



**SKEENA-QUEEN CHARLOTTE REGIONAL DISTRICT
REGULAR BOARD MEETING
100 1st Avenue East, Prince Rupert, BC
Friday, November 22, 2013
7:00 p.m.
AMENDED AGENDA**

1. CALL TO ORDER

2. CONSIDERATION OF AGENDA (additions/deletions)

3. BOARD MINUTES & BUSINESS ARISING FROM MINUTES

3.1	Minutes of the Regular Meeting of the Skeena-Queen Charlotte Regional District (SQCRD) Board held October 18, 2013	Pg 1-8
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4. STANDING COMMITTEE/COMMISSION MINUTES – BUSINESS ARISING

Add 4.1	Moresby Island Management Committee (MIMC) – Meeting Minutes of October 10, 2013	Pg. 8a-d
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5. DELEGATIONS

5.1	C. Whyte & T. Love, at BC Assessment – Property Assessment Process (By Board invitation from February 2013 meeting)	
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6. FINANCE

6.1	J. Musgrave, Administrative Assistant - Cheques payable over \$5,000 for October, 2013	Pg 9
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7. CORRESPONDENCE

7.1	Canadian Union of Postal Workers – The Future of Canada Post	Pg 10-25
7.2	Ministry of Transportation - Wharf Located in Sandspit (RD Letter of October 10, 2012 Attached)	Pg 26-27

8. REPORTS / RESOLUTIONS

8.1	L. Neville, Haidi Gwaii Recreation Coordinator – October 2013 Program Report	Pg 28-32
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8.2	J. Robb, Treasurer – Gas Tax	Pg 33
8.3	J. Merrick, Chief Administrative Officer – Meeting Dates	Pg 34-36
8.4	J. Merrick, CAO – Appointment of Officers	Pg 37
8.5	J. Merrick, CAO – Moresby Island Management Committee Follow-up	Pg 38-46
8.6	J. Merrick, CAO – Environmental Assessment Office and Ministry of Community, Sport and Cultural Development – Industrial Development in the Region	Verbal
8.7	J. Robb, Treasurer – Follow-Up on Accountability – Grants in Aid	Pg 47
8.8	J. Robb, Treasurer – Services and Taxation Limits	Pg 48-49
8.9	J. Merrick, CAO – Northern Development Initiative Trust - Request for Resolution and Support	Verbal
8.10	J. Merrick, CAO – Sandspit Water Regulation and Fees	Pg 50-56

9. BYLAWS

9.1	Bylaw No. 558 – Being a bylaw to regulate the terms and conditions in the Sandspit Water System Service Area	Pg 57-71
9.2	Bylaw No. 560 – Being a bylaw to amend the Graham Island Interim Zoning Bylaw No. 192, 1993 <u>Insert: Schedule 1 Map - Pg. 72a</u>	Pg 72
9.3	Bylaw No. 559 – Being a bylaw to repeal the Rural Graham Island Community Advisory Committees	Pg 73

10. LAND REFERRALS / PLANNING *(Voting restricted to Electoral Area Directors)*

10.1	Planning Memo – 16320 Tow Hill Road – G. Schweers – Rezoning Application	Pg 74-79
10.2	Crown Land Application Request # 66340172 – To a erect a new communications shelter on Mt. Poole – BC Hydro	Pg 80-92

11. NEW BUSINESS

11.1	Directors' Reports	-----
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12. OLD BUSINESS

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13. PUBLIC INPUT**14. IN-CAMERA**

That the public be excluded from the meeting according to section 90(1)(c) of the <i>Community Charter</i> – “labour relations and other employee relations.”	
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15. ADJOURNMENT**NEXT MEETING:**

**SQCRD Board Meeting in Prince Rupert
Friday, December 13, 2013
7:00 p.m.**



SKEENA-QUEEN CHARLOTTE REGIONAL DISTRICT

MINUTES of the Regular Meeting of the Board of Directors of the Skeena-Queen Charlotte Regional District (SQCRD) held at the Haida House in Tlell, Haida Gwaii on Friday, October 18, 2013.

PRESENT

PRIOR TO ADOPTION

Chair	B. Pages, Village of Masset
Vice Chair	D. Nobels, Electoral Area A
Directors	A. Ashley, City of Prince Rupert N. Kinney, City of Prince Rupert D. Franzen, District of Port Edward I. Gould, Village of Port Clements C. Kulesha, Village of Queen Charlotte K. Bergman, Electoral Area C M. Racz, Electoral Area D E. Putterill, Electoral Area E
Staff:	J. Merrick, Chief Administrative Officer (via teleconference) J. Fraser, Deputy Corporate Officer
Public:	2
Media:	1

1. CALL TO ORDER 7pm

2. AGENDA

2.1 MOVED by Director Kinney, SECONDED by Director Putterill, that the amended agenda be adopted, with the inclusion of the following:

11.6 Director Kinney – Regional Recycling Depot;

11.7 Director Nobels - Standing Committee on Finance; and

11.8 J. Merrick, Chief Administrative Officer – *Directors - Reimbursement of Travel & Other Expenses Policy*.

346-2013

CARRIED

3. MINUTES & BUSINESS ARISING FROM MINUTES

3.1 SQCRD Regular Board Meeting – September 18, 2013 Minutes

MOVED by Director Putterill, SECONDED by Director Racz, that the minutes of the September 18, 2013 SQCRD Regular Board meeting be adopted as presented.

347-2013

CARRIED

4. STANDING COMMITTEE/COMMISSION MINUTES – BUSINESS ARISING**4.1 Moresby Island Management Committee (MIMC) – Meeting Minutes of August 1, 2013**

MOVED by Director Kinney, SECONDED by Director Putterill, that the minutes of the August 1, 2013 Moresby Island Management Committee Meeting be received as presented;

AND THAT the Committee be notified that, prior to entering an agreement with the Sandspit Community Society, it first be reviewed by the Regional District Board.

348-2013**CARRIED**

Director Putterill opposed.

4.1 MIMC Report – Issues Requiring Attention/Action

MOVED by Director Ashley, SECONDED by Director Kinney, that the report from the Moresby Island Management Committee entitled “Issues Requiring Attention/Action” be received;

349-2013**CARRIED**

MOVED by Director Kulesha, SECONDED by Director Ashley, that the report be referred to staff.

350-2013**CARRIED****5. DELEGATIONS****5.1 Marine Planning Advisory Committee (Haida Gwaii)**

Berry Wijdeven of BC Ministry of Forests, Lands and Natural Resource Operations and Russ Jones with the Council of Haida Nation Oceans Technical Team, both co-chairs of the Marine Advisory Committee (Haida Gwaii) presented the Board with information on the general management direction of the committee, as well as the spatial planning process which will be undertaken. Maps illustrating the proposed “areas of interest” were shown. Mr. Wijdeven explained it is too early in the process for the areas to be termed “zones” as the committee was instructed to go to the stakeholders prior to the Province reviewing the information.

The Chair thanked Mr. Wijdeven and Mr. Jones for their presentation.

6. FINANCE**6.1 J. Musgrave, Administrative Assistant - Cheques Payable over \$5,000 for September, 2013**

MOVED by Director Putterill, SECONDED by Director Racz, that the staff report on Cheques Payable over \$5,000 issued by the Skeena-Queen Charlotte Regional District for September, 2013 be received and filed.

351-2013**CARRIED**

6.2 UBCM - \$104,458 Gas Tax Agreement Community Works Fund Payment

MOVED by Director Nobels, SECONDED by Director Ashley, that the correspondence from the Union of BC Municipalities regarding the Gas Tax Agreement Community Works Fund Payment be received and filed.

352-2013

CARRIED

7. CORRESPONDENCE

7.1 Premier Christy Clark – Follow-up from UBCM Convention

MOVED by Director Kulesha, SECONDED by Director Racz, that the correspondence from Premier Christy Clark regarding the follow-up from the UBCM Convention be received and filed.

353-2013

CARRIED

7.2 Dixon Entrance Maritime Museum Society – Outline of Activities

MOVED by Director Ashley, SECONDED by Director Kinney, that the correspondence from the Dixon Entrance Maritime Museum Society regarding their outline of activities be received and filed.

354-2013

CARRIED

7.3 Ministry of Community, Sport & Cultural Development – Grant Notification for Sandspit Water Feasibility Study

MOVED by Director Putterill, SECONDED by Director Gould, that the correspondence from the Ministry of Community, Sport & Cultural Development regarding Grant Notification for Sandspit Water Feasibility Study be received;

AND THAT the Moresby Island Management Committee (MIMC) be authorized to enter into an agreement with a qualified engineer to undertake a feasibility study for a nano-filtration system for the Sandspit Water Service;

AND THAT the study includes alternative options should a nano-filtration system not be viable.

AND FURTHER THAT MIMC report back to the Regional District Board once the study has been completed.

355-2013

CARRIED

MOVED by Director Ashley, SECONDED by Director Nobels, that a letter of appreciation be sent to the Ministry of Community, Sport & Cultural Development for the approval of the \$10,000 Infrastructure Planning Grant for the Sandspit water system feasibility study.

356-2013

CARRIED

8. REPORTS – RESOLUTIONS

Lucy Neville, Haida Gwaii Regional Recreation Co-ordinator gave a verbal update on the current project and programs being held with grant funding received. The Board expressed their appreciation on the work being done as well as the detailed, informative reports provided on a monthly basis.

8.1 L. Neville, Haida Gwaii Regional Recreation Coordinator – August 2013 Report

MOVED by Director Putterill, SECONDED by Director Racz, that the staff report entitled “August 2013 Report” be received and filed.

357-2013

CARRIED

8.2 L. Neville, Haida Gwaii Regional Recreation Coordinator – September 2013 Report

MOVED by Director Ashley, SECONDED by Director Racz, that the staff report entitled “September 2013 Report” be received and filed.

358-2013

CARRIED

8.3 J. Robb, Treasurer – Amendment to “Authority to Financial (Banking) Transaction” Policy

MOVED by Director Kulesha, SECONDED by Director Kinney, that the staff report entitled Amendment to “Authority to Financial (Banking) Transaction” Policy be received;

AND THAT the policy be amended to include “Chevron” as an additional vendor under section 2.2.2.

359-2013

CARRIED

8.4 J. Fraser, Deputy Corporate Officer – Emergency Preparedness Public Forums

MOVED by Director Gould, SECONDED by Director Nobels, that the staff report entitled “Emergency Preparedness Public Forums” be received and filed.

360-2013

CARRIED

9. BYLAWS

None.

10. LAND REFERRALS/PLANNING

- 10.1 Crown Land Investigative Permit Application Referral No. 66038535-005 for Aggregate and Quarry Materials by Metlakatla Development Corp.

MOVED by Director Nobels, SECONDED by Director Ashley, that the Crown Land Investigative Permit Application Referral No. 66038535-005 by Metlakatla Development Corporation be received and filed.

361-2013

CARRIED

- 10.2 Prince Rupert Gas Tax Transmission Project – Notification of Application to Undertake Geotechnical Assessments of River Crossings

MOVED by Director Nobels, SECONDED by Director Kinney, that the notification of application to undertake geotechnical assessment of river crossings by the Prince Rupert Gas Tax Transmission Project be referred to the Kitimat Stikine Regional District.

362-2013

CARRIED

- 10.3 Prince Rupert Gas Transmission Project – Notification of Application for Heli-Pad Permit

MOVED by Director Nobels, SECONDED by Director Putterill, that the notification of application for a heli-pad permit by the Prince Rupert Gas Transmission Project be referred to the Kitimat Stikine Regional District.

363-2013

CARRIED

11. NEW BUSINESS

- 11.1 Directors' Reports – Verbal

MOVED by Director Nobels, SECONDED by Director Kinney, that the Regional District Directors' verbal reports, as follows, be received:

Director Ashley – City of Prince Rupert:

Plans for the by-election for the City of Prince Rupert are underway. The date has been set for Saturday, November 16, 2013. Mayor Mussallem travelled to Trinidad to visit the BG Group's LNG facility.

Director Franzen – District of Port Edward:

The District has been in the process of selling more of its industrial property. The Mayor and Council will be travelling to Malaysia to visit the Petronas LNG facility.

Chair Pages – Village of Masset:

The upgrades at the airport terminal in Masset are virtually complete and there will be an official opening in the near future.

Director Kulesha – Village of Queen Charlotte:

Construction on the new hospital in the village is now underway.

Director Putterill – Electoral Area E:

There are big projects underway at the airport in Sandspit, including a new fence around the airport, a new glide path system and a large shoreline protection project. There is also a lot of logging activity happening in the area.

Director Nobels – Electoral Area A:

Director Nobels gave an overview on the concerns of the region at the Select Standing Committee on Finance and Government Services, which is a BC budget consultation committee.

364-2013**CARRIED**

11.2 Village of Port Clements – Letter to BC Hydro Concerning LED Streetlights

MOVED by Director Kulesha, SECONDED by Director Putterill, that the Chair be authorized to sign the letter being sent to Minister Bill Bennett from the villages of Port Clements, Masset and Queen Charlotte, the Skidegate Band Council and Skeena-Queen Charlotte Regional District collectively regarding BC Hydro and the LED streetlight concerns for Haida Gwaii.

365-2013**CARRIED**

11.3 Ministry of Community, Sport and Cultural Development News Release – Sandspit Grant helps Plan Water Supply

MOVED by Director Kulesha, SECONDED by Director Putterill, that the news release from the Ministry of Community, Sport and Cultural Development regarding the approval of the \$10,000 grant for the Sandspit water system feasibility study be received and filed.

366-2013**CARRIED**

11.4 Ministry of Community, Sport and Cultural Development News Release – Infrastructure Planning Grants Available for Northwest LNG Communities

MOVED by Director Nobels, SECONDED by Director Franzen, that the news release from the Ministry of Community, Sport and Cultural Development regarding notification of planning assistance of \$150,000 for the Northwest communities affected by the proposed LNG projects be received.

367-2013**CARRIED**

MOVED by Director Ashley, SECONDED by Director Nobels, that the Board send a letter to Premier Christy Clark acknowledging appreciation for \$150,000 infrastructure planning grants available for Northwest LNG communities;

AND THAT the letter include the Board's great concern of the disparity between the grant funding available and what is actually required.

368-2013**CARRIED**

11.5 Misty Isles Economic Development Society – 2013 Grant Funding

MOVED by Director Putterill, SECONDED by Director Racz, that the Board supports the annual grant application of \$35,000 to the Northern Development Initiative's Capacity Building Program, with \$17,500 allocated to Misty Isles Development Society for Electoral Areas D and E and \$17,500 allocated for Electoral Areas A and C.

369-2013**CARRIED**

11.6 Director Kinney - Regional Recycling Depot

Director Kinney expressed concerns received from residents regarding the Regional Recycling Depot.

11.7 Director Nobels - Standing Committee on Finance

Director Nobels attended the Select Standing Committee on Finance and Government Services, which is a BC budget consultation committee. He brought up the following issues to the group:

- a. need for a new revenue sharing model for the northwestern BC region;*
- b. need for a strategic environmental assessment for the proposed projects for the region (cumulative impacts of all proposed projects);*
- c. need for bridge funding to deal with the onslaught on communities from the proposed projects;*
- d. concern over BC Hydro's rate increase of 26% over the next four years;*
- e. need to revisit social assistance rates in BC; and*
- f. discrepancy of the six northern communities receiving \$150,000 of planning assistance for the proposed LNG projects from the provincial government and industry receiving \$116 million (both originating from tax dollars).*

11.8 J. Merrick, CAO - Directors - Reimbursement of Travel & Other Expenses Policy

MOVED by Director Kulesha, SECONDED by Director Putterill, that Director Putterill be re-imbursed for travel expenses for the Island Protocol meeting held in September.

370-2013**CARRIED**

MOVED by Director Putterill, SECONDED by Director Kulesha, that the *Directors – Reimbursement of Travel & Other Expenses Policy* be amended as follows:

section 3:

- Replace 3.8 with "Protocol meetings for Haida Gwaii Electoral Area Directors; and
- Add 3.9 with "Any travel approved by resolution of the Board".

371-2013**CARRIED****12. OLD BUSINESS**

None.

13. PUBLIC INPUT

There were three questions from the public.

14. IN CAMERA

MOVED by Director Ashley, SECONDED by Director Nobels, that the Board move to the In-Camera meeting following the Regular Meeting under sections 90(1)(c) of the *Community Charter* – “labour relations and other employee relations”.

370-2013**CARRIED****15. ADJOURNMENT**

MOVED by Chair Pages, SECONDED by Director Ashley, that the Regular Board meeting be adjourned at 9:00 p.m.

371-2013**CARRIED**

Approved and adopted:

Certified correct:

Barry Pages
Chair

Joan Merrick
Chief Administrative Officer

Moresby Island Management Committee



#1 Airport RD • PO Box 33, Sandspit, BC V0T-1T0 • T 250-637-2466 • F 250-637-2326 • MIMC@qcislands.net

Minutes of the Moresby Island Management Committee Regular Board Meeting held on Thursday October 10, 2013 at 7:00 p.m.

Members Present: Evan Putterill (Chair)
Carole Bowler
Gord Usher
Stanley Hovde
Emmy O'Gorman

Members Absent: Heron Wier (with regrets)
Kristi Schmitz (with regrets)

Staff: Deena Wilson, Administrative Clerk
Bob Prudhomme, Water System Operator

Public: Bob Ells
Gail Henry
Jim Henry
Robert Chisholm

1. CALL TO ORDER at 7:05 pm

2. APPROVAL OF AGENDA

MOVED by Carol Bowler, SECONDED by Stan Hovde THAT the agenda be approved as presented.

CARRIED 2013-068

3. DELEGATES – none

4. RISE & REPORT – none

5. PUBLIC INPUT

There were no comments from the public.

6. BUSINESS

6.1 Evacuation Site

Discussion on how to move forward with the Evacuation Site

6.2 Discussion on SQCRD letter and MIMC

MOVED by Gord Usher, SECONDED by Carole Bowler to write to the SQCRD recommending THAT the Board instructs staff to consult with MIMC and the community of Sandspit on updating the MIMC bylaw and that the Board include the following in any updated MIMC bylaw:

- 1) That MIMC members at large are elected from Moresby Island Electors.
- 2) That the elected Area Director and Gwaii Trust Rep for Area E are included as ex-officio committee members.
- 3) That MIMC retains the ability to appoint sub-committees for the purpose of undertaking work within MIMC's mandate.
- 4) That MIMC's mandate be expanded to include the coordination of emergency planning and preparedness in Area E either directly or via a sub-committee, such as the Sandspit Emergency Preparedness Committee.
- 5) That MIMC is required to establish terms of reference for each of its sub-committees for review and approval by the Board.
- 6) That the Board maintain and/or enhance the scope of the powers of MIMC in line with the intent of the authors of Bylaw 388 and the wishes of the residents of Area E, including the maintenance of all of the responsibilities outlined under Section 6(f) of Bylaw 388. With the provision that powers will not be exercised for if the Regional District does not have the authority to undertake those services through a service establishment bylaw or some other legal means.

CARRIED 2013-069

6.3 Draft Sandspit Water Regulation Bylaw

MOVED by Emmy O'Gorman, SECONDED by Carole Bowler to receive and file the Draft Water Regulation Bylaw.

CARRIED 2013-070

MOVED by Stan Hovde, SECONDED by Carole Bowler to write to the SQCRD recommending THAT the Board instruct staff to ensure that the regulation bylaw for the Sandspit Water System incorporates the following:

- 1) THAT the draft bylaw be amended to eliminate the confusion related to user status to ensure that users (those who pay user fees) are limited to those meter accounts currently registered as users and those who become users in accordance with the regulation. And that the owners of parcels or dwellings that are not currently registered as users will not be charged a user fee unless they become users in accordance with the regulation.
- 2) That for the Teal Jones Trailer Court, the owners of all occupied dwelling units or mobile homes will be charged a user fee in accordance with the bylaws and that the development be awarded a pooled water allowance based on multiplying the number of water fees paid by the standard water allowance provided to a regular user, and that owner of the property (Teal Jones) be charged any overage above and beyond this pooled allowance.

- 3) That cooperative or strata titled developments be charged a user fee and metered rate per dwelling.
- 4) That all other properties be charged, not by unit or dwelling unit but, by a user fee and metered rate applied to the parcel, based on the amount of water consumed by all users on the parcel, regardless of the number of meters, units or dwellings on the property.
- 5) That the right of inspection for the Water Operator be limited to the inspection and approval of water services (pipe between dwelling the tail bolt of the curb stop) prior to initial bury.
- 6) That the Water Operator must receive a written order to terminate the supply of water to a user from the RD or designated committee unless a leak or excessive consumption is threatening the system's ability to maintain sufficient water in the reservoir for firefighting purposes.

CARRIED 2013-071

MOVED by Emmy O'Gorman, Seconded by Gord Usher to request that the SQCRD offer a public consultation session with respect to the Draft Water Regulation Bylaw.

CARRIED 2013-072

7. FUAL October 2013

MOVED by Gord Usher, SECONDED by Carole Bower THAT the October 2013 FUAL be received as presented.

CARRIED 2013-073

8. REPORTS

8.1 Water System Operator's Report August 2013

8.2 Water System Operator's Report September 2013

MOVED by Carole Bowler, SECONDED by Stan Hovde to receive and file the Water System Operator's Reports for August and September.

CARRIED 2013-073

8.3 SQCRD Board Meeting Summary August 9, 2013

8.4 SQCRD Board Meeting Minutes dated August 9, 2013 (basecamp)

8.5 SQCRD September 13, 2013 Board Meeting Summary

8.6 SQCRD Board Meeting Minutes Draft dated September 13, 2013 (basecamp)

MOVED by Carole Bowler, SECONDED by Stan Hovde to receive and file the August and September SQCRD Board Meeting Summary.

CARRIED 2013-074

9. CORRESPONDENCE - none

10. APPROVAL OF PREVIOUS MINUTES

10.1 MIMC August 1, 2013 Meeting Minutes

MOVED by Carole Bowler, SECONDED by Stanley Hovde THAT the Minutes from the August 1, 2013 Regular MIMC Meeting be adopted, as presented.

CARRIED 2013-075

11 UPCOMING DATES

11.1 Regular MIMC Meeting Thursday November 7, 2013

12 ROUND TABLE

Chair Putterill reported on UBCM discussions on researching nanofiltration for Sandspit Water System and on his discussion with the Premier to look into a study on incorporation for Sandspit.

13 PUBLIC INPUT

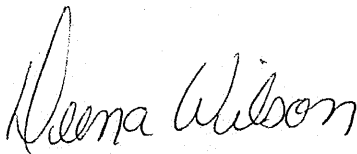
There were three comments/questions from the public.

14 ADJOURNMENT

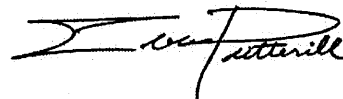
MOVED by Carole Bowler to adjourn the meeting at 9:49 pm and move to the in camera meeting.

Certified Correct

Approved & Adopted



Deena Wilson, Administrative Clerk



Evan Putterill, Chair

Skeena-Queen Charlotte Regional District
Cheques payable over \$5,000 - OCTOBER, 2013

Payable To	Date	Amount	Purpose
Big Red Enterprises Ltd.	11-Oct	\$15,494.10	September, 2013 Garbage Collection Contract
Receiver General	23-Oct	\$8,269.09	Payroll Remittance (PP20-2013)
Municipal Pension Plan	23-Oct	\$5,642.39	Payroll Remittance (PP20-2013)
Municipal Pension Plan	24-Oct	\$5,739.38	Payroll Remittance (PP21-2013)
Receiver General	24-Oct	\$9,746.06	Payroll Remittance (PP21-2013)

TOTAL CHEQUES OVER \$5,000: \$44,891.02

RECEIVED

October 14, 2013

OCT 16 2013

Barry Pages
Chair
Regional District of Skeena-Queen Charlotte
100 1st Ave E
Prince Rupert, BC V8J 1A6

SKEENA-QUEEN CHARLOTTE
REGIONAL DISTRICT

Dear Mr. Pages:

Re: The future of Canada Post

Next year, the federal government will look at how it handles public postal service with a review of the Canadian Postal Service Charter. This review is important because the government could reduce Canada Post's obligation to provide service or even lay the groundwork for privatizing or deregulating our public post office.

Canada Post has been holding consultations on the future of our public postal service to prepare for the upcoming charter review. The corporation has been clear. It wants to dramatically cut service to improve its financial situation.

Cutting might help Canada Post with its money problems in the short-term but it is not a good long-term strategy and it certainly won't improve the future of postal service in our country. Fortunately, the corporation has other options according to a new study by the Canadian Centre for Policy Alternatives (CCPA).

CCPA study: Why Canada Needs Postal Banking

The CCPA study is entitled *Why Canada Needs Postal Banking*. It makes a powerful case for preserving postal services and improving Canada Post's financial picture through the addition of financial and banking services.

The study looks at the changing banking environment in our country as well as our post office's experience with banking. In addition, it reviews the status of postal banking around the world, highlighting five successful models in the United Kingdom, France, Italy, Switzerland and New Zealand. Having established that there is a need for improved financial services in our country and viable models in other countries, the study concludes by suggesting possible models for postal banking in Canada. It recommends that the federal government and Canada Post immediately establish a task force to determine how to deliver new financial services, and establish priorities for delivering new products.

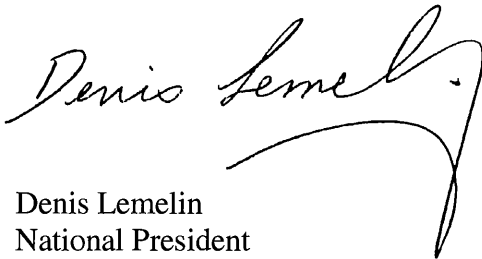
CUPW has enclosed an executive summary of the CCPA study. You can get the full report by going to <http://www.policyalternatives.ca/publications/reports/why-canada-needs-postal-banking>

The union has also enclosed two resolutions that it would like you to consider passing. These resolutions request that you ask the Minister Responsible for Canada Post:

1. To use the upcoming review of the Canadian Postal Service Charter to focus on revenue-generating services, not cuts, including financial services such as bill payments, insurance and banking.
2. To improve the Canadian Postal Service Charter and make the upcoming review of the Charter open to public input.

Thank you very much for considering our request. If you have any questions or concerns, please do not hesitate to contact me.

Yours truly,



Denis Lemelin
National President

Encl.

cc. National Executive Committee, Regional Executive Committees, National Union Representatives, Regional Union Representatives, Specialists

/bk cope 225

CANADIAN POSTAL SERVICE CHARTER REVIEW SHOULD FOCUS ON REVENUE-GENERATION, NOT ADDITIONAL CUTS

WHEREAS the federal government will look at how it handles public postal services with a review of the Canadian Postal Service Charter in 2014.

WHEREAS Canada Post is preparing for the review by campaigning for major service cuts.

WHEREAS Canada Post has already dramatically cut service by closing or downsizing public post offices, eliminating rural mailbox delivery and removing street letter collection boxes.

WHEREAS Canada Post and the federal government should do everything in its power to prevent additional cuts during the upcoming review, and instead deal with financial issues by adding revenue-generating services like many other post offices around the world, including lucrative financial services like bill payments, insurance and banking.

BE IT RESOLVED THAT the (name of municipality, business or organization) write a letter to the Minister responsible for Canada Post to request that the government consider innovative ways to generate postal revenue during the Charter review, including financial services like bill payments, insurance and banking.

MAILING INFORMATION

Please send your resolution to: Lisa Raitt, Minister of Transport, Place de Ville, Tower C, 29th Floor, 330 Sparks Street, Ottawa, Ontario, K1A 0N5.

Please send copies of your resolution to:

1. Denis Lemelin, President, Canadian Union of Postal Workers, 377 Bank Street, Ottawa, Ontario, K2P 1Y3
2. Your Member of Parliament. You can get your MP's name, phone number and address by calling 1-800 463-6868 (at no charge) or going to the Parliament of Canada website: <http://www.parl.gc.ca/common/index.asp?Language=E>
3. Claude Dauphin, President, Federation of Canadian Municipalities, 24 Clarence St, Ottawa, Ontario K1N 5P3

FOR FURTHER INFORMATION

Contact us at "Charter Review" 377 Bank Street, Ottawa Ontario, K2P 1Y3 or feedback@cupw-sttp.org

IMPROVE THE CANADIAN POSTAL SERVICE CHARTER

WHEREAS the federal government will look at how it handles public postal services with a review of the Canadian Postal Service Charter in 2014.

WHEREAS the public has a right to have input on matters involving its publicly owned post office.

WHEREAS the current Charter has a number of serious problems that need fixing.

WHEREAS the government could use the Charter review to reduce our public post office's obligation to provide service (instead of improving the Charter) and even lay the groundwork for privatizing or deregulating Canada Post.

BE IT RESOLVED THAT the (name of municipality, business or organization) write a letter to the Minister responsible for Canada Post to request 1) that the upcoming review of the Canadian Postal Service Charter be open to public input and 2) that the Charter be improved by:

- Ensuring that the moratorium on post office closures in small and rural communities protects the public nature of post offices
- Eliminating the exceptions to the moratorium
- Extending the consultation process over possible closures and making the process and moratorium more transparent
- Establishing an independent Canada Post ombudsperson to report on Canada Post's performance in meeting Charter expectations
- Establishing a reasonable, uniform and democratic process for making changes to the postal and delivery network (closures, downsizing, removal of rural mailboxes, etc), but only after consultation with the public and other stakeholders.

MAILING INFORMATION

Please send your resolution to: Lisa Raitt, Minister of Transport, Place de Ville, Tower C, 29th Floor, 330 Sparks Street, Ottawa, Ontario, K1A 0N5.

Please send copies of your resolution to:

1. Denis Lemelin, President, Canadian Union of Postal Workers, 377 Bank Street, Ottawa, Ontario, K2P 1Y3
2. Your Member of Parliament. You can get your MP's name, phone number and address by calling 1-800 463-6868 (at no charge) or going to the Parliament of Canada website:
<http://www.parl.gc.ca/common/index.asp?Language=E>
3. Claude Dauphin, President, Federation of Canadian Municipalities, 24 Clarence St, Ottawa, Ontario K1N 5P3

FOR FURTHER INFORMATION

Contact us at "Charter Review" 377 Bank Street, Ottawa Ontario, K2P 1Y3 or feedback@cupw-sttp.org

SUMMARY

Why Canada Needs Postal Banking

John Anderson





CCPA

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ABOUT THE AUTHOR

John Anderson is an independent researcher and consultant. He is the former Director of Parliamentary Affairs for the Official Opposition, and, before that was Director of Government Affairs and Public Policy for the Canadian Co-operative Association. He has also been a Senior Policy Analyst at the National Council of Welfare and the Vice-President of Strategic Partnerships and of Research for the Canadian Council on Social Development. In the nineties, he was Co-ordinator of the Technology Adjustment Research Program of the Ontario Federation of Labour. He is the author of and researcher on numerous studies and briefs on the economy, poverty, technology and the workforce, co-operatives and Aboriginal issues. He received his education at McGill University, University of Sussex and the London School of Economics. He has taught at McMaster, Western and York Universities. He has been a long time supporter of and participant in the CCPA Alternative Budget process.

ACKNOWLEDGEMENTS

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Summary

Why Canada Needs Postal Banking

OVER THE LAST two decades, we have seen a major decline in the number of branches and locations for banks and credit unions. In 1990, there were almost 8,000 branches (7,964) and, by 2002, the number had fallen to 5,908, a decline of 26%.

The Canadian Bankers' Association reports that, between 2006 and 2012, there was a small increase in the number of bank branches in Canada: from 5,902 to 6,205. But since 1990, there has been a decline of more than 1,700 branches, a 22% drop, and the number of branches increased by only 5.1% from 2002 to 2012, with most of the new branches added in Ontario (195), Alberta (98), and British Columbia (37).

In many communities today, credit unions or caisses populaires are the only financial institution. In 2012, the Credit Union Central of Canada reported that credit unions were the only financial in-

stitution in 380 communities. The Desjardins Group noted in 2013 that caisses populaires are the only financial institution in 388 towns and villages in Quebec. But the total number of credit union and caisse locations has also dropped from 3,603 in 2002 to 3,117 in 2012, a decline of 13.5%.

The Rise of Banking Fees and High Credit Card Rates

In 2010, a study by Vision Critical (commissioned by ING Direct bank before it was taken over by the Bank of Nova Scotia) found that banking fees in Canada were among the highest in the world. More than half of Canadians (55%) have fee-based chequing accounts and, on average, pay \$185 per year in fees for these accounts. Credit card rates remain high in spite of

low Bank of Canada prime rates. Typical bank card interest rate hover around 20% annually and department store cards are closer to 30%.

ATM, Internet, Telephone Banking

The decline of branch banking is not only linked to banks rationalizing their bricks-and-mortar locations. It is also linked to the rise of ATMs, Internet and telephone banking. Today there are more than 58,000 ATMs across Canada, 61% of them so-called white machines owned by non-bank companies. Online banking has grown at a tremendous rate in recent years, with 67% of Canadians now using this form of banking, according to a CBA study. The study also noted that 47% of Canadians “now use the Internet as their main means of banking, up from 8 % 12 years ago.”

Retail Store Banking

Canadian Tire, WalMart, and PC Financial (to name only the largest) are all major challengers to the traditional banks. Clients of these institutions are not using traditional bank branches. There has also been a rise of branchless banking. ING Direct Canada, a branchless bank, which was originally a subsidiary of a major Dutch bank, now has some 1.8 million clients and almost \$40 billion in assets. It was absorbed by the Bank of Nova Scotia in 2012, but still maintains autonomous activity.

Fringe Financial Institutions

Another major change in the banking environment that shows there is an opening for new financial services is the rise of Fringe Financial Institutions. These FFIs provide short-term loans and cheque cashing services, as well as money transfers and prepaid credit cards.

While offering services customers want, the interest rate charges for their services on an annual basis can only be considered usurious. A study of FFIs in Prince George, B.C., for example, concluded: “Given that the average pay-day loan in Canada is \$280 for a 10-day period, a pay-day lender in B.C. can now legally charge \$64.40 for this transaction. This computes to a nominal annual percentage rate of interest (APR) of 839.5%.”

These are extremely profitable operations. DFC, the owner of Money Mart, the largest Canadian pay-day loan firm, made global profits before tax of \$387 million on revenues of \$1.062 billion in 2012, and 28.7% of their total global revenues for the fiscal third quarter 2013 came from Canada.

A new group of Internet branchless companies, such as Zippy Cash and Wonga, have also started up in Canada in the last few years. In Canada, on the Wonga website, the cost for a \$200 loan for 30 days is \$40.10, or a rate of over 240% per year.

The rise of this kind of institution is linked in a chicken-and-egg fashion to the increase in the number of “unbanked” or “underbanked.” It is estimated that between 3% and 15% of the population do not

have a bank account. If we take the lowest figure of 3% that was estimated to be 842,000 people in 2005. Today, the number of unbanked, using the same method of calculation, would approach 910,000.

Aboriginal communities remain largely without banks or credit unions. Over the past decade, the Aboriginal population has increased dramatically, growing by 20.1% between 2006 and 2011. Some 1.4 million people now identify as Aboriginal, or 4.3% of the Canadian population. But banks and credit unions lag behind in providing services. While the major banks all have Aboriginal services, there are very few branches on reserves. There are 615 First Nations communities in Canada today and many other Métis and non-status communities. A quick tally of branches of banks and credit unions on reserve shows only 54.

All these trends in financial services have opened up the potential for the entry of new banking and financial services in Canada. They show there is a market demand that is not being met by the existing major banks and credit unions.

Postal Banking: The Canadian Debate

Postal banking is not something new to Canada. For over 100 years after Confederation, Canada had a postal savings system.

The high point of deposits for the Post Office Savings Bank was \$47.5 million total in 1908. This would be around \$1 billion in today's money. The total shrank to \$17.2

million in 1968. In 1968, the Postal Savings Bank was closed down, although the legislation still remains on the books.

Today, over 45 years later, the debate around the need to revive or relaunch a Post Office Bank has begun to grow again.

In 2005, a study from Library of Parliament research services supported the extension of financial services as an important means of preserving the post office across Canada, and particularly in rural areas. "At present, the idea of establishing a postal bank underpinned by Canada Post's network is not based primarily on a need to change the banking landscape. Rather, it stems from the growing need to breathe new life into Canada Post so that it can both cope with globalization and guarantee universal postal service, which is a real, if not official, part of its social mandate, particularly in rural areas."

A recent study by the Conference Board of Canada, commissioned Canada Post, provided a positive analysis of the effects of financial services in post offices around the world, but failed to recommend financial services or even to examine their possible application in Canada, on the grounds that a highly developed banking system in Canada left no room for a postal banking option.

Public support has been confirmed in a recent survey by Strategic Communications of 1,514 Canadians from May 24–26, 2013, commissioned by the Canadian Union of Postal Workers. The survey showed that nearly two-thirds (63%) of Canadians "supported Canada Post expanding revenue-generating services, including financial

services like bill payments, insurance and banking.” Politically the New Democratic Party has supported the expansion of financial services in Canada Post.

Postal Banking Around the World

Postal banking has deep roots internationally and is entering a period of expansion of services. This has been shown in a major global study of postal banking recently carried out in 2012 by researchers of the Universal Postal Union, of which Canada is a member.

The UPU report shows that, “After banks, postal operators and their postal financial subsidiaries are the second biggest world-wide contributor to financial inclusion, far ahead of microfinance institutions, money-transfer organizations, co-operatives, insurance companies, mobile money operators, and all other providers of financial services.”

There are many large and important postal banking operations around the world, from Japan Post Bank, the world’s largest deposit holder with ¥203 trillion (c\$2.15 trillion) in assets, to the Postal Savings Bank of China, the fifth-largest commercial bank in China with over 400 million customers, to the Deutsche Post Bank, which is now owned by Deutsche Bank but remains one of the largest in Germany with its own network of over 100 branches and 4,500 postal outlets.

Our study does not examine these banks, but rather looks at five successful

models in industrialized countries — the United Kingdom, France, Italy, Switzerland, and New Zealand — which have all maintained an important relationship between the financial services offered through post office outlets and the post office. These countries have been chosen because of their relevance to Canadian options. In all five countries, the Post Office is publicly owned, although the UK is in the process of privatizing its delivery services, the Royal Mail, while keeping the Post Office public.

The United Kingdom’s Post Office’s financial services, in their present form, offer a model which is based on a major partnership with a private sector financial institution, some new products, as well as access for customers of most existing banking services.

France’s Banque Postale is a chartered bank owned by the Post Office that offers a wide range of products, including insurance, and is particularly concerned with offering products to the NGO and mutual sector, as well as to low-income citizens. The bank makes the list of the world’s top 50 safest banks.

Italy’s BancoPosta presents the model of a non-chartered bank that offers a wide range of services and excels in offering them through mobile phones as well as banking cards.

Switzerland’s PostFinance, wholly owned by the Swiss Post Office, is the leader in money transfers and one of the largest banks in a country famous for its private sector banking. It has just this year become a chartered bank. It also offers

FIGURE 1 Summary of Postal Banking Models and Services in the United Kingdom, France, Italy, Switzerland and New Zealand

Postal Financial Services	Name of Financial Services Institution(s)	Structure of ownership of Financial Services	Services Offered	Bank Charter	% of Post Office sales or profits for latest year	Rank of Services
United Kingdom	Post Office	Main partnership with Bank of Ireland and agreements with other banks	All financial services, including new chequing accounts	No	25% of sales	No ranking
France	La Banque Postale	La Poste	All services	Yes	36% of before-tax earnings	44 th Safest Bank in World
Italy	BancoPosta and insurance companies	Poste Italiane	All services; savings in partnership with the CDP (Cassa Depositi e Prestiti)	No	67% of total profits	Largest retail bank in Italy
Switzerland	PostFinance	Swiss Post, with partnership on all loan and insurance products	All services	Yes	71% of total Swiss Post operating profits	Number 1 in payment services and number 3 in customers
New Zealand	Kiwibank	NZ Post	All services	Yes	70% of profits	Largest NZ-owned bank

mortgages and loans in partnership with major private sector financial institutions.

Finally, Kiwibank, owned by New Zealand Post, is a relatively new entrant in the world postal banking sector and has been able to offer a wide range of services, including special mortgage products to low-income earners and to the Maori community.

Postal Banking for Canada

When we examined these five national postal banking systems in detail, we found that they were all successful in their own way. However, success did not seem to be

linked to the particular form of structuring of the financial services (which ranged from full ownership by the Post Office to various kinds of partnership with the private sector), or to the kind of products offered, as some offered all major financial products and some fewer. The diversity in successful models shows that the key component for success seems to be characteristics of the Post Office itself, including widespread locations, trust in the institution, and the staff.

Why Postal Banking?

Our study shows clearly that postal banking would succeed in Canada and would help improve and stabilize Canada Post's services and revenues. The five post offices we studied in other countries are all publicly owned, and receive a substantial percentage of their sales and profits from financial services while other sources of revenue declined.

The rise of virtual and new retail banking and the growth of Fringe Financial Institutions in Canada show that the traditional financial banking sector is not meeting all the needs of Canadians. Millions of Canadians have opened accounts in or are using the services of these new institutions; but, although they operate in a similar fashion to traditional banks, they tend to be concentrated in urban areas and are not available in many parts of the country.

A new Canada-wide financial institution could offer products and services that challenge the existing patterns. The ability to offer competition for existing fees would be helped by the fact that banking services would be delivered through existing premises and staff. Use of the e-post system, as well as existing Canada Post delivery services, could help keep costs low.

Clearly, offering postal financial services would allow the millions of Canadians without local bank branches or easy access to banking the access they need.

First, there are many Canadians living in large parts of Canada who lack physical access to banks or credit unions. The

number of bank and credit union branches has shrunk over the last two decades. In rural Canada, many bank branches have closed in small towns and, while credit unions have purchased some of these branches, this process has slowed markedly in recent years.

Because postal outlets are present in both rural communities and inner city neighbourhoods, new postal banking could offer to citizens and businesses in many communities banking services where they do not currently exist. In Northern and rural Canada, on Aboriginal reserves, and in the three Northern territories, there have always been fewer banks and credit unions than are needed. (There are no credit unions in the territories.)

Second, it is estimated that some 3% to 8% of Canadians do not have a bank account. This represents a potential of more than a million new customers for postal financial services. Many Canadians use fringe financial services at a high personal cost. New postal banking services could also be combined with legislation requiring the immediate roll-back of FFI interest rates to bring them in line with existing banking rates.

The Kiwibank and Banque Postale are both excellent examples of how a postal bank can offer special services to low-income people, such as home mortgages, rent-to-buy, and even social housing loans. In the case of Kiwibank, a special mortgage program for Aboriginal peoples has been developed that could be replicated in Canada.

Canada Post's Banking Advantages

- Canada Post has the largest network of retail outlets already in place across Canada.
- Canada Post had a total of almost 6,400 postal outlets in 2012.
- 3,800 Canada Post outlets (60%) are in rural areas where there are fewer banks and credit unions. The post offices in these locations could provide key services for individuals, but also for local businesses.
- Some communities in Canada have a postal outlet, but no other (or limited) banking services, especially since the closure of 1,700 bank branches and hundreds of credit unions over the last two decades.
- Canada Post has a high trust factor among Canadians, and an already existing skilled and stable workforce of 68,000 employees, some of whom could easily be trained to handle financial services. Thus it would not mean starting from scratch, but rather building on what already exists.
- Many Canada Post outlets are already open 6 or 7 days a week and could operate longer daily hours if necessary. Many of them are located in drug stores or small convenience stores with long weekday and weekend opening hours.
- Since Canada Post is owned 100% by the federal government, it could use

the expertise developed at the Bank of Canada, the Business Development Bank of Canada, Farm Credit Canada, Canada Mortgage and Housing Corporation, Export Development Canada, and Canada Savings Bonds.

The financial services Canada Post could provide would be tested regionally first; would be fair and transparent; be delivered from bricks-and-mortar branches as well as through the telephone and Internet; expand existing services; and contribute to financial literacy. All services, of course, would be profitable for Canada Post to provide.

Canada Post already provides some financial services, such as postal money orders, domestic and international money transfers, bill payment and financial transaction and payment notices, and prepaid Visa cards.

Brand new services could consist of:

- access by all banks and credit union customers to their accounts to deposit or withdraw cash, as is the case in the UK;
- savings accounts and low-fee chequing accounts;
- low-interest credit cards; and
- prepaid debit cards.

In the future, services could be extended to:

- mortgages;
- small-business loans and agricultural loans;

- insurance products;
- mutual funds and stocks; and
- special new products for low-income and Aboriginal peoples.

Canada Post financial services should offer new competitive products to all Canadians, but they could also make sure that there were special services offered to low-income and Aboriginal Canadians, similar to services offered by both the French and New Zealand post office financial systems.

The postal bank could also provide special services for NGOs and social economy organizations. The Banque Postale in France has become a banker for NGOs, social economy and mutual organizations in fields such as social housing. For a while it looked as though Citizen's Bank would take on this role in Canada, but its retreat from the sector means that once again there is no bank specializing in the needs of this kind of business.

Delivering Financial Services

Canada Post Corporation could examine the optimum method of delivering these services. This could be done by establishing a task force of experts from the financial and postal services to examine how they are delivered in other jurisdictions, the best method for Canada Post (in terms of profit and sales), and the best method for users of these services.

Who Should Own the Services?

There are several possibilities:

- Create a non-chartered bank — a Canada Post-owned subsidiary — to deliver financial services. This is the route taken in Italy
- Create a chartered bank wholly owned by Canada Post. This is the route taken by France, Switzerland, and New Zealand
- Create a bank to deliver some of the services and partner with banks and others to deliver the rest. This is the route taken by Switzerland.
- Create a national credit union or mutual to deliver the financial services in partnership with Canada Post. A national credit union is one such possibility, as it would allow for widespread ownership by Canada Post employees as well as the public.
- Partner directly with one or more financial institutions to deliver the services. This is the route taken in the U.K.

What Mix of Financial Services Should Be Offered? Who Should Deliver Them?

Canada Post already has partnerships with a number of different institutions that could be approached to assist with these services. Once the first question is answered, the second one could be exam-

ined and the experience of other countries taken into account.

All potential partnerships, if that is a route taken, should be determined by open tender on delivering a service for a specific period of time. With its 6,400 outlets, which often serve populations with no competition in financial services and sometimes no services at all, Canada Post would undoubtedly be courted by many financial institutions anxious to supply services. There is also no reason to necessarily have all services provided by the same stakeholder or stakeholders across the country.

Whatever the ownership mechanisms, some services could be completely owned by Canada Post and others delivered by a partnership with existing credit unions or banks. Partnerships could be made nationally or developed on a regional basis. This would also allow Canada Post to partner with regionally-based credit unions and *caisses populaires* in different provinces.

The question of delivery has become easier with the uptake in Internet and mobile phone technology. For example, the UK Post Office Ltd. delivers its services with a core of 300 financial specialists, as well as trained Post Office staff for 11,500 outlets. Internet and telephone technologies allow people in remote areas to connect with financial specialists.

Conclusion

- Canada's existing financial and banking system is not providing competitive services to Canadians, nor adequate service to many of the under- or unbanked.
- Canada's postal system has a long history of delivering financial services. Currently delivering some products, it could develop a full banking system.
- Postal banking systems are proliferating around the world and are prominent in most of the developed countries. They have shown themselves capable of generating the additional income needed to preserve the postal system as traditional letter volumes decline.
- Analysis of the postal banking systems in the five developed countries we have selected has demonstrated that there are many ways of creating a successful system. We can use the experience of these countries to create our own model in Canada.
- Our study concludes that the idea of Canada Post expanding into financial services is a sound one. Other studies, as well as opinions of past Canada Post presidents and experts around the world, have reached the same conclusion.
- We recommend that the federal government and Canada Post immediately establish a task force to determine how to deliver new financial services, and determine priorities for delivering new products.



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CANADIAN CENTRE
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DE POLITIQUES ALTERNATIVES

Minister of Transport



Ministre des Transports

Ottawa, Canada K1A 0N5

OCT 16 2013

Mr. Barry Pages
Chair
Skeena-Queen Charlotte Regional District
100 1st Avenue East
Prince Rupert BC V8J 1A6

RECEIVED**OCT 22 2013****SKEENA-QUEEN CHARLOTTE
REGIONAL DISTRICT**

Dear Mr. Pages:

I am responding to your correspondence of October 10, 2012, to my predecessor regarding the Transport Canada wharf located at Sandspit on Haida Gwaii (formerly Queen Charlotte Islands) in British Columbia. Please accept my apology for the delay in replying.

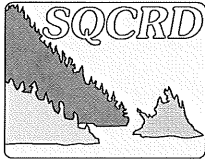
The Government of Canada's Economic Action Plan 2012 allocated \$27.3 million over two years to Transport Canada to support the divestiture of Transport Canada-owned port facilities nationwide. Transport Canada is currently investigating the course of action to take with respect to ports that are not divested when the Port Divestiture Program ends on March 31, 2014. Options that may be considered include continued operation, further divestitures, closures or demolitions, depending on the use and state of the facility. While the future of this wharf has yet to be determined, Transport Canada's preference remains to transfer such assets to local users as quickly as possible.

Should you have further concerns or questions with respect to this matter, I would invite you to contact Ms. Lorraine Gill, Regional Manager, Properties and Divestiture, at 604-666-5390 or via email at lorraine.gill@tc.gc.ca.

I trust that the foregoing information will be of interest.

Sincerely,

The Honourable Lisa Raitt, P.C., M.P.
Minister of Transport



SKEENA-QUEEN CHARLOTTE REGIONAL DISTRICT

100 - 1st Avenue East Prince Rupert, BC V8J 1A6

Phone: (250) 624-2002 Fax: (250) 627-8493

Website: www.sqcrd.bc.ca

0434

October 10, 2012

Transport Canada
Minister's Office
330 Sparks Street
Ottawa, Ontario
K1A 0N5

Attention: Honourable Denis Lebel
Minister of Transport, Infrastructure & Communities

Dear Minister Lebel:

Re: Government Wharf on Haida Gwaii

On behalf of the Board of the Skeena-Queen Charlotte Regional District (SQCRD), I am writing regarding the government wharf located in the community of Sandspit, which is on Haida Gwaii (formerly Queen Charlotte Islands) in British Columbia. We understand that this wharf is scheduled for demolition.

This is of great concern to our Board and the community as this wharf is an important piece of infrastructure. It is the only loading facility adjacent to the airport in Sandspit and heavily relied on as a key link for freight to and from Moresby Island. We strongly feel it should be preserved.

We would appreciate your assistance into this matter.

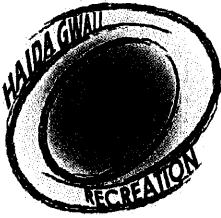
Yours truly,

SKEENA-QUEEN CHARLOTTE REGIONAL DISTRICT

Barry Pages
Chair

:jmf

cc: Evan Putterill
SQCRD Director, Electoral Area E



Haida Gwaii Recreation Coordinator's Report

Month End: October 2013

Submitted By: Lucy Neville

The HG Recreation Commission has four categories, from September to June, that our programs fall into; Registered Programs, Drop-In Programs, Movies and Community Events. We also assist in obtaining rental spaces and advertising help for community members.

Registered Programs

Weight Room Orientations – Amber Bellis held an orientation at the **Port Clements** weight room on October 17th at 7 pm, with 2 participants in attendance; Angela Gross held an orientation in **Queen Charlotte** the same evening with a total of 5 participants.

Bike Re-Psych Repair Workshops – the Bike Re-Psych crew continues to hold a weekly Wednesday repair group at the **Queen Charlotte** high school shop room; participation in totalled 27 people for the October sessions.

Outdoor Fitness for Life – accessing the newly-built All-Ages Community Park in **Queen Charlotte**, this program continued throughout October with BCRPA-certified instructor Angela Gross every Tuesday and Thursday, with a total of 19 participants.

Shito Ryu Karate – this ever- popular club has applied for belt tests for over half its members this December, and continues to practice every Tuesday and Thursday in **Queen Charlotte** with a total of 37 participants this October.

Body Burn – a combination of plyometrics, cardio and core, this high-intensity class runs every Monday and Wednesday in **Queen Charlotte** with instructor Angela Gross. A total of 54 participants committed to work it out in October.

Yoga – in the cedar-lined space of the Haida Heritage Museum, a total of 23 participants centered and balanced themselves at this Tuesday *flow yoga* course in **Skidegate**. The *beginner flow yoga introductory class* saw a total of 34 participants on Mondays, and the *mixed levels vinyasa class* had 18 participants on Wednesdays. The *intermediate iyengar class* had 22 participants on Fridays, and the *early bird flow class* saw 33 rise-and-shiners on Thursday mornings.

Beginner Bellydance – the tummies are a-shaking at the HG Rec building in **Masset** again this Fall! This introductory course had a total of 41 music-loving dancers throughout the month of October each Wednesday evening.

Elders Engagement: Food and Fitness – this no-cost community program, which includes Tai Chi, Radha Yoga, Alternate Fitness and Indian Cooking classes, had a total of 184 participants throughout the month of October in the Multiplex building and grounds in **Port Clements**. Designed to increase socialization, community infrastructure, fitness and intergenerational engagement, this program was created with the Rec Coordinator for seniors, by seniors, and is open to plus-ones from spouses to grandkids.

Acrobatic Dance – this high-energy class is instructed by longtime dancer and gymnast Kirsten Oike, and runs twice weekly at Sk'aadga Naay Elementary in **Skidegate** and the **Port Clements** Elementary, with a total of 38 enthusiastic youth.

Movie Nights

October's movie showing saw a snail's dream of NASCAR racing come to life on the big screen. 'Turbo' was screened across Haida Gwaii in **Masset, Sandspit, Port Clements and Queen Charlotte**, with concessions by the Living and Learning School, the Sandspit Canadian Junior Rangers, the GMD Boys' Soccer Team, and the Port Clements Recreation Committee. The Masset showing was smaller than usual, due to a death in the village and weekend celebration of life.

Masset - 25

Port Clements - 33

Queen Charlotte - 75

Sandspit – 27

Total: 160

Drop In Programs

Haida Gwaii Rec. provides insurance and First Aid to all volunteers willing to run drop in programs throughout the school year at all island schools. Volunteers collect twoonies to cover the School District 50 rental fee, and are charged per course for any incurred equipment damages. To register a sport for drop-in, a valid and current First Aid certificate is required.

Queen Charlotte Secondary School Gym

Mondays:

Pickleball 7:00 – 9:00

Tuesdays:

Indoor Soccer 8:00 – 10:00

Wednesdays:
Dodgeball 7:30 – 9:30

Thursdays:
Volleyball 8:00 – 10:00

Fridays:
Hula-hooping 5:00 – 7:00

Fridays:
Badminton 7:00 – 9:00

Port Clements Elementary School Gym

Thursdays:
Soccer 8:00 – 10:00

George M. Dawson Secondary School Gym

Mondays:
Volleyball 7:00 – 9:00

Wednesdays:
Men's Basketball 7:00 – 9:00

Fridays:
Senior Men's Basketball 7:00 – 9:00

Events and Affiliated Programs

ASSAI 2013-2014 Programs

Our two new ASSAI coordinators, Tiffany Scholey and Layla Rorick, have completed training and begun developing programs in **Masset, Old Massett, Port Clements, Skidegate, Queen Charlotte and Sandspit**. Below are their participation totals for the first weeks of programs:

Surf Club – 31
OMYP Sports – 18
Food and Fitness – 35
Weave and Play – 29
Dance Party – 19
Art and Action - 39

Total: **171**

NAIG TeamBC Tryouts

The HG Rec Coordinator and BCAAFC Coordinator Adam Prytula collaborated to bring a Phase 1 Selection Camp of the 2014 North American Indigenous Games basketball tryouts to **Haida Gwaii** from October 19-20. This two-day screening included U14, U16 and U19 teams for boys and girls, and **38** players from Haida Gwaii were selected for Phase 2 camps in Langley this coming December. This is the first time a tryout has been held on-island, and means significantly higher chances for on-island athletes who experience socio-economic barriers to attend multiple camps off-island.

Total October 2013 participants in HG Rec programs/events: 906

Total October 2012 participants in HG Rec programs/events: 495

Upcoming Fall Classes

Movie – This November, HG Rec will be showing ‘Percy Jackson’s SEA OF MONSTERS’ (rated PG) throughout Haida Gwaii in **Queen Charlotte, Port Clements** and **Sandspit**.

BOAT Exam – the updated Transport Canada-approved BOAT exams will continue to be offered in **Masset, Queen Charlotte** and **Port Clements** upon request.

Alternate Fitness – 73-years-young BCRPA-certified instructor Harold White will once again be leading this program every Tuesday and Thursday at the HG Rec Building in **Masset**, beginning November 5th.

5th Annual Surfing Expression Session – storm season means surf season, and what better way to celebrate the return of the waves than the 5th annual Expression Session! As with all previous festival years, HG Rec will once again be partnering with North Beach Surf Shop to coordinate this 3-day event, including free Adopt-A-Grom youth lessons, a free movie night featuring the first two surf films made on **Haida Gwaii** (‘The Fortune Wild’ [Sitka Surf] and ‘STAND’ [Quiksilver]), and a day of free men’s lessons on beautiful North Beach.

Water Wisdom Paddle Canada Training – funding has been approved, and our instructor Norm Hann is booked to come to Haida Gwaii! This program will take place November 5-8 across **Haida Gwaii**, training and certifying island youth providers as paddleboard instructors with a focus on building the islands’ watersport and safety capacity, raising the bar for standards of on-water safety, and furthering long-term athlete development and environmental awareness.

Additional Projects and Reporting

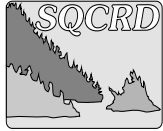
Alternate Fitness Proposal Approved

This program provides crucial strength and mobility exercises for those living with, or at risk for, chronic disease, as well as linking participants with trained instructors who can develop individual fitness plans and graduated health goals. Recognized and endorsed by a variety of

doctors, clinicians and specialists with Northern Health, program participants have been monitored to document a positive growth in health (specifically blood pressure, joint mobility, muscle tissue growth and flexibility) as a result of attending classes. The HG Rec Coordinator would like to extend a huge haw'aa to Northern Savings Credit Union's Community Reinvestment Program for approving our funding application.

Lucy Neville

Haida Gwaii Recreation Coordinator



STAFF REPORT

DATE: November 22, 2013
FROM: Jennifer Robb, Treasurer
SUBJECT: Gas Tax

RECOMMENDATION:

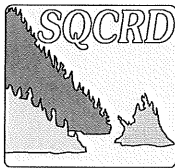
That the staff report entitled "Gas Tax" be received for information.

DISCUSSION:

The board has requested an up to date balance of the Gas Tax fund. The current balance of the Gas Tax fund and interest as of October 31st 2013 is:

Gas Tax Fund \$871,992.42

This balance includes the most recent transfer of \$104,457.67 which took place on September 26th, 2013.



STAFF REPORT

DATE: November 22, 2013

FROM: Joan Merrick, Chief Administrative Officer

SUBJECT: Meeting Dates

Recommendation:

THAT the Chief administrative Officer's report entitled "Meeting Dates" be received;

AND THAT the following meeting schedule be adopted for December 2013 and January 2014:

<u>Date</u>	<u>Meeting Type</u>	<u>Time</u>	<u>Location</u>
2013			
December 13th	SQCRD Statutory Board	7:00 PM	Prince Rupert
December 13th	SQC Reg. Hosp. Dist. Board	Following RD Stat	Prince Rupert
December 13th	SQCRD Regular Board	Following RHD	Prince Rupert
December 14th (all day)	SQCRD Special Board (Budget)	9:00 AM	Prince Rupert
2014			
January 24th	SQCRD Regular Board	7:00 PM	Prince Rupert

Background:

Each year staff put together a calendar of meeting dates which are adopted by resolution of the Board. Once adopted these meeting dates are the official dates unless amended by further resolution.

Normally the Board meeting dates are set for the third Friday of each month. However, for months where there is also a North West Regional Hospital District meeting the dates are changed to coincide with those meetings.

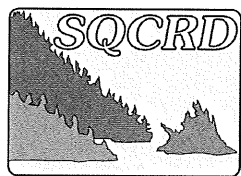
Discussion:

In December 2012, Staff presented a schedule of proposed meeting dates for adoption by the Board; which included scheduling several Board meetings to coincide with the anticipated NW Regional Hospital District meeting dates. However, after the schedule was adopted by the board the Hospital District meeting dates were confirmed and some

did not line up with the schedule already adopted by the Board. This sparked a lot of discussion in regard to whether the SQCRD Board meeting dates should be changed.

Due to this confusion Staff is proposing the have the board set only the January meeting date until such time as Staff receives a confirmed meeting schedule for the North West Regional Hospital District. Attachment "A" details the dates for December 2013 and January 2014. The dates for the remainder of the year are provided for information only and subject to change. Once the Hospital District and other meetings are known Staff will bring the full year schedule back to the Board for adoption.

In addition, with the Treasure due to start maternity leave in January Staff is recommending that the first round of budget discussions be held on Saturday, December 14th rather than in January.



SKEENA-QUEEN CHARLOTTE REGIONAL DISTRICT

BOARD SCHEDULE

<u>Date</u>	<u>Meeting Type</u>	<u>Time</u>	<u>Location</u>
2013			
December 13th	SQCRD Statutory Board	7:00 PM	Prince Rupert
December 13th	SQC Reg. Hosp. Dist. Board	Following RD Stat	Prince Rupert
* December 13th	SQCRD Regular Board	Following RHD	Prince Rupert
Sat December 14th (all day)	SQCRD Special Board (Budget)	9:00 AM	Prince Rupert
2014			
* January 24th	SQCRD Regular Board	7:00 PM	Prince Rupert
	NW Regional Hospital District		Terrace

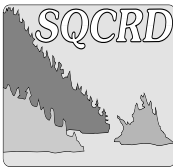
The following meeting information is tentative until confirmed by resolution of the Board.

*	February 21st	SQCRD Regular Board	7:00 PM	Teleconference
Sat	February 22nd (1/2 day)	SQCRD Special Board (Budget)	9:00 AM	Teleconference
Sat	March 8th (1/2 day)	SQCRD Special Board (Budget)	9:00 AM	Teleconference
*	March 21st	SQCRD Regular Board	7:00 PM	Prince Rupert
		NW Regional Hospital District		Terrace
*	April 18th	SQCRD Regular Board	7:00 PM	TBD
	May 7th - 9th	NCLGA AGM and Convention		Fort St. John, BC
*	May 23rd	SQCRD Regular Board	7:00 PM	Prince Rupert
		NW Regional Hospital District		Terrace
*	June 20th	SQCRD Regular Board	7:00 PM	TBD
	July	No meeting scheduled		
*	August 8th	SQCRD Regular Board	7:00 PM	Prince Rupert
		NW Regional Hospital District		Terrace
*	September 19th	SQCRD Regular Board	7:00 PM	Prince Rupert
	September 22nd - 26th	UBCM Convention		Whistler
*	October 17th	SQCRD Regular Board	7:00 PM	TBD
	November 15th	Local Government Elections in BC		---
*	November 21st	SQCRD Regular Board	7:00 PM	Prince Rupert
		NW Regional Hospital District		Terrace
	December 12th	SQCRD Statutory Board	7:00 PM	Prince Rupert
	December 12th	SQC Reg. Hospital Dist. Board	Following RD Stat	Prince Rupert
*	December 12th	SQCRD Regular Board	Following RHD	Prince Rupert

Notes:

* Depicts the Regular SQCRD Board meetings.

Dates in bold coincide with the North West Regional Hospital District Board meetings.



STAFF REPORT

DATE: November 22, 2013
FROM: Joan Merrick, Chief Administrative Officer
SUBJECT: Appointment of Officer Positions

Recommendation:

THAT the Board receives the staff report on Appointment of Officer Positions;

AND THAT, effective November 12, 2013 the following appointments be made for the Skeena-Queen Charlotte Regional District:

- Joanne Fraser as Deputy Treasurer and Corporate Officer;
- Daniel Fish as Deputy Corporate Officer

AND FURTHER THAT, Daniel Fish be added as an authorized signatory on the Credit Union bank account.

Background:

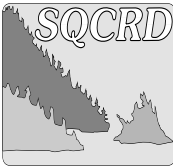
The *Local Government Act* (section 197 to 199) and the Regional District's Delegation Bylaw (Bylaw 534-2011) provide for the appointment, by resolution, of officers to three positions - Chief Administrative Officer, Treasurer and Corporate Officer (and deputy positions).

Discussion:

Due to the staff changes in the office, the staff is requesting the Board make the appropriate appointments as follows:

- Joanne Fraser as Deputy Treasurer and Corporate Officer;
- Daniel Fish as Deputy Corporate Officer.

Staff is also requesting that Daniel Fish be added as an authorized signatory to the Regional District's bank account. Given the Treasurer will be on maternity leave, it is advisable to have an additional authorized signatory in the office.



STAFF REPORT

DATE: November 22, 2013

FROM: Joan Merrick, Chief Administrative Officer

SUBJECT: Moresby Island Management Committee Follow-up

Recommendation:

THAT the Board receives the staff report “Moresby Island Management Committee Follow-up”.

Background:

At the November 14, 2013 Electoral Area Advisory Committee meeting staff presented a report to the Electoral Area Directors entitled “Moresby Island Management Committee Follow-up” (Attachment A).

This report reflects the continued work staff has been doing to review all of the Regional district committees. The report focuses on two key areas of discussion:

1. Accountability
2. Funding allocation for the MIMC grant

After careful consideration and much deliberation of the information contained in the report the Electoral Area Directors committee passed the following recommendations:

Recommendation No. 030

MOVED by Director Putterill, SECONDED by Director Bergman that a set amount of the annual grant for the Moresby Island Management Committee be funded from the overall Electoral Area Administration function.

Recommendation No. 031

MOVED by Director Putterill, SECONDED by Director Racz that with respect to the annual grant for the Moresby Island Management Committee, the contribution from Electoral Area Administration be capped at \$23,000 and any additional funding, if required, be funded by Electoral Area E only;

AND THAT, if the annual grant requested by the MIMC is less than \$35,000 that funding be allocated two thirds from Electoral Area Administration and one third from Electoral Area E.

Director Bergman opposed.

Recommendation No. 032

MOVED by Director Racz, SECONDED by Director Bergman, that the Electoral Area Advisory Committee refer the "Moresby Island Management Committee Follow-up" report dated November 14, 2013 to the Regional District Board for discussion and seek a resolution in support of the recommendations outlined therein.

Discussion:

Issue 1: Accountability

The following are recommendations from Staff related to the issues identified in the attached report (Attachment A):

Recommendation 1:

The bank account and accounting records for MIMC should be restricted to only MIMC and Sandspit Water. Other activities such as loggers day sports are not sanctioned by the Regional District Board and as such may create a liability to the Regional District. With the formation of the Sandspit Community Society it would seem appropriate to transfer the administration to the Society or another other third party.

Recommendation 2:

Consideration should be given to providing adequate training or arranging with the Regional District or a qualified professional to provide technical support to the Administrative Assistant.

Recommendation 3:

There must be a distinct separation between MIMC and the Sandspit Community Society. Any costs to be funded from the MIMC grant must be reflected in detail within the MIMC accounting system.

Recommendation 4:

All funds granted to a Regional District Committee must be fully and accurately accounted for. Any unspent funds must be reported as such and a request must be made by the committee if they wish to carry forward a surplus. Funds provided may only be spent for the purpose for which they were intended, any reallocation of funds must be approved by the Regional District in advance.

Recommendation 5:

The Water Capital Reserve should be turned over to the Regional District to be included with the existing Regional District water reserve and invested appropriately. Unless MIMC can clearly demonstrate that the surplus funds came from a source other than the MIMC grant that the full amount of the retained earnings (surplus) be returned to the Regional District.

Issue 2: Funding

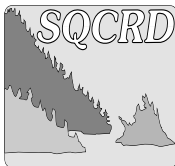
Section 804.(2)(c)(ii) of the *Local Government Act*, specifics "that if the board provides that some or all of the costs are to be apportioned among the electoral areas that the

board considers benefit from the administration, those costs must be apportioned among those electoral areas, with the service area deemed to be all those electoral areas". This means for any costs related to electoral area administration that the Board considers to be of benefit for a particular electoral area or areas; the costs can be funded by the benefiting areas rather than all the electoral areas.

After much discussion, the Electoral Area Advisory Committee made a recommendation to allocate a portion of the MIMC grant to be funded by Electoral Area E only. To that end and considering the recommendation put forth by the committee; Staff has draft an alternative resolution for consideration by the Board.

Proposed Resolution:

THAT for the annual grant provided to the Moresby Island Management Committee 2/3rd of the grant be funded from Electoral Area Administration up to a maximum of \$23,000; with the remainder of the grant funded by Electoral Area E Administration as per section 804.(2)(c)(ii) of the *Local Government Act*.



STAFF REPORT

DATE: November 14, 2013
TO: Electoral Area Advisory Committee
FROM: Joan Merrick, Chief Administrative Officer
SUBJECT: Moresby Island Management Committee Follow-up

Recommendation:

THAT the Committee receives the staff report “Moresby Island Management Committee Follow-up”;

AND THAT the Committee refers this report to the Skeena-Queen Charlotte Regional District in order to seek a resolution in support of the recommendations outlined in the report;

AND THAT the Committee support a grant of \$ _____ for MIMC to be funded out of Electoral Area Admin. With an additional amount of \$ _____ funded from Electoral Area E under section 804.(2)(c)(ii) of the Local Government Act.
(Alternately a portion of the funding could be allocated to Sandspit Water)

Background:

Staff has presented several reports to the Board regarding issues with the structure of various Board delegated committees. Staff is working towards drafting new bylaws for the Moresby Island Management Committee and the Haida Gwaii Recreation Committee.

In addition, Staff presented a report entitled “Moresby Island Management Committee Grant” to the Electoral Area Advisory Committee in February 2013. At that meeting Staff was directed to “seek additional information, including a detailed financial analysis and information related to activities undertaken by MIMC”.

Discussion:

This report focusses on **two key issues; firstly accountability** and the need for accurate financial information from all the committees and organizations being funded; and secondly the need to determine the appropriate amount of the grant for MIMC that should be funded through Electoral Area Administration.

In late June, the Treasurer traveled to Haida Gwaii to gather financial information from MIMC. Subsequently, the RD was provided with addition financial information and had

an in-depth discussion with the administrative assistant for MIMC related to how the accounting was done.

During Staff's analysis of the accounting records the following was noted:

- Part of the challenge in analyzing the financial information is that there are a number of other functions / groups for which MIMC does the accounting, and for which the revenues and expenses flow through the MIMC bank account. This has been rectified in part in 2013 in that "Community" set up a new society (Sandspit Community Society) which in addition to running the Visitor Centre has now assumed responsibility for the Sandspit Recreation Committee and the various program offered by that committee. In addition to its own financials MIMC still provides accounting for Sandspit Water, the Community Hall, Loggers Sports Day, and the Gwaii Trust Christmas Fund. Of these only Sandspit Water is a Regional District Services.

Recommendation: The bank account and accounting records for MIMC should be restricted to only MIMC and Sandspit Water. Other activities such as loggers day sports are not sanctioned by the RD Board and as such may create a liability to the RD. With the formation of the Sandspit Community Society it would seem appropriate to transfer the administration to the Society or some other third party.

- The administrative assistant for MIMC is not a trained bookkeeper and although she has done her best to provide "bookkeeping" services she struggles with some of the concepts of basic accounting. Based on the 2012 financial information provided by MIMC there appears to be year-end accrual and closure entries that have not been done; for example the expenses recorded for the Visitor Center were not properly offset in the accounting system with the actual expense portion for MIMC. In addition, Staff was informed that the administrative assistant was asked to enter expenses already recorded in 2012 as 2013 expenses as there was a cost overrun in Water. Although this "double booking" may seem logical in terms of matching funding, the proper treatment would have been to carry forward the deficit.

Recommendation: Consideration should be given to providing adequate training or arranging with the RD or a qualified professional to provide technical support to the Administrative Assistant.

- Staff was provided with copies of the 2013 financial transactions as of September 30th. While the entries for Sandspit Water appear to be up to date there are very few transactions entered for MIMC. Staff assumes that all the expenses for MIMC are flowing through the Sandspit Community Society books. Although the intention may be for MIMC to reimburse the Society the records for various financial transactions need to be recorded accurately and in detail in the MIMC accounting system.

Recommendation: There must be a distinct separation between MIMC and the Sandspit Community Society. Any costs to be funded from the MIMC grant must be reflected in detail within the MIMC accounting system.

- The actual expenditures reported by MIMC do not match the information contained in the accounting records. Staff compared the trial balance and project income printouts provided by the Administrative Assistant to the expenditures reported to the Regional District by the Committee. Attachment "A" shows the reported actual expenditures. Attachment "B" shows the information recorded in the accounting system. Attachment "C" shows a comparison to the amounts included in "A" and "B" after adjusting to remove revenue and expenses for the Harbour Society. The reconciliation in attachment "C" shows a discrepancy between the reported "actuals" and the information contained in the accounting system of \$4,537.

In the past the Regional District did not require any detailed financial reporting from the funded organizations. However, it is now the RD's policy to ensure that any committee or organization receiving a grant is held accountable for those funds. The past practice of non-accountability may have fostered an expectation by the organizations that the grants were unconditional and could be used for any purpose or that they did not need to provide accurate records. Staff's intention is to ensure, to the extent possible, that any funds granted to an organization are accounted for accurately and used for the purpose for which they were granted. Where the grant is provided to an internal source (RD committee or service) Staff's expectation is that the organization should be held to the same level of accountability that is applied to Regional District managed funds.

Recommendation: All funds granted to a Regional District Committee must be fully and accurately accounted for. Any unspent funds must be reported as such and a request must be made by the committee if they wish to carry forward a surplus. Funds provided may only be spent for the purpose for which they were intended, any reallocation of funds must be approved by the RD in advance.

- The 2012 balance sheet for MIMC shows several reserves including amounts for the Christmas fund, Recreation, Tot Park as well as Water Capital (\$47363.89). In addition, the balance sheet shows retained earnings (surplus) of \$26,125. Staff's assumption is the surplus has been accumulating of several years. These funds are not invested but are sitting in the general bank account.

Recommendation: The Water Capital Reserve should be turned over to the RD to be included with the existing RD water reserve and invested appropriately. Unless MIMC can clearly demonstrate that the surplus funds came from a source other than the MIMC grant that the full amount of the retained earnings (surplus) be returned to the RD.

The second issue covered by this report is the need to determine if it is appropriate to continue to fully fund the grant provided to MIMC. MIMC is provided a grant each year that is funded from Electoral Area Administration; this means that all electoral areas contribute to that grant. Chart 1 shows that Area E taxpayers only fund 25% of the \$35,000; the rest is funded by taxpayers of Area A, C and D. It is important to note that none of the other electoral areas receive any funding from electoral area admin.