

A G E N D A

SPECIAL MEETING OF COUNCIL TUESDAY, FEBRUARY 19, 2019 AT 6:30 PM IN THE CITY HALL COUNCIL CHAMBERS

A. APPROVAL OF AGENDA

1. Recognition of Traditional Territories.
2. Call to Order and Adoption of Agenda.

B. REPORTS

1. McLean Mill and Tourism Rail

Council to further discuss and provide direction regarding the future of McLean Mill and Tourism Rail.

- Summary of City Expenses 2014-2018 - Page 3
- 2019 Operational Options and Draft Budgets - Alberni Pacific Railway & McLean Mill National Historic Site - January 2019 - Page 4
- Financial documents from R. Anderson & Associates - Page 11
 - Trial Balance as of December 31, 2018
 - Balance Sheet as of December 31, 2018
 - Income Statement from January 1 - December 31, 2018

C. CORRESPONDENCE

1. S. Krishan - Page 19

Email dated January 28, 2019 suggesting a temporary stop to operations at McLean Mill be effected immediately pending a review of operations and consideration of potential health impacts.

2. Susan Roth - Page 20

Email dated January 28, 2019 suggesting that McLean Mill Historic Site close from the public until further studies indicate that the water and soil levels no longer contain contaminants.

D. ADJOURNMENT

That the meeting adjourn at pm.

SUMMARY OF MCLEAN MILL EXPENSES 2014-2018

	2014	2015	2016	2017	2018
OPERATIONS					
Contract & miscellaneous operating expenses	241,883	226,833	246,697	228,626	200,059
CAPITAL	10,000	-	59,194	40,000	95,000
SPECIAL/EMERGENCY					
Rail and bridge repairs	-	-	-	60,000	21,355
WVHHS - federal grant matching	17,202				
WVHHS - roof repair train station		7,500			
United Rentals - fire suppression system rental			26,752		
Replace fire suppression system			64,273		
Transferred from contingency to MM Log Pond Reserve					200,000
	17,202	7,500	91,025	60,000	221,355
GRAND TOTAL ALL EXPENSES	269,085	234,333	396,916	328,626	516,414

2019 Operational Options & Draft Budgets – Alberni Pacific Railway & McLean Mill NHS – January 2019

McLean Mill NHS (MMNHS) and the Alberni Pacific Railway (APR) are key heritage assets of the City of Port Alberni (CPA). Since 2000 these assets have been restored, operated, and presented collaboratively by the Alberni Valley Museum (AVM), Western Vancouver Island Industrial Heritage Society (WVIIHS), and since 2017, the McLean Mill Society (MMS). Together with the AV Museum itself and the Maritime Discovery Centre, these assets preserve and present the heritage, and so the identity of the community of Port Alberni. Beyond this important educational role for local residents, these assets form central elements of the cultural tourism attractions of the region. Cultural tourists demand unique and authentic experiences, and the Industrial Collection of the AVM/CPA provides this. The scope and size of the collection, and the fact that so many of its objects are operational, provides a unique resource for cultural tourism. One only need look at current promotional materials for the region to understand the centrality of these industrial collections and facilities to regional tourism. There is a well-understood multiplier effect, in that cultural tourists will book hotel rooms, tours, and patronize restaurants, if there is a strong enough offer to keep them interested for a longer period of time.

This memo presents some operational options for these two assets. The City of Port Alberni has been seeking ways to cut the expenses and increase the revenue of the APR & McLean Mill NHS. The formation of the MMS as a one-member society, with a mandate to generate more revenue, was the most recent operational change implemented to achieve this goal.

The City has an obligation under the 1996 cost-sharing agreement with Parks Canada to “operate, maintain, conserve and present McLean Mill in the same condition as its conserved state, for a period of forty-two (42) years,” ending in 2038. This creates a duty to preserve and present the site and thereby maintain its commemorative integrity (to ensure its ongoing status as a National Historic Site, as well as defining some limits on the nature of the revenue-generating activities possible within the defined historic zone of the NHS).

The Alberni Pacific Railway has been operated as part of the McLean Mill NHS operation since 2001, under both WVHHS and MMS operating models. The APR is not included in the designation of the NHS, but forms a complementary heritage railway. This provides more flexibility concerning use of its assets; there is not the same imperative to maintain commemorative integrity.

The options presented here approach the APR and the NHS as separate operations. Within the constraints of the cost-sharing agreement, existing revenue efforts, such as pre-booked weddings and events, and the condition of the various assets, are recognized in these alternative operating models for 2019.

Both the Minimal and Moderate options for MMNHS respect existing revenue activities by integrating the emphasis on weddings and other events. Both options also include the CPA capital funding and Parks Canada cost-sharing funding directed to preserve the historical assets on the site, and so ensure that commemorative integrity is maintained. They differ in the level of presentation; the Minimal option emphasizes passive interpretation of the site, through improved signage and publications, while the moderate option emphasizes personal services interpretation as well as a planned demonstration program. While this has higher cost, it also permits the implementation of a site and/or program entry fee, so higher revenue potential. The required positions may be funded through seasonal employment grants.

The variance between the Minimal and Moderate options for the APR relate principally to the maintenance needs of the locomotives and track. The Minimal option will make use of the recently-certified #11 GE switching engine, on a restricted stretch of track. This model is based on the economic success of the WVHHS fundraiser "Santa Run." This minimal model lowers immediate maintenance costs, but also restricts potential revenue. If this option was to be considered, it is strongly recommended that it be as a temporary expedient, with the larger locomotives, Alco #8427 and #7 Baldwin steam locomotive brought into operating condition for 2020 and beyond, running the full track to McLean Mill NHS. The Moderate option would require the immediate repair of the #8427 Alco locomotive, and a more intensive track maintenance program, hence has higher expenses, but also offers higher revenue potential by offering the full run to

McLean Mill NHS, a more appealing and marketable run, and so with a higher ticket price.

With any of these options, it is recommended that the operations are coordinated between the City of Port Alberni/Alberni Valley Museum, the Western Vancouver Island Industrial Heritage Society, and the McLean Mill Society. An evolution of the current administrative model is recommended. Under this, the City should assume overall responsibility for the assets, including facilities (to include McLean Mill NHS, the Industrial Heritage Centre, and the Roundhouse). This should include regulatory issues which are beyond the capability of volunteer organizations, such as the current environmental issues at MMNHS. The WVIIHS would maintain responsibility for moveable asset restoration, maintenance, and operation/presentation, to include the railway assets of the APR as well as the trucks and other machines associated with MMNHS and the Industrial Collection. The MMS would continue to manage revenue generation and expenses, including staff and payrolls. This would include ticket sales, marketing, event coordination, etc. Ideally, the Alberni Valley Museum would be adequately staffed and resourced again in order to play a meaningful role in the preservation and presentation of its Industrial Collection; programming was more effective prior to 2012, when the operation of MMNHS and the APR was converted to a fee for service contract arrangement.

As part of the City's directive to cut costs, there has been a strong reliance on volunteers, as opposed to the vision in the 1996 Management Plan, in which the MMNHS was to have a paid staff of 15 persons, with a \$500,000 payroll. It is suggested that for both MMNHS and the APR, a core staff is recruited and retained, to take care of organizational and regulatory issues, so volunteers may participate in ways that are compatible with their expertise and enthusiasms. A lot of the day to day work of such organizations – such as budgeting, planning, marketing, coordination, etc. requires the predictability provided by paid staff, with clear job descriptions and duties. Ultimately, the precise organization of these operations is less important than having predictable, sustainable funding, and a clear overall vision of how these assets may contribute to the quality of life and economic health of the City of Port Alberni.

2019 Minimal Operations – McLean Mill NHS: Passive Interpretation; open public access; event venue; event-only food service	Estimated Revenue	2019 Moderate Operations – McLean Mill NHS: Personal services interpretation; fee for access; demonstrations; event venue; event-only food service	Estimated Revenue
Events – estimated 13 weddings, other venue bookings	40,000	Events – estimated 13 weddings, other venue bookings	40,000
Fundraising, donations, sponsorships	5,000	Fundraising, donations, sponsorships	20,000
Food sales – events only	10,000	Food sales – events only	10,000
Gift shop sales	5,000	Gift shop sales	10,000
Campsite rentals	2,000	Campsite rentals	2,000
Gate/ticket revenues	0	Gate revenues – 8,000 people @ average \$5.00 per person (\$8.00 adult ticket, less for children/families)	40,000
Seasonal employment grants – no summer staff	0	Seasonal employment grants	25,000
City of Port Alberni Operational Funding	126,300	City of Port Alberni Operational Funding	139,800
Total Revenues	\$188,300	Total Revenues	\$262,800
2019 Minimal Operations – McLean Mill NHS: Passive Interpretation; open public access; event venue; event-only food service	Estimated Expenses	2019 Moderate Operations – McLean Mill NHS: Personal services interpretation; fee for access; demonstrations; event venue; event-only food service	Estimated Expenses
Event management – coordinator, staff, contractors, event food services, supplies & materials	50,000	Event management – coordinator, staff, contractors, event food services, supplies & materials	50,000
Site management staff – part-time – manager, office/gift shop/campground	55,000	Site management staff – part/full-time – manager, office/gift shop/campground	80,000
Contemporary-use facility maintenance & repair	20,000	Contemporary-use facility maintenance & repair	20,000
Caretaker & security	15,000	Caretaker & security	15,000
Insurance – liability – previously paid by CPA	25,000	Insurance – liability – previously paid by CPA	30,000
Insurance – MMS Directors	1,800	Insurance – MMS Directors	1,800
Accounting & legal	10,000	Accounting & legal	15,000
Interpretation – signage & publications – placed in capital budget	0	Interpretation – signage & publications – placed in capital budget	0
Interpretation – personal service interpreters – not offered	0	Interpretation – personal service interpreters	15,000
Demonstrations/operation – sawmill – not offered	0	Demonstrations/operation – sawmill	35,000
Demonstrations/operation – steam logging – not offered	0	Demonstrations/operation – steam logging	10,000
Demonstrations/operation – blacksmith, other facilities – not offered	0	Demonstrations/operation – blacksmith, other facilities	6,000
Demonstrations/operation – trucks & other machines – not offered	0	Demonstrations/operation – trucks & other machines	3,000
Total expenses	\$188,300	Total expenses	\$262,800

2019 Minimal Operations – Alberni Pacific Railway: 60 short runs (like Santa Run) – #11 locomotive	Estimated Revenue	2019 Moderate Operations – Alberni Pacific Railway: 45 runs to McLean Mill NHS – #8427 locomotive	Estimated Revenue
60 runs – 80 passengers per run @ \$6.25 per passenger average net revenue (\$10 adult fare, with lower child, group, etc. rates)	30,000	45 runs – 110 passengers per run @ \$25 per passenger average net revenue (\$40 adult fare, with lower child, group, etc. rates)	123,750
Fundraising, donations, sponsorships	10,000	Fundraising, donations, sponsorships	20,000
Employment grants – no summer staff	0	Employment grants – station & ancillary staff	11,000
City of Port Alberni Operational Funding	127,100	City of Port Alberni Operational Funding	192,050
Total revenues	\$167,100	Total revenues	\$346,800
2019 Minimal Operations – Alberni Pacific Railway: 60 short runs (like Santa Run) – #11 locomotive	Estimated Expenses	2019 Moderate Operations – Alberni Pacific Railway: 45 runs to McLean Mill NHS – #8427 locomotive	Estimated Expenses
0.2 APR Manager includes MERCS	14,000	0.3 APR Manager includes MERCS	21,000
0.4 Railway Mechanic includes MERCS	24,000	0.8 Railway Mechanic includes MERCS	48,000
Staff – train station & ancillary – volunteer only	0	Staff – train station & ancillary – grant-funded	11,000
Annual track, bridge, & right of way maintenance – includes inspection, maintenance & repair, vegetation control, etc. – APR crew or contract	50,000	Annual track, bridge, & right of way maintenance – includes inspection, maintenance & repair, vegetation control, etc. – APR crew or contract	125,000
Fire Watch	2,000	Fire Watch	5,500
Train Crew	6,000	Train Crew	9,000
Locomotive repair & maintenance	10,000	Locomotive repair & maintenance – includes wheelset replacement & other required repairs to operate #8427	40,000
Reserve for scheduled major locomotive overhauls	Defer - 0	Reserve for scheduled major locomotive overhauls	2,000
Janitorial services – Station & “Hilton” – volunteer only	0	Janitorial services – Station & “Hilton”	5,000
Accounting & legal	4,000	Accounting & legal	4,000
Advertising	10,000	Advertising	10,000
Bank Charges & Interest	1,000	Bank Charges & Interest	1,500
Fuel – Diesel & Gasoline	6,300	Fuel – Diesel & Gasoline	13,000
Fuel – Bunker C – Baldwin Steam Locomotive only	0	Fuel – Bunker C – Baldwin Steam Locomotive only	0
Insurance – APR Directors	1,800	Insurance – APR Directors	1,800
Insurance – Liability – previously paid by CPA	25,000	Insurance – Liability – previously paid by CPA	30,000
Security	1,500	Security	1,500
Licences, Fees & Dues	2,000	Licences, Fees & Dues	2,000
Repairs & maintenance – station – deferred	0	Repairs & maintenance – station	5,000
Supplies – Roundhouse, office, miscellaneous	1,500	Supplies – Roundhouse, office, ,miscellaneous	2,500
Telephone & utilities	6,500	Telephone & utilities	6,500
Training	1,500	Training	2,500
Total Expenses	\$167,100	Total Expenses	\$346,800

2019 Minimal Operations – McLean Mill NHS: Capital Budget	Estimated Revenue	2019 Moderate Operations – McLean Mill NHS: Capital Budget	Estimated Revenue
Environmental Testing & Remediation project – City of Port-Alberni-managed funds (allocated under CPA Budget 2018 – not included in 2019 Capital Budget)	200,000	Environmental Testing & Remediation project – City of Port-Alberni-managed funds (allocated under CPA Budget 2018 – not included in 2019 Capital Budget)	200,000
Environmental Testing & Remediation project – City of Port-Alberni-managed funds (allocated under CPA Draft Budget 2019)	63,000	Environmental Testing & Remediation project – City of Port-Alberni-managed funds (allocated under CPA Draft Budget 2019)	63,000
Historic Structure Conservation project – CPA contribution	60,000	Historic Structure Conservation project – CPA contribution	60,000
City of Port Alberni Capital Funding – Historic & Contemporary Assets	65,000	City of Port Alberni Capital Funding – Historic & Contemporary Assets	65,000
Total Capital Funding 2019	\$188,000	Total Capital Funding 2019	\$188,000
2019 Minimal Operations – McLean Mill NHS: Capital Projects	Estimated Expenses	2019 Moderate Operations – McLean Mill NHS: Capital Projects	Estimated Expenses
Environmental Testing & Remediation project – City of Port-Alberni-managed project (allocated under CPA Budget 2018 & draft CPA Budget 2019)	263,000	Environmental Testing & Remediation project – City of Port-Alberni-managed project (allocated under CPA Budget 2018 & draft CPA Budget 2019)	263,000
Historic Structure Conservation project – CPA/Parks Canada cost-share funded	120,000	Historic Structure Conservation project – CPA/Parks Canada cost-share funded	120,000
Interpretive Signage & Publications – Passive Interpretation	10,000	Interpretive Signage & Publications – Passive Interp.	10,000
Miscellaneous – historic structures & contemporary capital projects	55,000	Miscellaneous – historic structures & contemporary capital projects	55,000
Total Capital Expenses 2019 (Includes \$200,000 carried over from 2018 Capital Budget)	\$448,000	Total Capital Expenses 2019 (Includes \$200,000 carried over from 2018 Capital Budget)	\$448,000

2019 Minimal Operations – Alberni Pacific Railway: Capital Budget	Estimated Revenue	2019 Moderate Operations – Alberni Pacific Railway: Capital Budget	Estimated Revenue
Locomotive & rolling stock maintenance – included in operational budget	0	Locomotive & rolling stock maintenance – included in operational budget	0
Track, bridge & right-of-way maintenance – included in operational budget	0	Track, bridge & right-of-way maintenance – included in operational budget	0
Total Capital Funding	\$0	Total Capital Funding	\$0
2019 Minimal Operations – Alberni Pacific Railway: Capital Projects	Estimated Expenses	2019 Moderate Operations – Alberni Pacific Railway: Capital Projects	Estimated Expenses
Locomotive & rolling stock maintenance – included in operational budget	0	Locomotive & rolling stock maintenance – included in operational budget	0
Track, bridge & right-of-way maintenance – included in operational budget	0	Track, bridge & right-of-way maintenance – included in operational budget	0
Total Capital Expenses	\$0	Total Capital Expenses	\$0

From: Rob Anderson <Rob.Anderson@andersonassociates.pro>
Sent: January 21, 2019 3:53 PM
To: Sheena Falconer <sheena@westcoastaquatic.ca>; Joanne Sutherland <Joanne@andersonassociates.pro>
Cc: 'Dewayne Parfitt' <dewayneparfitt@shaw.ca>
Subject: RE: capital funds?

Good afternoon Sheena & Dewayne,

Please see attached Dec 31, 2018 TB, Balance Sheet and Income statement.

Please note, even though it's the year end at Dec 31, 2018, we have not yet made any adjustments for finalization for the NTR financial statements and tax returns.

If you have any further questions, please do not hesitate to contact us.

Thank you very much.

Cheers
Rob

Robert Anderson, CPA, CA

Partner

5155 Argyle Street, Port Alberni, BC V9Y 1V3

T: 250-724-5717 F: 250-724-5155

E: rob.anderson@andersonassociates.pro



McLean Mill Society
Trial Balance As at 31/12/2018

Account Nu...	Account Description	Debits	Credits
1020	Cash Clearing	-	315.00
1030	Gift Cards - Canadian Tire	22.86	-
1033	Gift Cards - Staples	3.15	-
1045	Float (Store)	267.25	-
1046	Float (Train)	100.00	-
1047	Float (Cafe)	267.25	-
1050	Petty Cash - Administration	87.10	-
1051	Petty Cash - Events	500.00	-
1052	Petty Cash - Train Station	0.00	-
1055	Capital Account	0.00	-
1060	Credit Union Operational Account	25,783.39	-
1067	Restricted Funds	0.00	-
1080	Visa Receivable	2,583.46	-
1083	MasterCard Receivable	0.00	-
1087	American Express Receivable	0.00	-
1089	Other Credit Card Receivable	0.00	-
1100	Investments	0.00	-
1200	Accounts Receivable	26,098.46	-
1205	Allowance for Doubtful Accounts	0.00	-
1220	Advances & Loans	0.00	-
1300	Purchase Prepayments	0.00	-
1320	Prepaid Expenses	0.00	-
1520	Inventory - Food	8,214.88	-
1530	Inventory - General Store	14,952.11	-
1540	Inventory - Supplies (Janitorial)	3,097.84	-
1750	Computer & Technical Equipment	0.00	-
1755	Computer & Technical Equipment	10,372.59	-
1760	Accum. Amort. Computer & Equip	-	1,037.26
1810	Equipment & Machinery	0.00	-
1820	Equipment & Machinery	14,075.23	-
1825	Accum. Amort. Equip & Machine	-	1,251.80
1840	Vehicle	0.00	-
1845	Accum. Amort. -Vehicle	0.00	-
1851	Leasehold Improvements	0.00	-
1852	Leasehold Improvements	145,220.37	-
1853	Accum. Amort. Leasehold Impro...	-	8,611.53
1860	Train Tracks	13,563.11	-
1865	Accum. Amort. - Train Tracks	0.00	-
1880	Land	0.00	-
1910	Computer Software	0.00	-
1920	Goodwill	0.00	-
1930	Incorporation Cost	0.00	-
2100	Accounts Payable	-	18,255.21
2114	Capital Grants - Regional District	-	29,900.00
2115	Capital Grants - Port Alberni	-	110,994.04
2116	Capital Grants Deferred	-	98,105.37
2120	Bank Loan - Current Portion	-	0.00
2130	Bank Advances	-	0.00
2133	Visa Payable	-	0.00
2134	MasterCard Payable	-	0.00
2135	Gratuity Payable	-	357.80
2140	Other Credit Card Payable	-	0.00
2170	Vacation Payable	-	0.00
2200	Accrued Liabilities	-	2,100.00
2236	Vacation Accrual	-	4,671.19
2300	PST Payable	-	0.00
2310	GST Charged on Sales	-	13,591.04
2315	GST Paid on Purchases	20,938.24	-
2320	GST Payment/Receipt	-	1,221.53
2330	WorkSafeBC Payable	886.00	-
2460	Prepaid Revenue/Sales/Deposits	20,704.95	-
2620	Bank Loans	-	0.00
2630	Mortgage Payable	-	0.00
2640	Loans from Owners	-	0.00

Printed On: 21/01/2019

McLean Mill Society
Trial Balance As at 31/12/2018

Account Nu...	Account Description	Debits	Credits
3010	Owners Contribution	-	0.00
3015	Owners Withdrawals	-	0.00
3560	Retained Earnings - Previous Year	-	9,412.94
4010	Sales - Admissions	-	87,180.84
4015	Sales - Camping	-	1,770.00
4020	Sales - Lumber	-	0.00
4030	Sales - Food	-	34,831.49
4040	Sales - Gifts	-	37,551.80
4200	Sales - Other	-	21,888.04
4220	Sales Returns	114.01	-
4310	PST - Commision on Sales	-	39.66
4440	Interest Revenue	-	29.69
4460	Miscellaneous Revenue	-	5,146.93
4500	ACRD - Grants	-	0.00
4570	Summer Student Grants	-	37,400.00
4600	City of P A Operating Grants	-	199,953.00
4610	City of Port Alberni - Capital	-	0.00
4615	City of PA - reimbursed expenses	-	6,960.00
4650	Events (eg. Weddings, Meetings)	-	61,704.17
4655	Events (Other)	-	17,129.31
4700	Donations	-	21,499.65
4770	Fundraising / Sponsorships	-	158.85
4800	Hall Rental (DNU)	-	0.00
4850	In-Kind Donations	-	0.00
5020	Inventory - Log Cost	0.00	-
5030	Inventory - Gift Shop	1,686.05	-
5040	Inventory - Food & Other Supplies	16,192.79	-
5410	Wages & Salaries	253,322.86	-
5420	EI Expense	7,301.86	-
5430	CPP Expense	10,333.21	-
5440	WCB Expense	98.05	-
5464	Payworks Service Fee	951.23	-
5610	Accounting & Legal	6,420.00	-
5615	Advertising & Promotions	16,828.30	-
5617	Amortization	0.00	-
5620	Bad Debts	0.00	-
5625	Business Fees & Licenses	7,287.93	-
5626	Events expense	28,007.08	-
5627	Capital Purchases	0.00	-
5628	Caretaker Expense	0.00	-
5630	Cash Short/Over	-	479.30
5633	Cellphone Allowance	525.00	-
5634	COMMISSION SALES	166.50	-
5635	Consulting Fee	10,405.75	-
5640	Courier/Postage - DNU	41.44	-
5660	Equipment Rental	1,156.15	-
5662	Firewatch Expenses	1,050.00	-
5670	Fundraising	0.00	-
5675	Fuel	24,886.63	-
5680	I.H.S. Honorarium	0.00	-
5682	In-Kind Donation Expense	0.00	-
5683	Inspections (DNU)	7,623.10	-
5685	Insurance	2,683.00	-
5690	Interest, Bank Charges, Online F...	11,189.75	-
5691	NON DEDUCTABLE PENALTIE...	176.47	-
5692	Janitorial Expenses	2,355.58	-
5700	Office Supplies	6,243.44	-
5715	Propane	1,981.41	-
5720	Property Taxes	0.00	-
5740	Meeting / Programming	2,167.59	-
5745	Mileage / Travel	855.74	-
5750	Miscellaneous / Contingency	1,142.98	-
5760	Rent	0.00	-
5765	Repair & Maintenance	72,362.14	-

Printed On: 21/01/2019

McLean Mill Society
Trial Balance As at 31/12/2018

Account Nu...	Account Description	Debits	Credits
5770	Sawmill Crew Expense	380.00	-
5775	Security	0.00	-
5778	Supplies	2,295.81	-
5780	Telephone DNU	87.39	-
5785	Track Crew Expenses	164.20	-
5787	Train Crew Expenses	325.86	-
5788	Training / Education	470.10	-
5790	Utilities / Telephone	18,749.40	-
5825	Vehicle Allowance	3,165.20	-
5830	Volunteer Appreciation	1,339.48	-
5850	Waste Management	3,275.72	-
		<u>833,547.44</u>	<u>833,547.44</u>

Printed On: 21/01/2019

McLean Mill Society

Balance Sheet As at 31/12/2018

ASSET

Current Assets

Cash Clearing	-315.00	
Gift Cards - Canadian Tire	22.86	
Gift Cards - Staples	3.15	
Float (Store)	267.25	
Float (Train)	100.00	
Float (Cafe)	267.25	
Petty Cash - Administration	87.10	
Petty Cash - Events	500.00	
Credit Union Operational Account	25,783.39	
Total Cash		26,716.00
Visa Receivable	2,583.46	
Total Credit Card Receivables		2,583.46
Accounts Receivable	26,098.46	
Total Receivable		26,098.46

Total Current Assets

55,397.92

Inventory Assets

Inventory - Food		8,214.88
Inventory - General Store		14,952.11
Inventory - Supplies (Janitorial)		3,097.84

Total Inventory Assets

26,264.83

Capital Assets

Computer & Technical Equipment	10,372.59	
Accum. Amort. Computer & Equip	-1,037.26	
Net - Computer/Technical Equipment		9,335.33
Equipment & Machinery	14,075.23	
Accum. Amort. Equip & Machine	-1,251.80	
Net - Equipment & Machinery		12,823.43
Leasehold Improvements	145,220.37	
Accum. Amort. Leasehold Improvement	-8,611.53	
Net - Leasehold Improvements		136,608.84
Train Tracks	13,563.11	
Net - Train Tracks		13,563.11

Total Capital Assets

172,330.71

TOTAL ASSET

253,993.46

LIABILITY

Current Liabilities

Accounts Payable		18,255.21
Capital Grants - Regional District		29,900.00
Capital Grants - Port Alberni		110,994.04
Capital Grants Deferred		98,105.37
Gratuity Payable	357.80	
Total Payables		357.80
Accrued Liabilities		2,100.00
Vacation Accrual		4,671.19
GST Charged on Sales	13,591.04	
GST Paid on Purchases	-20,938.24	
GST Payment/Receipt	1,221.53	
GST Owing/Refund		-6,125.67
WorkSafeBC Payable		-886.00
Prepaid Revenue/Sales/Deposits		-20,704.95

Total Current Liabilities

236,666.99

TOTAL LIABILITY

236,666.99

Printed On: 21/01/2019

McLean Mill Society
Balance Sheet As at 31/12/2018

EQUITY

Owners Equity	
Retained Earnings - Previous Year	9,412.94
Current Earnings	7,913.53
Total Owners Equity	<u>17,326.47</u>

TOTAL EQUITY	<u>17,326.47</u>
---------------------	------------------

LIABILITIES AND EQUITY	<u>253,993.46</u>
-------------------------------	-------------------

Printed On: 21/01/2019

McLean Mill Society

Income Statement 01/01/2018 to 31/12/2018

REVENUE

Sales Revenue	
Sales - Admissions	87,180.84
Sales - Camping	1,770.00
Sales - Food	34,831.49
Sales - Gifts	37,551.80
Sales - Other	21,888.04
Sales Returns	-114.01
Net Sales	183,108.16

Other Revenue	
PST - Commision on Sales	39.66
Interest Revenue	29.69
Miscellaneous Revenue	5,146.93
Summer Student Grants	37,400.00
City of P A Operating Grants	199,953.00
City of PA - reimbursed expenses	6,960.00
Events (eg. Weddings, Meetings)	61,704.17
Events (Other)	17,129.31
Donations	21,499.65
Fundraising / Sponsorships	158.85
Total Other Revenue	350,021.26

TOTAL REVENUE	533,129.42
----------------------	-------------------

EXPENSE

Cost of Goods Sold	
Inventory - Gift Shop	1,686.05
Inventory - Food & Other Supplies	16,192.79
Total Cost of Goods Sold	17,878.84

Payroll Expenses	
Wages & Salaries	253,322.86
EI Expense	7,301.86
CPP Expense	10,333.21
WCB Expense	98.05
Payworks Service Fee	951.23
Total Payroll Expense	272,007.21

General & Administrative Expenses	
Accounting & Legal	6,420.00
Advertising & Promotions	16,828.30
Business Fees & Licenses	7,287.93
Events expense	28,007.08
Cash Short/Over	-479.30
Cellphone Allowance	525.00
COMMISSION SALES	166.50
Consulting Fee	10,405.75
Courier/Postage - DNU	41.44
Equipment Rental	1,156.15
Firewatch Expenses	1,050.00
Fuel	24,886.63
Inspections (DNU)	7,623.10
Insurance	2,683.00
Interest, Bank Charges, Online Fees	11,189.75
NON DEDUCTABLE PENALTIES & INTE...	176.47
Janitorial Expenses	2,355.58
Office Supplies	6,243.44
Propane	1,981.41
Meeting / Programming	2,167.59
Mileage / Travel	855.74

Printed On: 21/01/2019

McLean Mill Society
Income Statement 01/01/2018 to 31/12/2018

Miscellaneous / Contingency	1,142.98
Repair & Maintenance	72,362.14
Sawmill Crew Expense	380.00
Supplies	2,295.81
Telephone DNU	87.39
Track Crew Expenses	164.20
Train Crew Expenses	325.86
Training / Education	470.10
Utilities / Telephone	18,749.40
Vehicle Allowance	3,165.20
Volunteer Appreciation	1,339.48
Waste Management	3,275.72
Total General & Admin. Expenses	235,329.84
TOTAL EXPENSE	525,215.89
NET INCOME	7,913.53

Printed On: 21/01/2019

From: Creative Discovery [<mailto:creativediscoverygroup@hotmail.com>]

Sent: Monday, January 28, 2019 10:03 AM

To: Davina Hartwell; Helen Poon; Sharie Minions

Subject: McLean Mill Public Submission

S. Krishan

6149 River Road

RE: McLean Mill

I have been following regular council meetings via live stream and this is the first time I have submitted.

First off, I would like to thank all the hard work of the volunteers at McLean Mill. There is a lot to say for someone willing to give up their valuable time in appreciation for our heritage and history. - So thank you.

I am neither for nor against McLean Mill. I am however for the well-being of our community and community members.

I would like to say that if you want to create a bright future for Port Alberni and our surrounding area, we need to have a forward way of thinking. I feel that there has been more than enough funding spent on this park and year after year it has proven to be a financial liability. I don't feel that it is worth it for our tax payers to keep pouring tax dollars into the site. I also don't think we should shut it down fully, but instead scale it waaay back to the point it can be self-sustaining. I know whole heartedly that there are ways to create a sustainable tourist / events attraction. I also know there are ways that McLean Mill could be a cash flow asset, but a dramatic positive change needs to take place soon.

This will however require A LOT of cut backs in operations and strongly feel it is the right thing to do. There is a bigger problem at hand than trying to keep this mill up and running such as the health of our neighboring regions from the toxicity flowing down stream. I am Alberni born & raised and am quite disappointed in lack in consideration when it comes to the health of our residents.

I feel that weddings and other events could carry on with bottled water and other precautionary measures, but health should be the top priority. I think with the given circumstances and concerns brought forward, it is without a doubt a moral and ethical obligation that health and well-being of our residents and environment take precedent. A temporary stop to operations should be in effect immediately.

Thank you

S. Krishan

From: **Susan Roth** <s.roth61@gmail.com>

Date: Mon, Jan 28, 2019 at 9:51 AM

Subject: Re: Water and Soil Contamination at McLean Mill

To: <sharie_minions@portalberni.ca>, <cindy_solda@portalberni.ca>, <dan_washington@portalberni.ca>, <debbie_haggard@portalberni.ca>, <helen_poon@portalberni.ca>, <ron_corbeil@portalberni.ca>, <ron_paulson@portalberni.ca>, John McNabb <pard54@hotmail.ca>

Dear City Council Members and John McNabb, ACRD Director of Beaver Creek:

Re: Water and Soil Contamination at McLean Mill

I don't get it. A recent scientific study found water and soil contamination at McLean Mill Historic Site yet the place remains open to the public?

I have a hard time understanding why elected officials have not done everything possible to protect the public from exposure to harm. In September 2018, city officials informed residents that live downstream from McLean Mill not to drink the water that spilled out from a broken dam but what about the other issues brought forward by the team of biologists? D.R. Clough Consulting confirmed that a higher than acceptable level of potentially harmful contaminants exist in water and soil samples collected at the mill site and at the same time confirmed that they don't know the source(s) of the problem.

After posting my concerns on Facebook, someone that knows a great deal about contamination issues in our environment contacted me and agreed that the decision makers should be applying the "precautionary principle" to the issue. Wikipedia describes the term as follows:

[Precautionary] principle is used by policy makers to justify discretionary decisions in situations where there is the possibility of harm from making a certain decision (e.g. taking a particular course of action) when extensive scientific knowledge on the matter is lacking. The principle implies that there is a social responsibility to protect the public from exposure to harm, when scientific investigation has found a plausible risk. These protections can be relaxed only if further scientific findings emerge that provide sound evidence that no harm will result.

My wise friend is correct. The precautionary principle should be applied to McLean Mill. The city has a social responsibility to protect the public from exposure to harm because a plausible risk has been identified by the team of biologists. I suggest city officials close McLean Mill Historic Site from the public until a further study indicates water and soil samples no longer contain excessive contaminants. Surely, the people that live in areas lower in elevation than the historic site deserve the issue to be handled in the best possible manner.

Sincerely,

Susan Roth
6597 Walker Road
Port Alberni, BC
V9Y 8W8