

MUNICIPAL SERVICE AND SUPPLIERS ASSOCIATION



Annual Report 2008 – 2009

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2008-2009 BOARD OF DIRECTORS

Chair	Paul Ferreira
Chair Elect/Treasurer	Nicky Currie
Past-Past Chair	Darrell Stang (<i>covering for Chris Shannon</i>)
Vice Chair	Kelly Franks
WCW Director	Kevin McMechan

2009 ANNUAL BUSINESS MEETING AGENDA

**Monday September 21, 2009
9:00 – 11:00 am**

**Room 16, Convention Centre
Winnipeg Manitoba**

1. Call To Order
2. Acceptance of the Agenda
3. Adoption of Minutes from September 2008
4. Chairs Report
5. 2008 Audited Financial Report
6. 2009 Year to Date Finance Report
7. Election of Vice Chair (Manitoba)
8. Appointment of Auditor (Lo Porter Hetu)
9. Business Arising From Minutes
 - 9.1. MSSA Member Recognition
 - 9.2. MSSA Website
10. New Business
 - 10.1. 2010 Budget
 - 10.2. 2009 Tradeshow Feedback
 - 10.3. 2010 Show Sales
11. Adjournment

2008 ANNUAL BUSINESS MEETING MINUTES

September 24, 2008

Delta Hotel, Regina SK

Present

Tyler Cooper	Avensys	Alan Thomson	IPEX
Nicky Currie,	AWI / Vice Chair	Byron Mickelson	Lambourne Environmental
Dave Van Vliet	bd WaterTech	Murray McLeod	Metcon Sales & Eng Ltd
Paul Wong	Capital H2O Solutions	Don Webb	Mueller Canada
Kelly Frank	Cleartech	Darrel Stang,	Municipal Solutions / Past Chair
John Hughes	Degremont	Eric Stokes	Northwest Pipe Company
Jim Cosky	Degremont	Peter Turgoose	PSI Pipeline Supply
John Aru	Denso	Kevin McMechan	Romac
Don Burgess	DWG Process Supply	Rick Johnson	Sanitherm
Basil Ellinger	Engineered Pump	Dan O'Brien	Sapphire Technologies
Shayne Robinson	In-Pipe Technology/Waste Not Ltd	Merv Rogan	Target Products Lts
George Bontus	Insituform Technologies	Audrey Arisman	Executive Director/Notes

1. Call to Order

Darrell Stang called the meeting to order at 8:10 AM.

2. Acceptance of the Agenda

Motion: To accept the agenda as presented. S/C

3. Review and Adoption previous AGM.

Motion: To adopt the minutes of the October 24, 2007 Annual meeting. S/C

4. Chairs Report

The report was submitted by WCW Director Kevin McMechan as Chris Shannon moved to Bulgaria during the summer.

The report was accepted as presented.

5. 2007 Audited Financial Report

The 2007 financial report as prepared by Lo Porter Hetu was reviewed.

Motion to accept the audited finance report as presented. S/C

6. 2008 Year to Date Finance Report

Current finances were presented. No budget concerns.

7. Election Of Vice President (Saskatchewan)

Motion: To nominate Kelly Franks, Cleartech as Vice President for 2009. S/C

No further nominations were received. Kelly Franks elected as 2009 Vice Chair by acclamation.

8. Appointment Of Auditor

Motion: To appoint Lo Porter Hetu as auditor for 2008. S/C

9. Business Arising From Minutes

9.1. City of Winnipeg Tendering Procedure

The City of Winnipeg has relaxed their processes and members are happy with the resolution to this item.

9.2. MSSA Awards

Nominations were received for the 2008 John McClure award. The award will be presented to a very worthy individual at the WCW Awards Banquet September 25, 2008.

2009 award nomination form will be on the MSSA website. The nominations committee felt it was appropriate to follow the convention of selecting a winner from the host province of the conference.

10. New Business

10.1. 2009 Budget

Use of funds was discussed, there was consensus among members present that more finding should be provided to the operator conferences. The amount for each was raised from \$2000 to \$3000. Professional fees were increased to reflect the higher fees of the new auditor. Internet fees were maintained at \$3000 to allow for further developments to the MSSA website. Promotional fees were raised to \$2000 to help promote each show during the year with a glossy flyer to be sent to all conference attendees. An \$1800 contingency expense was created.

Motion: To accept the 2009 budget as amended. S/C

10.2. Website

Recommended to include more information on shows and to provide links from the WCW site to the MSSA site.

Action Nicky will head a website content committee with Peter Turgoose and Darrell Stang as members.

11. 2008 Tradeshow Feedback

- Electrical will always be included in fees for all future WCW shows
- Better promotion of food and beverage (glossy brochure to be sent to attendees)
- Consistently provide host food and beverage at the evening show
- Would like two reps provided with booth fee.
- Tuesday start seems to be a better turnout than Sunday
- Suggested that for the 2009 show Monday lunch and Monday evening for tradeshow 2009? – Don Webb will talk to planning committee about adjustments
- 2011 – survey for concurrent conference with SWWA. Feedback required so a decision can be made.
- General consensus with members is that a joint tradeshow is not supported for concurrent conferences. A joint conference would be supported.
- September/October timing – September is preferred – suggested a golf tournament could be part of the event.

12. MSSA Member Recognition

- signage with members listed
- sponsorship
- toast to MSSA – thanking for the support of the conference
- ensure that MSSA is given recognition for sponsorship of all conferences

13. 2009 Show Sales

The floor plan and sales form for the 2008 show in Regina was made available by the 2008 planning committee. Members at the meeting were allowed first selection of booth space. Order of selection was determined by random draw.

As the 2009 plan did not include food and beverage stations or the location of WFP, selection of booth spaces will wait finalized plan. Booths will be selected in the order indicated by the draw, then provided to general membership on a first come, first serve basis.

14. Adjournment

Meeting was adjourned at 9:50 AM.

CHAIR REPORT

What a year! Thus far 2009 has been a struggle for most. With a Worldwide recession looming over our heads, we are in a fight for survival. Housing / Commercial sales are down, unemployment rates are up and the strong Canadian dollar has resulted in less trade with our business partner to the South.

With a little re-structuring most of us have established a firmer foundation for the future and are looking forward to putting 2008/2009 behind us. Let us all learn from the past and grow stronger because of it.

Planning for the 2009 WCW Conference is well under its way. Many thanks to the tradeshow committee with Mr. Doug Lemon at its helm, for all the work and effort they are contributing in making this one of the best shows ever.

This year's theme 'A Pirate's Night' will feature some live entertainment, scrumptious food, cool refreshments and the Pirate's Bounty will be stolen and given back to the people.

MSSA has made a significant donation again this year in the form of Gold coins to further entice delegates into the Sunday Night tradeshow. Entry in the contest and the actual draw will take place during the tradeshow. We encourage MSSA members and delegates to dress in attire that follows our theme. Let's make this a show to remember.

Water for People and MSSA have partnered for the tradeshow evening to raise awareness for their meaningful cause. Additional prizes in the form of a raffle will also be held Sunday evening with the proceeds going to Water for People. I encourage all fellow members to help in this worthwhile cause.

Nominations are in for the John McClure Award. Selection of the successful candidate will be a difficult process. It will be presented at this year's awards banquet.

Alas, I want to say 'Thank You' to all our members, both the individuals and their respective companies. With your continued support, MSSA remains successful in representing its members in our industry. Let us look forward to 2009/2010 with promise and I trust we will mingle at the 2009 WCW Conference.

Respectfully Submitted,

Paul Ferreira

Chairman, Municipal Service and Supplies Association

WCW DIRECTORS REPORT

- Planning, and all that goes with the task, is well underway for 2010 in Calgary. Chair elect, Nicky Currie, advises all is proceeding well. Booths for 2010 to be available for sale in Winnipeg.
- Review and standardize ads for inclusion in local industry magazines to promote annual conference & trade show.
- Moving forward, MSSA membership has consistently voted to have the conference start on the Tuesday. We have asked WCW that this be adopted as the standard and that venues be booked accordingly.

Respectfully submitted,

Kevin McMechan

WCW Director, Municipal Service and Supplies Association

JOHN McCLURE AWARD

John McClure was a long - term dedicated employee of 47years with Mueller Canada. John started in the factory in 1940 and was soon recognized by Mueller senior management who put John on the road as a salesman in 1950 in Southwestern Ontario. In 1956, John moved to Winnipeg to take the Prairie region position vacated by Duevy Westcott who later went on to form Westburne presently called Wolseley. Anyone who had any dealings with John throughout the years remembers the integrity and dedication he had to his company, his customers and to the industry in which he worked. This recipient exemplifies these qualities of a valued supplier in our industry.

Notes:

- The John McClure MSSA Award is to be given to an individual and not a company.
- The award recipient will be chosen by the four MSSA board members and will be presented at the annual WCWWA convention by the provincial member in the hosting province.
- This supplier's award is given to an individual in the industry who has demonstrated excellence and dedication to the MSSA and to the WCW.

John McClure Award Winners

2008 Peter Vanderstelt Regina SK

MEMBERSHIP REPORT

The WCW Tradeshow application includes a mandatory Municipal Service and Supplier Association (MSSA) membership. The \$225 membership fee goes to help MSSA promote attendance to the tradeshow and our member companies and was instituted by the MSSA Board of Directors. This year MSSA is sponsoring a Gold give away Sunday night and lunch bags for the Monday Luncheon on the show floor.

MSSA membership is a company membership, with one individual selected as primary representative. Additional Company representative can be added to the mailing list for a nominal fee of \$15 each.

MSSA membership benefits are:

- First right to refusal on WCW Conference exhibit space
- Promotion at WCW, AWWOA, MWWA, NTWWA and SWWA Trade Shows
- Participation WCW seminar mini-tradeshows
- Contribute to the WCW Magazine "Western Canada Water" News from the Field, New Product Showcase, Company Profiles, Member Profiles
- Listing in WCW annual membership directory "Who's Who"
- Access to WCW membership
- Information on, and option of a Page on the MSSA Website

MSSA Memberships	2009	2008	2007	2006	2005	2004	2003	2002	2001	2000	1999
Member Companies	165	161	176	87	78	68	57	56	59	54	68
Affiliate Members	16	30	13	9	17	21					
Total	181	191	185	96	95	89	57	56	59	54	68
Members in Tradeshow	All*	All*	All*	51	33	53	42	40	NA	NA	NA

*membership included with sale of non member booths

2009 FINANCIAL REPORT

Membership Equity

Retained Earnings as of January 1, 2008 63,374.91

Assets

Bank Account As of August 20, 2009 42,519.60

Due from WCWWA 2,475.00

Investments 40,000.00

Total Current Assets **84,994.60**

	% of Budget	Budget	Total	1st Quarter	2nd Quarter	3rd Quarter
REVENUE						
Membership Revenue						
Membership	88%	40,000	\$35,100	\$24,975	\$7,875	\$2,250
Affiliate Members	71%	400	\$285	\$195	\$90	
Total Membership Revenue	88%	\$40,400	\$35,385	\$25,170	\$7,965	\$2,250
Other Revenue						
Interest Income	200%	1,200	\$2,405	\$0	\$2,405	\$0
Miscellaneous Revenue		0	\$0	\$0	\$0	\$0
Total Other Revenue	200%	\$1,200	\$2,405	\$0	\$2,405	\$0
TOTAL REVENUE	91%	\$41,600	\$37,790	\$25,170	\$10,370	\$2,250
Conference Support/Sponsorship						
Water For People Donations	105%	1,500	\$1,570	\$1,570		
WCW Conference Sponsorship	70%	10,000	\$7,000	\$2,000		\$5,000
AWWOA	100%	3,000	\$3,000	\$3,000		
MWWA	100%	3,000	\$3,000	\$3,000		
SWWA	0%	3,000	\$0			
NTWWA	0%	3,000	\$0			
Total Conference Support	62%	\$23,500	\$14,570	\$9,570	\$0	\$5,000
Member Expenses						
WCW Levy	82%	2,500	\$2,054	\$1,499	\$554	
Promotional Expenses	0%	2,000	\$0			
Awards		100	\$0			
Total Member Expenses	45%	\$4,600	\$2,054	\$1,499	\$554	\$0
Board Expenses						
O & D Insurance	32%	1,000	\$322		\$322	
Meeting Expenses		100	\$31		\$31	
Total Board Expenses	32%	\$1,100	\$353	\$0	\$353	\$0
Administration Expenses						
WCW Contract Services	34%	3,000	\$1,016	\$832	\$185	
Professional Fees	85%	3,500	\$2,986	\$2,986		
Bank Fees	80%	100	\$80	\$62	\$18	
Office Supplies	33%	100	\$33	\$33		
Postage/Courier	2%	1,000	\$22	\$21	\$1	
Telephone and Internet	0%	3,000	\$0			
Miscellaneous Contingency	0%	1,700	\$0			
Total Administration Expenses		\$12,400	\$4,138	\$3,934	\$204	\$0
TOTAL EXPENSES	41%	\$41,600	\$16,977	\$15,003	\$1,111	\$5,000
NET Surplus/Deficit		\$0	\$16,675	\$10,167	\$9,258	-\$2,750

2010 BUDGET

	2010 Budget	2009 Est YE	2009 Budget	2008	2007	2006	2005	2004
REVENUE								
Membership Revenue								
Membership	40,000	38,000	40,000	37,575	38,660	17,195	15,400	13,600
Affiliate Members	400	300	400	390	195	135	255	315
Total Membership Revenue	40,400	38,300	40,400	37,965	38,855	17,330	15,655	13,915
Other Revenue								
Interest Revenue	1,000	2,500	1,200	0	759	1,882	446	243
Total Other Revenue	1,000	2,500	1,200	0	759	1,882	446	243
TOTAL REVENUE	41,400	40,800	41,600	37,965	39,614	19,211	16,101	14,158
EXPENSE								
Conference Support/Sponsorship								
Water For People Donations	2,000	1,570	1,500	1,097	964	1,423	1,630	
WCW Conference Sponsorship	10,000	10,000	10,000	5,287	11,972	5,726	7,298	3,383
AWWOA	3,000	3,000	3,000	2,000	2,000	2,000	500	0
MWWA	3,000	3,000	3,000	2,000	2,000	2,000	500	0
SWWA	3,000	3,000	3,000	2,000	2,000	2,000	500	400
NTWWA	3,000	3,000	3,000	2,000	2,000			
Total Conference Support	24,000	23,570	23,500	14,384	20,936	13,149	10,429	3,783
Member Expenses								
WCW Levy	2,500	2,300	2,500	1,310	3,307	1,231	1,040	1,040
Promotional Expenses	2,000	0	2,000	819	0	633	5,500	
Awards	100	100	100	128				
Total Member Expenses	4,600	2,400	4,600	2,258	3,307	1,864	6,540	1,040
Board Expenses								
O & D Insurance	1,000	600	1,000	676	788	746	0	0
Meeting Expenses	2,000	30	100	37	55	19	0	0
Total Board Expenses	3,000	630	1,100	713	843	765	0	0
Administration Expenses								
WCW Contract Services	3,000	2,000	3,000	2,386	2,659	2,392	1,471	990
Professional Fees	3,500	3,000	3,500	3,371	1,835	1,080	1,685	627
Bank Fees	100	100	100	92	234	86	101	60
Office Supplies	500	200	100	587	75	27	17	0
Postage/Courier	100	50	1,000	2	8	21	1	15
Telephone and Internet	1,000	1,000	3,000	2,625	105	193	133	144
Miscellaneous Contingency	1,600	0	1,700					
Total Administration Expenses	9,800	6,350	12,400	9,063	4,916	3,798	3,408	1,836
TOTAL EXPENSES	41,400	32,950	41,600	26,417	30,002	19,577	20,376	6,659
NET INCOME	0	7,850	0	11,548	9,612	-366	-4,275	7,499
Retained Earnings Year End	57,136	55,374	68,685	68,685	57,136	47,524	47,890	52,166

MUNICIPAL SERVICE AND SUPPLIERS ASSOCIATION
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Year Ended December 31, 2008

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AUDITORS' REPORT

To the board of Municipal Service and Suppliers Association:

We have audited the statement of financial position of Municipal Service and Suppliers Association as at December 31, 2008 and the statements of operations and changes in net assets for the year then ended. These financial statements are the responsibility of the association's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. These standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the association as at December 31, 2008 and the results of its operations for the year then ended in accordance with Canadian generally accepted accounting principles.

Lo Porter Hétu
Certified General Accountants

Calgary, Alberta
February 2, 2009

Partners

Tenny S. Lo, MA, FCGA, CFP, CA*

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MUNICIPAL SERVICE AND SUPPLIERS ASSOCIATION
Statement of Financial Position
December 31, 2008

	2008	2007
ASSETS		
Current		
Cash	\$ 66,263	\$ 37,626
Short term investments	16,802	17,030
Accounts and notes receivable	746	-
Prepaid expenses	-	306
Due to related parties (Note 4)	-	22,900
	<u>\$ 83,811</u>	<u>\$ 77,862</u>
LIABILITIES AND NET ASSETS		
Current liabilities		
Accounts payable and accrued liabilities	\$ 5,591	\$ 3,246
Unearned revenue (Note 3)	12,945	18,975
Due to related parties (Note 4)	964	-
	<u>19,500</u>	<u>22,221</u>
Net assets		
Unrestricted	<u>64,311</u>	<u>55,641</u>
	<u>\$ 83,811</u>	<u>\$ 77,862</u>

Approved by:

Director: _____

Director: _____



MUNICIPAL SERVICE AND SUPPLIERS ASSOCIATION
Statement of Operations and Changes in Net Assets
For the Year Ended December 31, 2008

	2008	2007
RECEIPTS		
Membership dues	\$ 37,965	\$ 38,855
Interest	-	759
	<u>37,965</u>	<u>39,614</u>
DISBURSEMENTS		
Tradeshows and conferences	15,287	19,972
Professional fees	3,715	3,327
Telephone and internet	2,625	105
Contracted services- Western Canada Water and Wastewater Association	2,386	2,659
Levy- Western Canada Water and Wastewater Association	1,310	3,307
Program support- Water for People	1,097	964
Insurance	982	788
Advertising and promotion	947	-
Postage office and miscellaneous	626	140
Interest and bank charges	92	234
Other operating expenses	228	-
	<u>29,295</u>	<u>31,496</u>
EXCESS OF RECEIPTS OVER DISBURSEMENTS	8,670	8,118
UNRESTRICTED NET ASSETS, BEGINNING OF THE YEAR	55,641	47,523
UNRESTRICTED NET ASSETS, END OF THE YEAR	\$ 64,311	\$ 55,641



MUNICIPAL SERVICE AND SUPPLIERS ASSOCIATION

Notes to the Audited Financial Statements

Year Ended December 31, 2008

1. PURPOSE OF THE ORGANIZATION

Municipal Service and Suppliers Association ("the association") was incorporated on April 24, 1995, by Letters Patent under the *Canadian Corporations Act*. The primary purpose of the association is to provide a venue for suppliers, manufacturers, consultants, contractors and other interested parties to support, strengthen and build alliances with organizations dedicated to the preservation and enhancement of water quality and resources throughout Canada. The association is a not-for-profit organization that is exempt from taxation under section 149(1)(l) of the *Income Tax Act (Canada)*.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared in accordance with Canadian generally accepted accounting principles and in management's opinion, have been properly prepared within reasonable limits of materiality and within the framework of the significant accounting policies summarized below.

Revenue recognition

The association follows the deferral method of accounting for contributions. Restricted contributions are recognized as revenue in the year in which the related expenses are incurred. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Financial instruments

The association classifies all financial instruments as held for trading and carries them at fair value. Unrealized gains and losses on trading assets are recognized as part of the excess of revenue over expenses.

The fair value of financial instruments reported at fair value is based on current interest rates, market values, and pricing of financial instruments with comparative items.

Measurement uncertainty

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Statement of cash flows

A statement of cash flows has not been included as it would not provide additional meaningful information.

3. UNEARNED REVENUE

Unearned revenue represents membership dues received near the end of the fiscal year that pertain to the following fiscal period.



MUNICIPAL SERVICE AND SUPPLIERS ASSOCIATION
Notes to the Audited Financial Statements
Year Ended December 31, 2008

4. DUE FROM (TO) AFFILIATED ORGANIZATIONS

	<u>2008</u>	<u>2007</u>
Due from (to) affiliated organizations		
Western Canada Water and Wastewater Association	\$ (964)	\$ 22,900

The association is affiliated with other groups which have similar goals and objectives. The amounts payable to Western Canada Water and Wastewater Association are unsecured and non-interest bearing.

5. AFFILIATED ORGANIZATIONS TRANSACTIONS

The following is a summary of the association's transactions with other affiliated organizations:

Western Canada Water and Wastewater Association:	<u>2008</u>	<u>2007</u>
Membership levy charge	\$ 1,310	\$ 3,307
Contract services fee for use of office and staff	2,386	2,659
	<u>\$ 3,696</u>	<u>\$ 5,966</u>

6. FINANCIAL INSTRUMENTS

The association's financial instruments consist of cash, short term interest bearing securities, accounts payable and accrued liabilities, all of which are reported at fair value, which approximates cost unless otherwise noted. It is management's opinion that the association is not exposed to significant interest rate, market or credit risks due to the nature of financial instruments held.

