	37,294
Recreation facilities	137,080	135,646
Sidewalks and roads	175,762	273,407
Tax sale	16,642	16,468
	<u>935,352</u>	<u>1,025,049</u>
Water Reserve Fund		
Water capital works	157,326	155,680
Sewer Reserve Fund		
Sewer capital works	307,405	304,188
	<u>1,400,083</u>	<u>1,484,917</u>
Accumulated Surplus, end of year	<u><u>\$ 43,140,331</u></u>	<u><u>\$ 42,265,705</u></u>

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

**DISTRICT OF PORT HARDY
INTEROFFICE MEMORANDUM**

TO: Rick Davidge
FROM: Patti Smedley
SUBJECT: Costs for Information Stands
DATE: May 2, 2013

Jack Griffiths has verified the costs for labour / installation and materials for the proposed Informational Signs to go in Carrot Park. Labour / installation for each sign would cost \$212, and includes the following:

Materials & Labour (PW) @ \$212 per pad

Total for Materials & Labour: \$212 / per pad x 7 = \$1484

7 Frames @ \$140 each

Total for Frames: \$140 / per frame x 7 = \$980 + 68.60 PST

7 Interpretive Photos @ \$350 each

Total for Photos: \$350 / per frame x 7 = \$2450

TOTAL PROJECT COSTS: \$4982.60

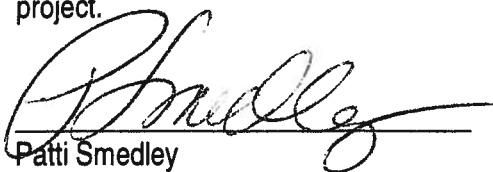
At the November 13, 2012 Council Meeting, Chamber of Commerce representatives requested that the District cover the costs for the labour / installation and frames. The Chamber of Commerce would use the "Best Fishing Towns" funds to cover the costs for the photos. The cost breakdown would be as follows:

District: \$2532.60

Chamber of Commerce: \$2450

Suggested sign installation will be approx. 30 metres apart along the seawall between the Government Wharf and the "eagle" tree.

The District would need to fund its portion from General Funds if it is Mayor and Council's pleasure to proceed with the project.



Patti Smedley
Economic & Community Development Coordinator
District of Port Hardy

**MINUTES OF THE DISTRICT OF PORT HARDY
REGULAR MEETING OF COUNCIL NOVEMBER 13, 2012**

CALL TO ORDER: Deputy Mayor Tidbury Time: 7:00 pm

PRESENT: Councillors Dorward, Hemphill, Huddleston (by telephone), Marcotte, Shaw

REGRETS: Mayor Parnham

ALSO PRESENT: Rick Davidge, Chief Administrative Officer
Gloria Le Gal, Director Corporate Services
Trevor Kushner, Director Operational Services
Allison McCarrick, Director Financial Services
Leslie Driemel, Recording Secretary

Media: North Island Gazette

Citizens:5

2012-216
APPROVAL OF AGENDA
AS PRESENTED

APPROVAL OF AGENDA

Moved/Seconded/Carried
THAT the agenda be approved as presented.

ADOPTION OF MINUTES

1. The minutes of the Regular Council Meeting held October 23, 2012.

2012-217
REGULAR COUNCIL
MEETING MINUTES
OCTOBER 23, 2012
APPROVED

Moved/Seconded/Carried
THAT the minutes of the Regular Council Meeting held October 23, 2012 be approved as presented.

DELEGATIONS

1. Colleen Dane, Communications Manager, BC Salmon Farmers Assoc. re: Update on Association activities.

DELEGATION
BC SALMON FARMERS
ASSOC RE: UPDATE ON
ACTIVITIES

Ms Dane updated Council on the activities of the BC Salmon Farmers Association including: focusing on educating the public on farm operations, partnering with larger organizations such as 4H, print and media campaigns, third party certification of best practises standards, review of Cohen Commission report and its recommendations to the Department of Fisheries and Oceans.

Ms Dane thanked Council for past years support of the Association and that advised the Board has accepted Council's invitation to hold the 2013 Annual General meeting in Port Hardy.

- ✱ 2. James Emerson and Alfons Bauer, (for Yana Hrdy), Port Hardy & District Chamber of Commerce re: New display sign for Port Hardy Seawall. ✱

DELEGATION
CHAMBER OF
COMMERCE RE: NEW
DISPLAY SIGN FOR
PORT HARDY SEAWALL

Mr. Emerson and Mr. Bauer displayed the first completed informational sign for the Port Hardy Seawall. The locations for the signs have not yet been determined.

Council was advised the cost for the frames would be \$140 each and the signs cost \$350 each. The Chamber has a budget to produce seven more signs from the \$2,500 won as a prize in last year's Ultimate Fishing Town Contest and asked Council to cover the cost of the frames and installation of all the signs.

Councillor Hemphill requested the Chamber of Commerce, as a matter of protocol, contact Chief Rupert Wilson of the Kwakiutl First Nation regarding the project and advised they might have historical photos to contribute.

SEAWALL SIGNS
STAFF TO CONTACT CH
OF COMMERCE RE
SEAWALL SIGNS

✱ Deputy Mayor Tidbury requested staff consult with the Chamber of Commerce regarding the costs of the frames and the installation of the signs.

3. Tara McCart, Port Hardy Rotary Club re: Moving park equipment from daycare to Rotary Park area.

DELEGATION
PORT HARDY ROTARY
CLUB RE: MOVING PARK
EQUIPMENT FROM
DAYCARE TO ROTARY
PARK AREA.

Ms McCart advised Council that the playground equipment at Rainbow Daycare was recently purchased but does not meet their needs. The Rotary Club would purchase the equipment for installation at playground area behind the Chamber of Commerce.

Council discussed liability issues regarding used equipment.

STAFF TO CONTACT
ROTARY CLUB ON
PLAYGROUND
EQUIPMENT

Council directed staff to contact Ms McCart and arrange to go through an equipment inspection process and the cost of installation.

BUSINESS ARISING FROM THE MINUTES AND UNFINISHED BUSINESS

1. Council action items were received as information.

CORRESPONDENCE

1. Robin Irving, Booking Manager, Sail and Life Training Society (Oct 22/12) re: Bursary offer.

Council discussed the bursary offer and raised concerns regarding Sail and Life Training Society Partner Eligibility Requirements. Council discussed connections to youth in the community and selection of the bursary recipient. It was suggested that local churches might be better partners for the bursary program.

2012-218
DECLINE SAIL AND LIFE
TRAINING SOCIETY
BURSARY PARTNERSHIP

Moved/Seconded/Carried

THAT the District of Port Hardy decline to participate in the Sail and Life Training Society bursary offer and suggest to the Society that they partner with local churches.



DISTRICT OF PORT HARDY

BYLAW 1013- 2013

A Bylaw to Set the 2013 Annual Tax Rates

WHEREAS the Council shall, pursuant to Section 197 of the *Community Charter*, in each year, adopt a bylaw to impose rates on all taxable land and improvements according to their assessed value to provide the money required for purposes specified in the *Community Charter*.

NOW THEREFORE the Council of the District of Port Hardy in open meeting assembled enacts as follows:

1. Title

This Bylaw may be cited as the "District of Port Hardy Annual Tax Rates Bylaw 1013-2013".

2. Definition

"Collector" means the person duly appointed as such from time to time by Council, and includes all persons appointed or designated by the Collector to act on her behalf.

3. Tax Rates for General Municipal Purposes

Tax rates for all lawful general purposes, as shown in column 'A' of Schedule 'A' attached hereto and forming a part of this Bylaw, are hereby imposed and levied on taxable land and improvements according to their assessed value as shown on the Real Property Tax Roll for general municipal purposes for the District of Port Hardy for 2013.

4. Tax Rates for the Vancouver Island Regional Library

Tax rates for the payment of the Vancouver Island Regional Library requisition, as shown in column 'B' of Schedule 'A' attached hereto and forming part of this Bylaw, are hereby imposed and levied on taxable land and improvements according to their assessed value on the Real Property Tax Roll for general municipal purposes for the District of Port Hardy for 2013.

5. Tax Rates for the Regional District of Mount Waddington

Tax rates for the payment of the Regional District of Mount Waddington requisition, as shown in column 'C' of Schedule 'A' attached hereto and forming part of this Bylaw, are hereby imposed and levied on taxable land and improvements according to their assessed value on the basis provided under Section 26 of the *Hospital District Act* and as shown upon the Real Property Tax Roll for the District of Port Hardy for 2013.

6. Tax Rate for the Regional District of Mount Waddington Hospital District

Tax rates for the payment of the Mount Waddington Regional Hospital District requisition, as shown in column 'D' of Schedule 'A' attached hereto and forming part of this Bylaw are hereby imposed and levied on taxable land and improvements according to their assessed value on the basis provided by Section 26 of the *Hospital District Act* and according to their assessed value as shown upon the Real Property Tax Roll for the District of Port Hardy for 2013.

7. Rates and Taxes Payable

The rates and taxes named under this Bylaw shall be levied, raised and collected for the purposes stated, and shall be payable by 4:30 p.m., July 2, 2013 to the Collector at the Municipal Hall, Port Hardy, BC.

8. Penalties

Upon the 3rd day of July, 2013, or as soon thereafter as is practicable, the Collector shall add to the unpaid balance of the current year's taxes, in respect of each parcel of land and improvement as shown upon the Real Property Tax Roll of the District for 2013:

Ten (10) percent of the amount unpaid as of the 2nd day of July, 2013.

9. Supplementary Tax Rolls

(a) Upon receipt of a Supplementary Tax Roll from B.C. Assessment, the Collector shall levy taxes in accordance with the rates specified in Schedule 'A' of this Bylaw according to the taxable values as shown on the Supplementary Tax Rolls.

(b) Where Supplementary Tax Notices are sent before the 1st day of June 2013, penalties shall be added as set out in Section 8 of this Bylaw.

(c) Where Supplementary Tax Notices are sent after the 1st day of June, 2013, ten (10) percent shall be added on any amount unpaid after thirty (30) days.

Read a first time on the 23rd day of April, 2013.

Read a second time on the 23rd day of April, 2013.

Read a third time on the 23rd day of April, 2013.

Adopted by the Municipal Council on the day of , 2013

Director of Corporate Services

Mayor

Certified to be a true copy of
District of Port Hardy
Annual Tax Rates Bylaw 1013-2013

Director of Corporate Services

District of Port Hardy
 Schedule "A" of
 Bylaw No. 1013-2013

Class	Property	A	B	C	D
		General Municipal	Vancouver Island Regional Library	Regional District	Regional Hospital District
1	Residential	4.961931	0.269720	1.037798	0.347026
2	Utilities	39.075204	2.124047	3.632293	1.214590
5	Light Industrial	22.328688	1.213741	3.528513	1.179888
6	Business	15.630081	0.849619	2.542605	0.850213
7	Managed Forest	35.775520	1.944683	3.113394	1.041078
8	Recreation/Non-Profit	<u>4.961931</u>	<u>0.269720</u>	<u>1.037798</u>	<u>0.347026</u>
		122.733353	6.671529	14.892400	4.979821