

THE CITY OF
PORT ALBERNI
BRITISH COLUMBIA, CANADA



2005 ANNUAL REPORT

**CITY OF PORT ALBERNI
INDEX TO 2005 ANNUAL REPORT**

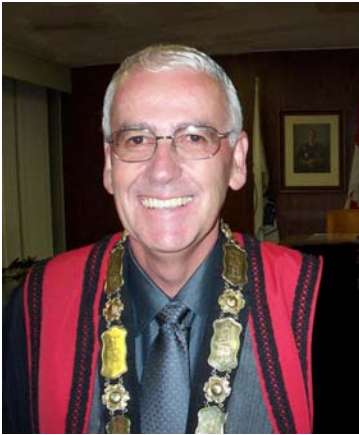
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INTRODUCTION SECTION



A Message from Mayor Ken McRae

In 2005 considerable progress has been made toward achieving our Vision for the City of Port Alberni to become the most vibrant, healthy and united community in British Columbia. This is a lofty goal, and one that we are confident that we can achieve over time by continuing to work effectively with local constituents and partners who share our desire to uplift our community.

Specific areas where we have progressed in this past year are:

- United with local First Nations and Port Authority we have increased the attractiveness and vibrancy of our community waterfront. Much more opportunity awaits in this area.
- Through partnerships with senior governments we have started major community health and safety improvements to our sewer system and through construction of a new Police Detachment Building.
- Significant Commercial and Residential construction projects broadened our tax base and increased the economic vitality and sustainability of our community. I am optimistic that this trend of increased economic activity in the Alberni Valley will continue over the next five years.
- Upnit Power project on China Creek was completed in 2005 as a partnership of Hupacasath First Nation, Ucluelet First Nation, Synex Corporation and the City of Port Alberni. This independent power producing venture provides economic benefits to our communities and increases our sustainability.

While much progress was achieved in 2005 it is clear that serious economic challenges still exist for our Forest Based Industries. The City is committed to working with Industry to help them be sustainable. To assist with this ongoing annual tax reductions to major industry are provided in our 5 Year Plan. Council faces the ongoing challenge of finding new sources of revenues and increased efficiencies to providing the services valued by our taxpayers while decreasing our reliance on our Forest Industry tax-base.

Highlights of initiatives being undertaken by the City in 2006 include a adoption of a new Official Community Plan, development of a new Community Library, Expansion of the AV Multiplex, implementation of an Economic Development service and acquisition of a Community Forest License for the City. The City will also be a partner in the new Island Corridor Foundation which now owns the railroad on Vancouver Island.

Council's Strategic Initiatives for the next 5 years include, revitalization and redevelopment in our Uptown Area and Waterfront, improved public input processes, acquisition of a Community Forest License for the City, replacement of the China Creek Water supply pipeline, and adoption of a new Liquid Waste Management Plan providing for improved sewage treatment, and reinstatement of rail service, both freight and passenger to Port Alberni.

We must recognize and celebrate our heritage as we move on to new endeavors, keeping our eye on the long-term goals that are inherent in the City's Vision. Council continues to support our Heritage Network of attractions including the McLean Mill, Maritime Discovery Centre, Alberni Pacific Steam Railway as key attractions driving diversification of our economy.

Council appreciates any comments or suggestions members of the public might have. Please send your suggestions directly to me at 4850 Argyle St., Port Alberni, B.C. V9Y 1V8.



Mayor Ken McRae



CITY OF PORT ALBERNI

City Hall
4850 Argyle Street
Port Alberni, B.C. V9Y 1V8
Tel. (250) 723-2146 Fax: (250) 723-1003

April 7th, 2006

Mayor and Council
4850 Argyle Street
Port Alberni, B.C. V9Y 1V8

Mayor McRae and Members of Council:

Attached is the City of Port Alberni's Annual Report for 2005. This report provides information for the public regarding the City's organization, operations and finances in 2005. The "*Annual Report*" includes operational and financial content as well as information concerning our Strategic Plan and progress made on our Municipal Objectives. This format meets the requirements of the *Community Charter* and is intended to provide information to citizens promoting greater understanding of the City's responsibilities, services, objectives and priorities.

Section 1 of the Report includes background information concerning the City's structure, Council and Staff appointments, and local economic conditions.

Section 2 provides a statement of Municipal Objectives as required in Section 98(2)(1) of the *Charter*. A summary of the City's Strategic Plan is also included in this section.

Section 3 reports on municipal services and operations for 2005 as required by Section 98(2)(c) of the *Charter*. An annual operational summary for each City Department is provided as well as listings of services provided or facilitated by the City in 2005. More detailed information regarding municipal services and operations is also available via our website at www.portalberni.ca.

Section 4 is comprised of detailed financial information including the Auditor's report and Annual Financial Statements as required by Sections 167(4) and 98(2) of the *Charter*.

Also included in this section is a listing of Permissive Tax Exemptions approved by Council in 2005 as required by Section 98(2)(b) of the *Charter* and the Statement of Financial Information (SOFI) Report required under the *Financial Information Act*, Section 2.

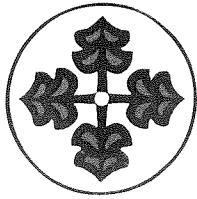
Section 5 provides a variety of statistics concerning the City of Port Alberni including information regarding historical taxation, revenue and expenditure; infrastructure; demographic; as well as a summary of the City's 2005-2009 Financial plan.

In conclusion, I believe that our "*2005 Annual Report*" meets and exceeds the requirements of the *Community Charter*, and provides our citizens and taxpayers with comprehensive and understandable information regarding the actions and direction of their Local Government. I strongly concur with the Province's stated philosophy that "providing citizens with better information makes for better government".

Yours truly,

A handwritten signature in black ink, appearing to read "Ken Watson", is written over a light grey rectangular background.

Ken Watson, P,Eng.
City Manager



CITY OF PORT ALBERNI

City Hall
4850 Argyle Street,
Port Alberni, B.C. V9Y 1V8
Telephone: (250) 723-2146 Fax: (250) 723-1003
www.portalberni.ca

May 24, 2006

Mayor and Council
4850 Argyle Street
Port Alberni, B.C.
V9Y 1V8

Mr. Mayor and Members of Council:

In accordance with section 167 of the Community Charter, I herewith submit the Financial Report for the year ended December 31, 2005 as audited by Duncan Sabine Collyer Partners LLP.

The purpose of this Comprehensive Annual Financial Report is to present to the users and readers a clear insight of the financial results for the fiscal year that ended December 31, 2005. We strive to ensure that this report presents fairly the financial position of the City. The report is divided into three sections as follows:

- Introductory Section - Provides the reader with an overview of the political, economic and administrative context within which the City operates.
- Financial Section - Presents the consolidated financial statements, supporting statements and schedules and the independent external auditors' report. These statements and schedules contain comparative results for the prior year and the current year approved budget.
- Statistics Section - Presents a variety of statistical and financial information on a five year comparative basis.

The preparation and presentation of the financial statements and related information in the annual report is the responsibility of the Management of the City of Port Alberni. These statements have been prepared in accordance with generally accepted fund accounting standards and are consistent with other information presented in the annual report. The preparation of financial information contained herein, necessarily involves the use of estimates and judgments which have been based on careful assessment of the data made available through the City's information systems. The City maintains a system of internal accounting controls designed to provide reasonable assurances for the safeguarding of assets and the reliability of financial records. Management recognizes the limits that are inherent in all systems of internal accounting control, however, management believes that the City has an effective and responsive system of internal accounting controls which is subject to regular review and revision.

The audit firm of Duncan Sabine Collyer Partners LLP is appointed by the Council of the City of Port Alberni, and is responsible to report directly to you with their audit results.

The City of Port Alberni completed the 2005 fiscal year with a decrease in the consolidated fund balance of \$1,857,964.

A summary of the 2005 overall fund balance increases (decreases) are as follows:

Operating Fund	\$ 845,503
Capital Fund	(3,013,666)
Reserve Accounts	577,192
Reserve Fund Operations	<u>(266,993)</u>
	\$ (1,857,964)

Investment earnings increased significantly from the year before and registered a total of \$492,654 in 2005. Total investment income for the year 2004 was \$394,571 compared to \$418,043 in 2003, \$324,347 in 2002, \$601,029 in 2001, and \$616,055 in 2000.

The following table compares temporary borrowing requirements incurred during the first half of the year, prior to receiving our taxation revenue.

YEAR	MAXIMUM BORROWING	COST
2005	\$152,000	\$211
2004	\$102,000	\$67
2003	\$0	\$0
2002	\$2,341,000	\$8,969
2001	\$1,830,000	\$13,539

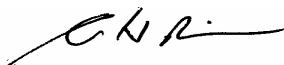
The City's 2005 long-term debt increased from \$174,460 to \$961,141. The City's 2005 capital program of \$6,771,521 includes expenditures funded \$1,361,977 from current revenue, grants and donations, \$1,607,086 from Reserves, \$783,683 from borrowing and Work In Progress of \$3,018,775 which was unfunded at year end.

The municipal statistics section of the report reveals that total taxes collected as a percentage of current levy at 98.1% for 2005, has slightly increased over the level of performance of last year at 97.3%. Overall unpaid taxes have decreased by \$11.30 per capita.

The following reports are included in the introductory section and should be read in conjunction with this report:

- Economic Condition and Outlook
- Significant Local Events 2005
- Municipal Infrastructure
- Summary of Services and Regional Relationships
- Budget Process and Timing
- Source and Use of Capital Funding

Respectfully submitted,



Ann Hopkins
 Director of Finance

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Canadian award for Financial Reporting to the City of Port Alberni for our annual financial report for the fiscal year ended December 31, 2004. The Canadian Award for Financial Reporting program was established to encourage municipal governments throughout Canada to publish high quality financial reports and to provide peer recognition and technical guidance for officials preparing these reports.

In order to be awarded a Canadian Award for Financial Reporting, a government unit must publish an easily readable and efficiently organized annual financial report, whose contents conform to program standards. Such reports should go beyond the minimum requirements of generally accepted accounting principles and demonstrate an effort to clearly communicate the municipal government's financial picture, enhance an understanding of financial reporting by municipal governments, and address user needs.

A Canadian Award for Financial Reporting is valid for a period of one year only. We believe our current report continues to conform to the Canadian Award for Financial Reporting Program requirements, and we are submitting it to the GFOA.

The award we received for our 2004 Annual Financial Report was the twelfth time we have received the award.

Canadian Award for Financial Reporting

Presented to

City of Port Alberni,
British Columbia

For its Annual
Financial Report
for the Year Ended
December 31, 2004

A Canadian Award for Financial Reporting
is presented by the Government Finance Officers
Association of the United States and Canada
to municipalities whose annual financial reports
achieve the high program standards for Canadian
Government accounting and financial reporting.



Carol E. Prudge
President

Jeffrey L. Essler
Executive Director

Directory of Officials

Elected Officials 2003- 2005

Mayor Ken McRae
 Councillors -
 Hira Chopra
 Amanda Lord
 Charles Mealey
 Lyle Price
 Ike Patterson
 Cindy Solda

Elected Officials 2006- 2008

Mayor Ken McRae
 Councillors -
 Hira Chopra
 Jack McLeman
 Charles Mealey
 Ike Patterson
 Cindy Solda
 Kenn Whiteman

DECLARATION AND IDENTIFICATION OF DISQUALIFIED COUNCIL MEMBERS

In accordance with Section 98(2)(3) of the Community Charter,
 there were no declarations of disqualification made under Section
 111 of the Community Charter in the year 2005

Appointed Officials

City Manager Ken Watson
 City Clerk/Deputy City Manager..... Russell Dyson
 Director of Finance Ann Hopkins
 City Engineer (acting) Guy Cicon P.Eng
 Director of Parks and Recreation Scott Kenny
 Fire Chief Larry McGifford
 City Planner Scott Smith
 Chief Building Inspector Bill Bjornson
 Manager of Information Services Janis Hamilton
 Licence Inspector /Bylaw Enforcement Officer..... Jack Payne
 Area Assessor - B.C. Assessment Authority .Peter Bretherton
 Solicitor Beckingham & Co.
 Officer Commanding RCMP DetachmentGordon Wellar
 Emergency Program Coordinator Bob Harper
 Chair-V.I. Health Region Jack Kruet
 Auditors Evancic Perrault Robertson
 Bankers Bank of Montreal

**CITY OF PORT ALBERNI
COUNCIL APPOINTMENTS DECEMBER 2005 - DECEMBER 2006**

**1. General Government Services Hira Chopra (alternate: Cindy Solda)
(Administration, Personnel, Finance, Land sale & purchase, Legislative services)**

- Director of Alberni-Clayoquot Regional District
- Member Personnel Committee
- Chair Audit Committee
- Chamber of Commerce Representative

**2. Heritage and Culture Ike Patterson (alternate: Kenn Whiteman)
(Museum, McLean Mill, Heritage, and Library)**

- Liaison with McLean Mill Advisory Committee
- Liaison with Alberni Clayoquot Film Commission
- Member of Vancouver Island Library Board
- Liaison with Heritage Commission

**3. Community Services, Economic Development & Tourism Kenn Whiteman
(alternate: Charles Mealey)**

(Parks & Recreation, Youth, First Nations, Economic Development and Tourism)

- Crystal Meth Task Force Member
- First Nations Liaison
- Member of the Pacific Rim Tourism Association
- Member of Audit Committee

**4. Health and Protective Services Cindy Solda (alternate: Ike Patterson)
(Fire, Police, Animal Control, Building Inspection, Seniors, Continuing Care, and Land Claims)**

- Member of the Law Enforcement Consultative Group
- Liaison with Continuing Care Societies
- Member of the Emergency Program
- Member of Personnel Committee
- Liaison with Port Alberni Hostel
- Liaison with PA Assoc. for Community Living

**5. Transportation, Utilities and Forestry Issues Jack McLeman (alternate: Hira Chopra)
(Streets, Traffic, Transit, Water, Sewer, Cemetery, Garbage Collection and Forestry)**

- Liaison with the Transit Operations Committee
- Liaison with the Advisory Traffic Committee
- Member of the Audit Committee
- Member of Community Forest Advisory Committee
- Member of Weyerhaeuser Certification Committee
- Catalyst Advisory Committee

**6. Planning and Environmental Services Charles Mealey (alternate: Jack McLeman)
(Planning, Zoning and Environmental Issues)**

- Liaison with the Advisory Planning Commission
- Liaison with Air Quality Control
- Liaison with Outlook 20/20 Committee
- Liaison with the Twinning Society

Office of the Mayor Ken McRae (Schedule of alternates follows)

The Mayor is the head and chief executive officer of the City with duties prescribed by the Local Government Act. Further to these duties the Mayor will participate in the following:

- Director of the Alberni Clayoquot Regional District
- Chair of the Personnel Committee
- Chair of the Community Forest Advisory Committee
- Director of Island Corridor Foundation
- Director of Upnit Power Corporation
- Director of the Association of Vancouver Island and Coastal Communities
- Catalyst Advisory Committee

SCHEDULE OF APPOINTMENTS FOR THE ALTERNATE MAYOR

(December 2005 – 2006)

December & June	Charles Mealey	January & July	Hira Chopra
February & August	Ike Patterson	March & September	Cindy Solda
April & October	Kenn Whiteman	May & November	Jack McLeman

OTHER CITY APPOINTMENTS

Regional District of Alberni Clayoquot Representatives

Ken McRae
Hira Chopra

Alternates (in order):

Cindy Solda, Charles Mealey, Ike Patterson, Kenn Whiteman, Jack McLeman

Personnel Committee

Ken McRae (Chair)
Hira Chopra
Cindy Solda

Audit Committee

Hira Chopra (Chair)
Kenn Whiteman
Jack McLeman

Permissive Tax Exemption and Grants In Aid Committee

Kenn Whitemann (Chair)
Cindy Solda
Ike Patterson

Community Forest Advisory Committee

Ken McRae, Jack McLeman, Dan Powell, Dave Bishop, Dan Dowling, Gary Swann,
Neil Malbon Ken Watson

Court of Revision

Ray Kwok, Charles Mealey, Cindy Solda

Advisory Planning Commission

Expires 2006: Barb Mellaart, Mike Lang
Expires 2007: Jodi Rai, Kay Rolls, Bill Randles, Karen Fenske
Other members: Larry Ransom, Cpl. Rob Foster

Alberni Valley Museum and Heritage Commission

Expires 2006: Marta Williamson
Expires 2007: Jamie Morton

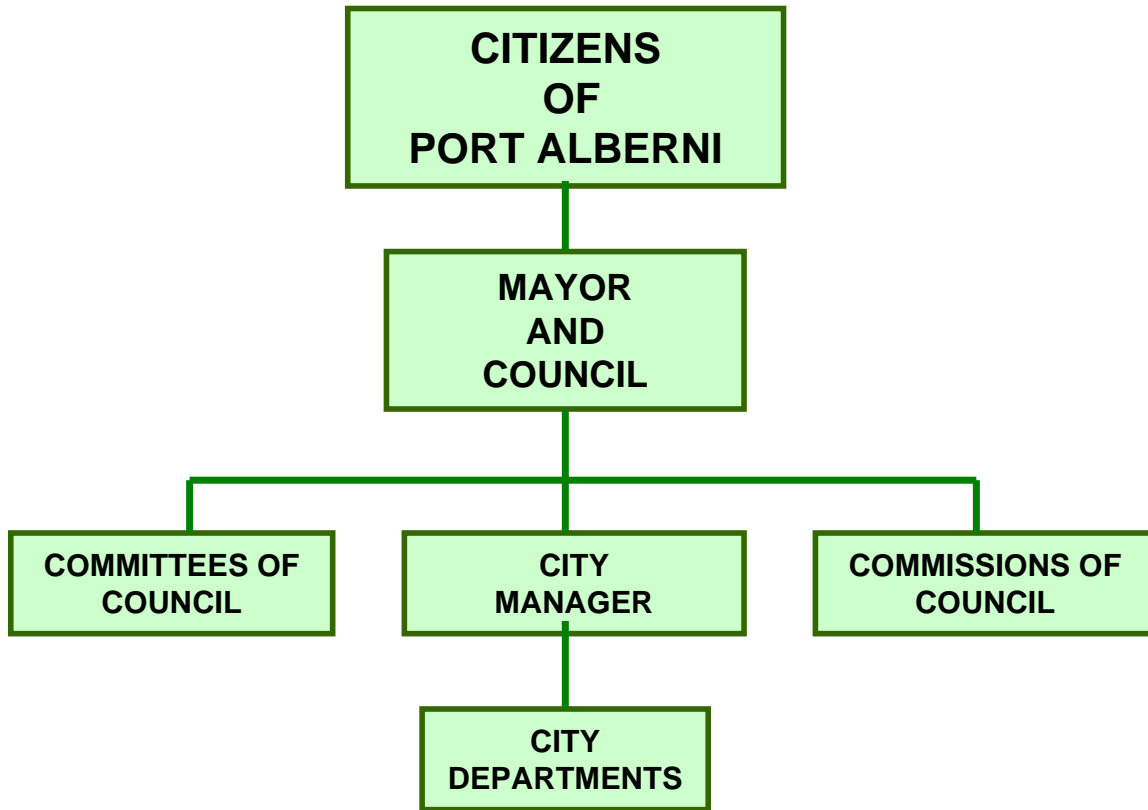
Other members: Marlene Dietrich, Jane Hutton, Ken Rutherford, Dave Tranfield, Don Findlay, Rick Player, Pat Dahlquist, Patty Edwards, Diane Mayba, Jim Creighton, Buddy Hamilton, Patricia Watts

Port Alberni Port Authority

Gary Brett (July 1, 2006-June 30, 2009)

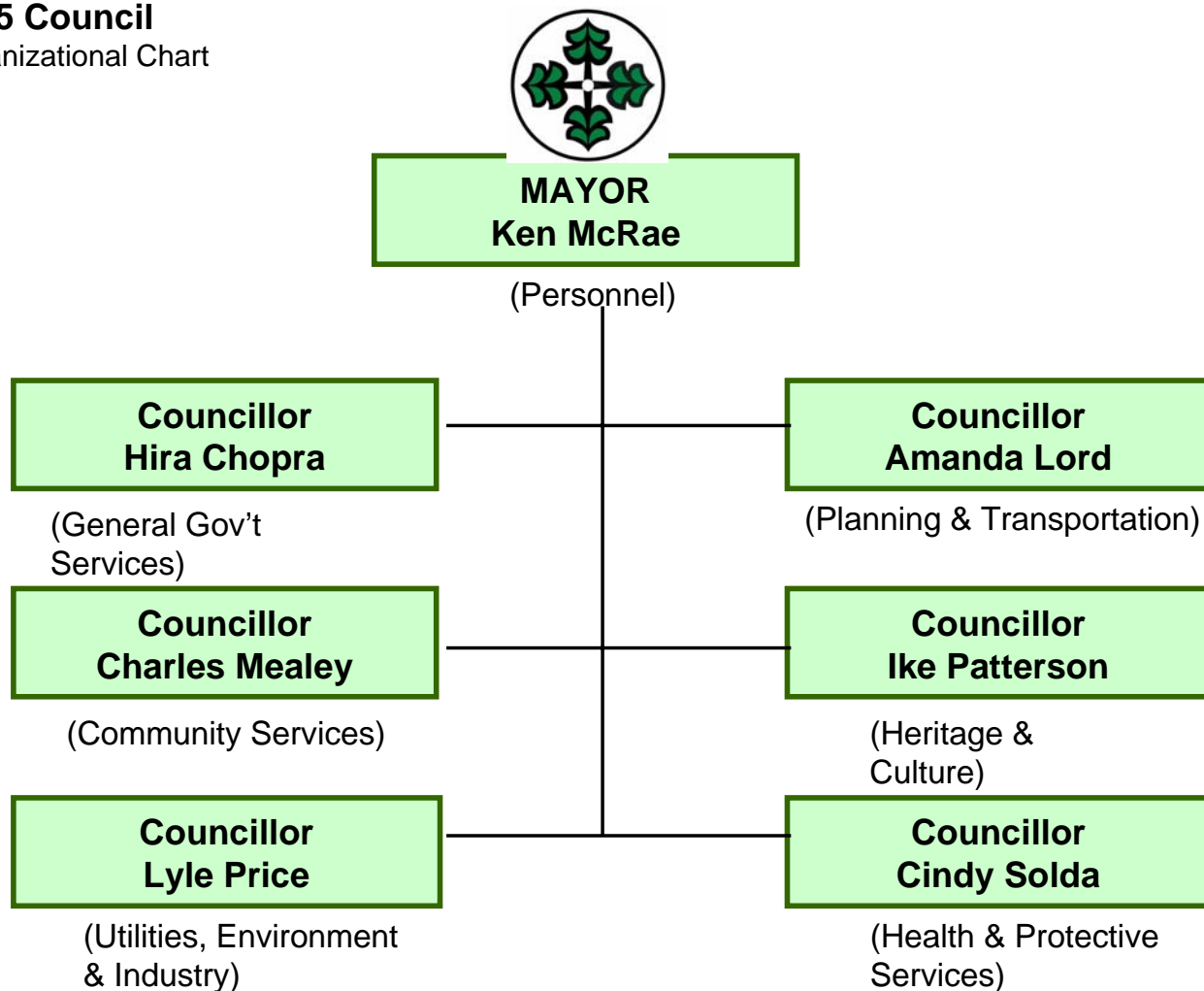
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under glass @ each Councillors' table + Mayor's table in Council Chambers.

City of Port Alberni
Organization Chart



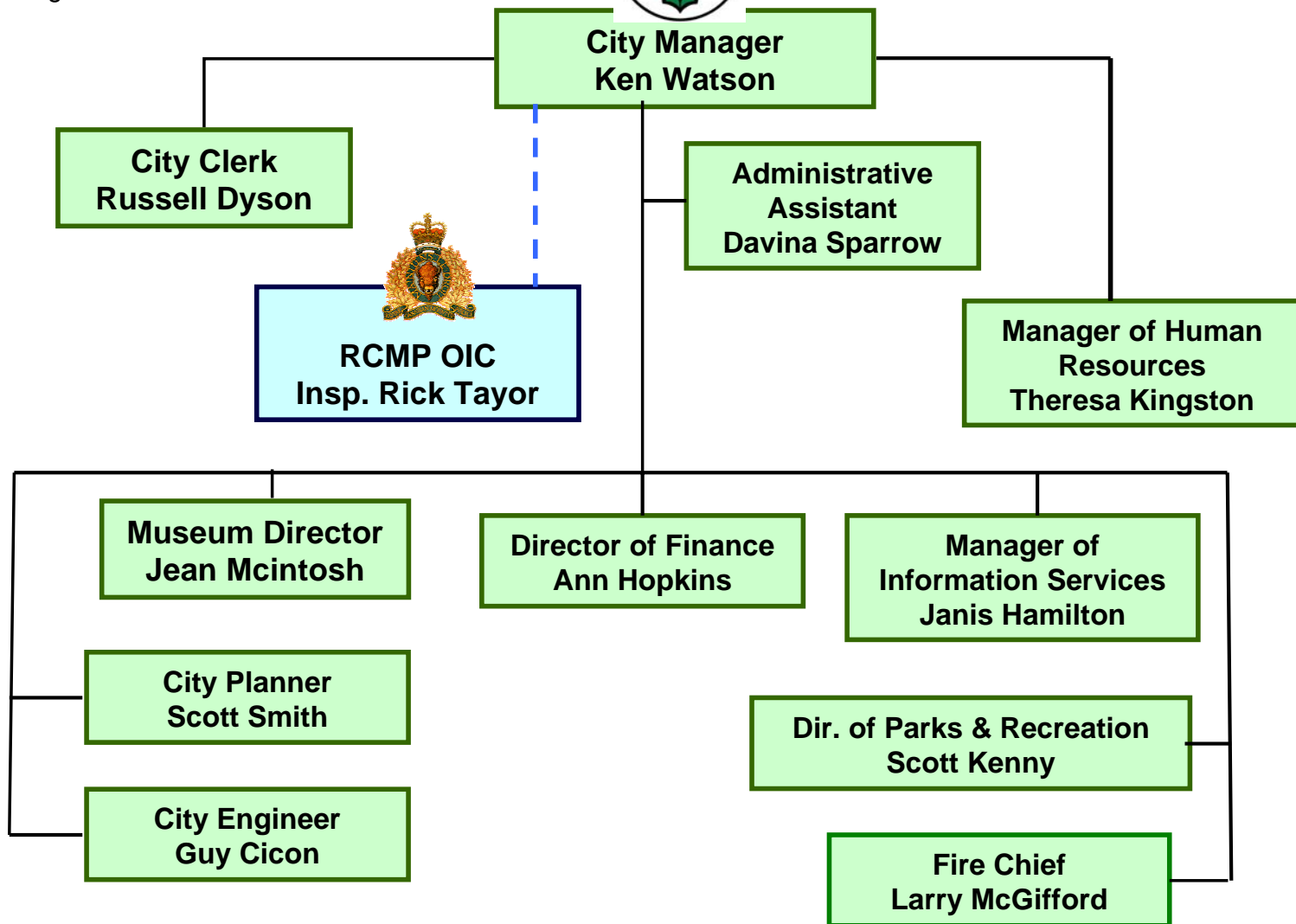
Johnston Road

2005 Council
Organizational Chart



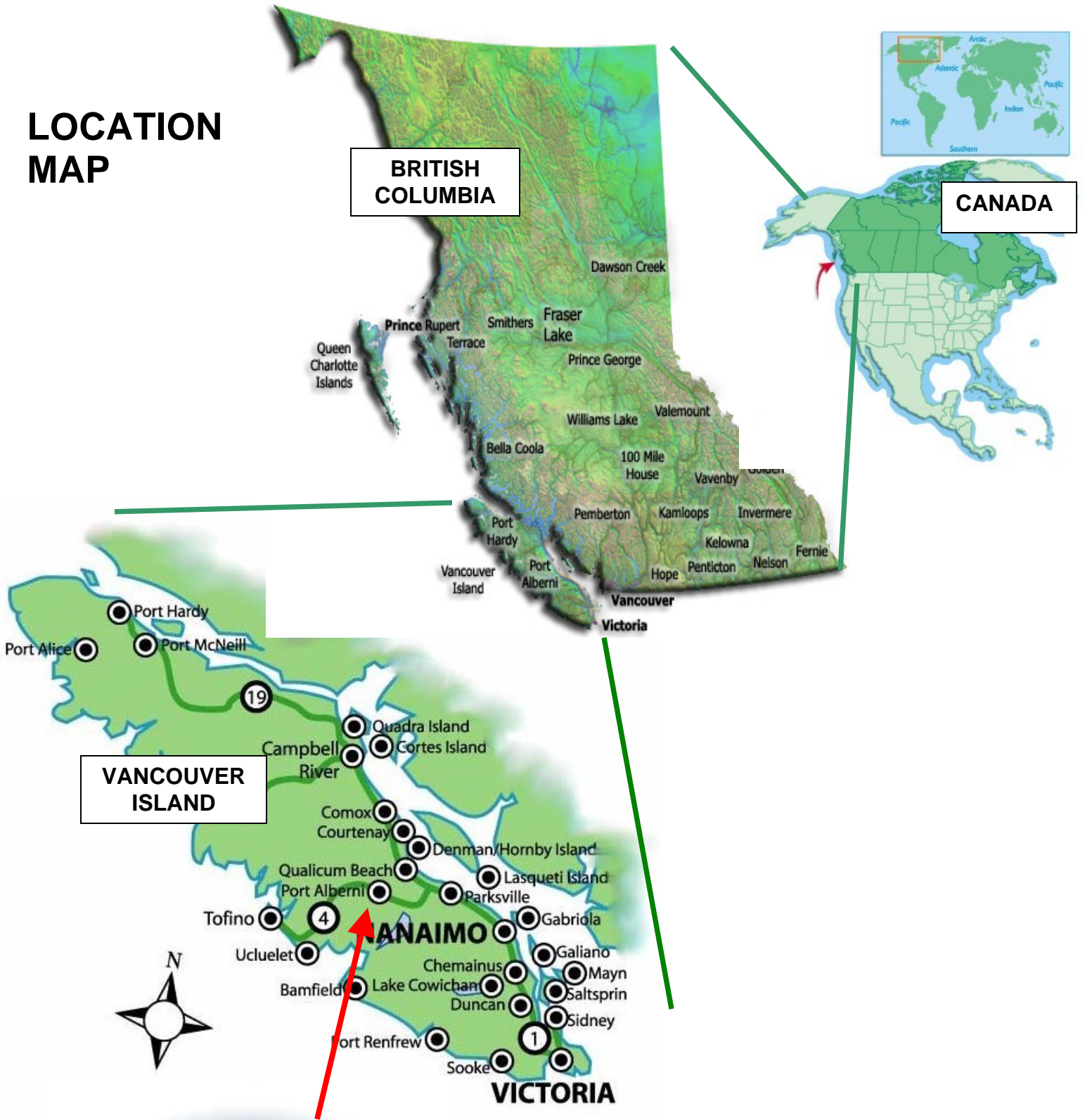
2005 City Council

2005 Administration
Organizational Chart



Multiplex Winter Wonderland

LOCATION MAP



Economic Condition and Outlook

Situated in the heart of Vancouver Island, Port Alberni is only a few hours from Victoria and Vancouver, British Columbia and Seattle, Washington, U.S.A. Forestry and related manufacturing have long been the main-stay of the Port Alberni economy. The Alberni inlet allows ocean-going ships the protection and convenience of berthing next to fully equipped loading docks. The spectacular scenery and abundant natural and cultural attractions nurture a growing tourism industry in the Alberni Valley.

Since the 1970's the population in Port Alberni has been relatively static; however a recent trend towards increased residential development in the City may indicate a population increase in the 2006 Census. Building activity in the City has been increasing steadily over the past five years fueled by attractive property costs and a demand for retirement housing on Vancouver Island. Total new residential construction value in 2005 was \$7,581,000 up 46.8% from 2004. This construction value represents new single family and new multi family. Housing starts were at their highest level since 1996. A total of 50 construction permits for new single family homes were issued in 2005 compared to 30 permits issued in 2004.

In Port Alberni the lumber and paper industries are the largest employers and the largest taxpayers. These industries have a tremendously positive local impact. However, the B.C. Coastal Forest Industry is currently facing serious economic challenges. The Softwood Lumber Dispute between Canada and the United States, the strong Canadian Dollar, higher than average local taxes and increasing competition from emerging foreign producers have all played a role in challenging the local forestry industry. Local industry is endeavoring to remain sustainable under these difficult conditions. One of three paper machines at the local Norske (now Catalyst) paper mill was idled in early 2005 resulting in significant layoff at their plant. Two Cascadia sawmills, Somass Division and Alberni Pacific Division continue to run and strive for increased operating efficiencies.

Port Alberni like other local governments in B.C. is legislated to predominately rely on property tax for operating revenue. Residential taxation in Port Alberni is very comparable to cities of similar size in the province. On the other hand, industrial taxation is relatively high compared to the rest of British Columbia. City Council has recognized that this situation adds to the local industry's difficulty in competing in the world market. As a result Council has approved decreasing levels of Major Industrial taxes in each year from 2005 to 2009. In 2005 this resulted in an aggregate reduction of \$138,000 to our Industrial Taxpayers. As a result of this shift the tax burden will move gently toward the residential sector.

In 2005 municipalities in B.C. received an increase in revenue arising from Provincial Traffic Fine revenues and a new revenue stream from Federal Gas Tax revenues to be used for specific types of environmental infrastructure upgrades. These new revenue streams are very welcome given the current pressures to reduce Industrial and Commercial property tax rates, hold increases in residential tax rates to below inflation levels and provide sustained or improved levels of service.

Maintaining the City infrastructure and the challenge to deliver quality service without raising revenues and expenditures may well be the order of the decade. This challenging environment has necessitated that the City find more effective and efficient ways to provide services. More senior government support is required, especially in rural British Columbia in order to ensure our cities and towns are healthy and sustainable. Increased revenue sharing from the senior levels of government is a step in the right direction.

The City has a relatively stable financial position. Overall operating reserves have increased due in part to a surplus in the Water Revenue Fund. These surpluses, well-managed reserves and reserve funds, prudent investment and efficient cash management have aided the City in maintaining a long standing “pay as you go” policy for financing major capital expenditures. Port Alberni, like many Canadian local governments, faces significant financial challenges in funding badly needed upgrades of aging infrastructure. In 2004 Council approved the construction of a major sewer project and construction of a new RCMP detachment. These projects are to be financed by contributions from reserve funds, government grants and borrowing. Borrowing for Phase I of the North Port Sewer Overflow Abatement project occurred in 2005. This borrowing increased the total debt per capita from \$14.06 in 2004 to \$55.58 in 2005. Port Alberni has the eleventh lowest debt per capita ratio of the 125 BC municipalities with outstanding debt. In 2006, when borrowing for the balance of the sewer and RCMP projects has been completed, the debt per capita is estimated to be \$260.00; placing Port Alberni at 58 out of the 125 municipalities.

MUNICIPAL OBJECTIVES SECTION

Statement of Municipal Objectives

In August 2002, the City Council of Port Alberni adopted its first organization wide Strategic Plan. This has been subsequently reviewed and updated by Council on an annual basis. The Strategic Plan, last updated by Council in August 2005, articulates the Vision, Mission, Values and Strategic Priorities of the City. The Strategic Priorities are the stated municipal objectives of the City for 2004 and beyond. These objectives are as follows:

Programs & Services

Provide or facilitate core municipal programs and services which are needed and valued in our community.

Infrastructure

Maintain and upgrade existing infrastructure effectively and efficiently (streets, sewers and water systems, parks, public buildings) to provide a healthy, safe environment within our community.

Taxation

Provide stability in residential tax levies with minimal increases to offset existing service cost increases. Due to identification of high Industrial tax rates, continue to provide for tax share reductions to the Industrial tax payer.

Economic Growth & Diversification

Provide a business friendly environment at all levels of our local government with the minimum of 'red tape' consistent with adequate protection of neighbouring interests.

Support economic growth via our Heritage Tourism network, Economic Development Commission, and Chamber of Commerce.

Welcome with enthusiasm new industrial, residential and commercial development providing required servicing costs are paid by the developer.

Personnel

Deliver top quality customer focused service at all levels of the organization through training and recruitment of competent, people oriented staff.

In addition to these overall municipal objectives, the Strategic Plan directs each of the nine departments of the City to complete individual Strategic Service Plans. These plans identify the Strategic Goals and Objectives of the Departments. Objectives will be achieved by implementing specific measures or completing specific Actions. The relative success of each of these measures or actions in achieving the objective will be quantified by monitoring and reporting measurement criteria.

The Departmental Strategic Service Plans, initially completed in 2005 have now been updated to indicate progress on 2005 initiatives as well as new initiatives for 2006 and beyond. A summary of progress and new initiatives is included below as the “Comprehensive Progress Report on Municipal Objectives”.

Excerpts from the City’s Strategic Plan including the statements of our Vision, Values, Mission, Strategic Priorities, Balanced Scorecard and the structure of our Strategic Service Plans are attached for information.

Vision

The City of Port Alberni Vision Statement is intended to provide a clear and compelling picture of the municipality's preferred future, reflecting the City's priorities.

Our Vision is for the City of Port Alberni to become the most vibrant, healthy and united community in British Columbia.

The City will contribute to achieving this Vision through the combined efforts of the elected officials, civic employees, volunteers, committees and commissions, recognizing that we must do so in the context of cooperation with other governing entities within the Alberni Valley as a whole.

In our Vision, the Valley will come together to help one another create an economy and community that is thriving. The City intends to assist in achieving this through the development of strong partnerships and positive relationships between elected officials, staff, and community stakeholders.

The Alberni Valley will become known as a highly desirable place to live and visit. The commercial sector will grow and develop to become much stronger and more vibrant. Attractive storefronts and streetscapes will create a sense of community identity and pride. New industries will locate in the Alberni Valley due to extensive recruitment efforts and our collective ability to provide a viable location for them to prosper. A focus on value-added industry and commerce and the use of technology will create new business opportunities. The City will become well known as being "business friendly", with staff going out of their way to assist investors by looking for ways to help make things happen.

A well-developed, integrated tourism strategy will emphasize the attractions and qualities that are unique and distinct to the Alberni Valley. The City is a key partner in this strategy through its focus on heritage tourism, sport tourism, and community events. Local organizations will be provided assistance to attract events and conferences to the Alberni Valley. Civic staff will welcome visitors and provide them with information that ensures their stay is a memorable one.

The community will experience growth, which in turn will expand the tax base, enabling the City to provide services that meet the needs of all citizens and visitors to the City and to the Alberni Valley at tax levels that are appropriate.

Residents and visitors will have many opportunities to lead an active and healthy life. The City will maintain the appropriate infrastructure to ensure health and safety. The City will also provide many services that will further enrich the quality of life of all citizens and make this community an attractive place for people of all ages to live.

The City recognizes and supports the efforts of the many volunteers and organizations in the Alberni Valley. Through these partnerships the community works together to create a healthy community.

City Council is committed to providing leadership and decision-making that ensures all municipal services are aligned to meet the needs of residents and visitors and to achieve the vision of a vibrant, healthy, united community.

Values

These value statements are the expression of our organization's fundamental beliefs which define our management style and behaviour.

City Council, municipal staff and volunteers are committed to the following values:

- **Service to Others** – providing high quality, reliable and friendly customer service.
- **Respect** – consideration for the beliefs and needs of others.
- **Integrity** – honesty in all dealings and the courage to act and live by these values.
- **Innovation** – open to change and learning in order to improve effectiveness and efficiency.
- **Contribution** – pride in one's work and the recognition and appreciation of skills and accomplishments.

Mission

This mission statement describes the business our organization is in, what it does, why and for whom.

Our Mission is to enhance the quality of life of residents and taxpayers by creating a vibrant, healthy and united community through:

- providing or facilitating the delivery of high quality core municipal services and programs;
- being fiscally responsible;
- planning and encouraging development to ensure a thriving economy and a strong tax base;
- maintaining infrastructure to support the challenges of growth and economic diversification;
- providing leadership and building partnerships (internal/external), which will be of benefit to the City.

Each city department is guided by their strategic service plan which contributes to achieving the City's Vision and Mission.

Departmental Strategic Service Plans will include individual department's vision, mission, goals and objectives which are complimentary to our overall mission.

Strategic Priorities

Achievement of the City's Vision and execution of our Mission is planned through attention to the following Strategic Priorities:

Programs & Services

Provide or facilitate core municipal programs and services which are needed and valued in our community.

Infrastructure

Maintain and upgrade existing infrastructure effectively and efficiently (streets, sewers and water systems, parks, public buildings) to provide a healthy, safe environment within our community.

Taxation

Provide stability in residential tax levies with minimal increases to offset existing service cost increases. Due to identification of high Industrial tax rates, continue to provide for tax share reductions to the Industrial tax payer.

Economic Growth & Diversification

Provide a business friendly environment at all levels of our local government with the minimum of 'red tape' consistent with adequate protection of neighbouring interests.

Support economic growth via our Heritage Tourism network, Economic Development Commission, and Chamber of Commerce.


Welcome with enthusiasm new industrial, residential and commercial development providing required servicing costs are paid by the developer.

Personnel

Deliver top quality customer focused service at all levels of the organization through training and recruitment of competent, people oriented staff.

Balanced Scorecard

To ensure that the work on achieving our Vision, Mission, and Strategic Priorities is focused and balanced the City has chosen to utilize a “Balanced Scorecard” methodology. The Balanced Scorecard provides and overview of 20 Key Objectives that will lead to the creation of our vision.

 CITY OF PORT ALBERNI - STRATEGIC PLAN BALANCED SCORECARD						
City Vision		“The most vibrant, healthy and united community in British Columbia”				
Strategic Priorities (Goals)		Provide Core Programs & Services	Maintain Infrastructure	Levy Equitable Taxation	Foster Economic Growth	Develop Personnel
Objectives (Perspectives)	Financial “Manage Resources”	Are we managing our resources wisely?				
		Productivity Strategy			Growth Strategy	
		F.1 Manage Costs (Maintain comparable taxes & fees)	F.2 Maintain and Improve Infrastructure	F.3 Expand Tax Base	F.4 Develop new revenue sources	
	Customer “Serve the Customers”	What do citizens expect from us?				
		Product/Service Attributes			Relationship	Image
		C.1 Enhance the Quality of Life	C.2 Promote Economic Opportunities	C.3 Create a Healthy Safe Environment	C.4 Easy to do business with and get things right the first time	C.5 Viewed as Professional, knowledgeable and innovative
	Internal Process	What processes must we excel at?				
		Customer Management	Operations Management		Innovation	Regulatory/Social
P.1 Create Superior Customer Service.		P.2 Improve Technology Efficiencies	P.3 Ensure Responsive & Efficient Operations	P.4 Identify opportunities and develop Collaborate Solutions	P.5 Excel in environment, safety, health, governance and community practices	
Learning & Growing “Develop Employees”	How we must develop our organization?					
	Human		Information		Organization	
	L.1 Achieve Positive Employee Climate	L.2 Recruit & Retain Skilled Workforce	L.3 Promote Learning & Growing	L.4 Provide Information & Tools	L.5 Foster Corporate Excellence	L.6 Ensure Strategic Alignment

Strategic Service Plans

Working within the framework of the Balanced Scorecard each City Department will work towards achieving the overall Vision, Mission and Strategic Priorities by developing and executing a departmental “Strategic Service Plan”. These have been developed for each of the following Departments.

- ⊕ **Planning & Community Development**
- ⊕ **Information Technology**
- ⊕ **Finance and Administration**
- ⊕ **Human Resources**
- ⊕ **Heritage, Culture & Recreation**
- ⊕ **Engineering & Public Works**
- ⊕ **Parks and Facilities**
- ⊕ **Fire Protection**
- ⊕ **Police Protection**

The *Strategic Service Plans* detail the specific ways that the Department’s operations will further the City’s overall Vision, Mission and Strategic Priorities. Part of the Strategic Service includes an articulation of the Department’s Purpose. This is analogous to a mission statement at the departmental level.










The structure of the Strategic Service Plans are based on a hierarchy of:

Strategic Goals >
Objectives >
Actions/Outcomes.


COMPREHENSIVE PROGRESS REPORT

The Comprehensive Progress Report, included for the first time in the 2005 Annual Report, summarizes progress made in 2005 on Objectives and Initiatives identified in last year's Annual Report. In addition, new Initiatives for 2006 and beyond are listed in the progress report with target dates for achievement.

Initiatives are presented under the headings of the 20 Key Objectives identified in the Balanced Scorecard. Each Initiative is summarized from one of the nine Departmental Strategic Service Plans. The Department undertaking the initiative is indicated by a symbol for that Department as follows:

























DEPARTMENT	SYMBOL	DEPARTMENT	SYMBOL
Finance & Administration		Engineering & Public Works	
Planning & Development		Parks & Recreation	
Information Technology		Fire Department	
Human Resources		Police Department (RCMP)	
Heritage & Culture			

The Status of each initiative is also identified and summarized by use of a symbol as follows:

STATUS	SYMBOL
Complete	
Ongoing	
On Hold	
New for 2006	



CITY OF PORT ALBERNI - COMPREHENSIVE PROGRESS REPORT ON MUNICIPAL OBJECTIVES

INITIATIVE	DEPT.	OUTCOME MEASURE	STATUS
FINANCIAL OBJECTIVES			
OBJECTIVE F.1 Manage Costs			
Stream-line software to reduce licensing costs		Reduced costs for software licensing fees	Costs for Software licenses down 
Review staffing costs in relationship to use of leave provisions, benefits, etc.		Review use of Leave of Absence without pay to determine costs and impact on operations.	Completed 2005 
Complete the annual review of the Parks and Recreation Fees and Charges Bylaw. Done		Fees and Charges Bylaw approved by Council and updated in the POS system for implementation on July 1, 2006	Complete June 06 
Complete monthly review of financial statements with Parks and Recreation Managers ongoing		Implement monthly department meeting to review and to ensure expenditures are at or below budget and revenues are at or above the budget figures.	Meetings Implemented in 2005 and ongoing 
Increase Development Application Fees		Amended fees and charges bylaw Increased revenue	Target by Dec 2006 
Reduce personal printers by utilizing network copier/fax/printer and centralize printing stations		Reduced costs for printer supplies	ONGOING Costs for printer supplies down 
Evaluate all vacancies prior to filling to determine if the position should be changed to better achieve the City's strategic directions.		Develop process for evaluating positions. Link this process to Succession Planning. Department Heads, Direct Supervisor and Manager of HR complete an evaluation process for 100% of vacancies.	Target by Dec 2006 
Ensure the effective and efficient use of Human Resources especially in the use of auxiliary employees.		Develop and implement a process for increased utilization of existing auxiliary employees. Reduced number of auxiliary employees while still meeting operational needs.	Target by September 2006 
Ensure efficiencies in deploying human resources (e.g.. use of casual employees).		Recruit additional casual employees to ensure availability and manage overtime expenses,	Ongoing 
Complete collective bargaining with CUPE and PAFF while maintaining a positive labour relations climate		New Contracts signed by Dec 2006 within financial limitations and without labour disruption	Target Dec 2006 
Review WCB use/costs and develop ideas for minimizing costs		Reduce costs for WCB premiums	Target January 2007 
Review the replacement cycle for fire administration vehicles potential extend the replacement life beyond the 10 year		Reduced costs of vehicle replacements	Target Oct 2006 



CITY OF PORT ALBERNI - COMPREHENSIVE PROGRESS REPORT ON MUNICIPAL OBJECTIVES

INITIATIVE	DEPT.	OUTCOME MEASURE	STATUS
OBJECTIVE F.2 Maintain and Improve Infrastructure			
Maintain and Upgrade existing Heritage facilities to achieve professional museum standards		Provide professional standard of care provided to collection: constant temperature of 21 and RH 50%; adequate storage and work space	Completed in 2005
Work with IHS to improve level of care provided for industrial collection		Collections stored in watertight, secure, accessible facility, in manner consistent with museum standards	Completed in 2005
Improve Pavement Management Plan		Plan update complete in 2005	Completed in 2005
Increase the Engineering Dept. Roads and Drainage Capital Program Budget to fund a sustainable road reconstruction		Roads and Drainage Capital budget increase to average of more than \$1.1 million/year in 2007 and future 5 Year	Ongoing Preparing Road Report 2006
Complete Liquid Waste Management Plan		Provincial Government approved Stage 2 LWMP by 2007, Stage 3 2009	Investigating Constructed Wetlands option
Improve Underground Sewers Video and Flushing Program.		Reduction in Public calls for sewer service and improved confidence in the maintenance program for sewers.	Ongoing. Complete Video cycle in 2009.
Undertake Inflow and Infiltration Program.		Long Term Inflow and Infiltration Plan	Implement test area 2006.
Provide and promote a cost effective and sustainable program for the operation, maintenance, expansion and replacement of Parks and Recreation infrastructure. Complete		Expenditures must be within the current budget allotment identified in the 2006-2010 financial plan. Develop master plan for long term development	Program identified in Financial Plan. Long-term Master development 2007
Complete the upgrades to the Alberni Valley Multiplex storage room, upper lounge and new multi-purpose room.		Project approval by staff and Council. Construction Completed in 2006	Construction underway
Complete the design and construction of the new Library. Ongoing		Project approval by the City and the Library Board.	Tenders Received above budget. Reviewing options
Assess condition of fire boat and boat shed, completing repairs necessary		List deficiencies Complete necessary repairs. Marine Survey of Fire Boat	Complete in 2006
Acquire new Fire Engine as replacement for old #3 Fire Engine		Acquisition of New Engine	Complete in 2007
Upgrade Communications Antenna Tower to current Seismic Standards		New Antenna Tower in Place	Installation in 2007
Replacement of Chief's Vehicle #6		Fire Chief's 1994 passenger vehicle is renewed	Hold pending upgrade review.
Increase the security of the water supply through replacing the China Creek supply main waterline.		Waterline replacement completed by 2007.	Ph 1 - Design and Construction 2006 Ph 2 - 2008
Replace the Argyle Street Sewage Pump station.		Pump station replacement by 2007.	Design in progress.

















CITY OF PORT ALBERNI - COMPREHENSIVE PROGRESS REPORT ON MUNICIPAL OBJECTIVES

INITIATIVE	DEPT.	OUTCOME MEASURE	STATUS
OBJECTIVE F.3 Expand Tax Base			
Investigate in detail the concept of a fee for service to fund the City's sewerage system.		Adopt a fee for service payment system to fund the sewerage system	Ongoing 2006
OBJECTIVE F.4 Develop New Revenue Sources			
Review feasibility for increased revenue generation through retail sales		Evaluation of retail potential for the Museum and a practical plan for implementation of recommendations	Completed in 2005
Market lands excess to City's needs		Sell parcels for sale by end of 2006	Ongoing 2006
Investigate the use of Community Bond Issues through the MFA to raise funding for Capital Projects		Begin capital fund raising with Bond Issuance in 2007	Ongoing 2006
Review of equitable financing for infrastructure		Report on DCC's fees	Target by Dec 07
Generate revenue by "selling spaces" in the City's In House training programs to organizations and businesses ..		New sources of revenue in 2005 with 10% increases in revenue in each subsequent year.	Ongoing New revenue generated in 2005 - \$3000
Develop new revenue sources by providing training to outside organizations/businesses for a fee.		Increased new revenue sources.	Target by March 07
Continue to develop diversified revenue sources for museum		Increased level of earned revenue	Ongoing 2006
Reduce McLean Mill/Alberni Pacific Railway annual subsidy each year by one half of the amount of new external funding secured for operational expenses by the Industrial Heritage Society, or the City.		Generate increased external funding for McLean Mill Operations in each year	Ongoing.
Identify available grants and complete Grant Applications		Filed Grant Applications and Grants received.	Ongoing
Complete Engineering fees and charges review.		New rates recommended and approved by Council. Engineering Services Revenue Increased.	Solid Waste and Connection Fee under review.
Service Delivery – Review existing programs and services and modify to generate increased revenues.		Generate additional revenues in 2006	Ongoing.2006
Enhance and expand partnerships to assist with the purchase of new equipment and program delivery.		Generate sponsorship revenues above previous year average. Develop Updated sponsorship plan	Ongoing 2006
Increase revenue from contract services. Including contracts for fire suppression, fire prevention , training and tech support		Review fee for service contracts and fee structures. Increased revenues by 10% by Dec 31st, 2006	Ongoing through 2006
Implement the installation of a retail merchandise /coffee shop in the museum. and part of area vacated by old library.		Develop a Friends of the Museum organization to manage the shop and undertake other fundraising to offset capital .	Target 2007



CITY OF PORT ALBERNI - COMPREHENSIVE PROGRESS REPORT ON MUNICIPAL OBJECTIVES

INITIATIVE	DEPT.	OUTCOME MEASURE	STATUS
CUSTOMER SERVICE OBJECTIVES			
OBJECTIVE C.1 Enhance Quality of Life			
Improve ease of access for customers		Accessibility improvements for City Hall complete in 2005	Complete 2006 
Continue to contribute economic diversification through development and promotion of heritage tourism initiatives		Increased visitation and spending at heritage network venues.	Ongoing. 
Support development of Heritage attraction development initiated and funded by the WVHHS including additional platforms for the Alberni Pacific Railway Operations		Development of additional boarding platforms for the APR operations	Ongoing. Chase and Warren Winery Platform completed in 2005 
Provide Core Programs and Services to ensure the delivery of high quality programs and services to meet the changing needs of the community and increase participation, with specific focus on the highest priority groups.		Maintain or increased registration levels above the previous year average.	Ongoing 2006 
Explore and develop youth mentoring opportunities within the community		Development and implementation of a comprehensive school/fire department liaison program in the elementary schools to teach fire safety measures	Ongoing through 2006 – Fire Prevention week 
Ensure programs and services are delivered that will ensure crime prevention and reduction.		New initiatives implementation currently in progress	Ongoing 
Improve the level of recycling service in the Alberni Valley in collaboration with the Regional District of Alberni Clayoquot,		Improved service implemented with funding from tipping fees in 2006	Regional District Solid Waste Management Plan Review in progress. 



CITY OF PORT ALBERNI - COMPREHENSIVE PROGRESS REPORT ON MUNICIPAL OBJECTIVES

INITIATIVE	DEPT.	OUTCOME MEASURE	STATUS
OBJECTIVE C.2 Promote Economic Opportunities			
Establish a formal Alberni Valley Economic Development Service		Establish service in 2006	Approval to hire EDO in 2006
Provide tax reductions to the Major Industrial Tax category in each year of the Five year financial plan. .		Total major Industrial taxes paid in 2009 are \$338,000 less than those paid in 2004	Industrial Tax Reductions approved in Financial Plan
Acquire a Community Forest License and tenure for the City of Port Alberni.		Have community forest license and acceptable land tenure in place by end of 2006	Ongoing 2006
Provide reductions to the Commercial category tax rate by continuing to shift a percentage of the tax share to other categories.		Annual reductions in the Commercial Tax rate that more than offset market value increases.	Approved in 2005-2009 Financial Plan
Support the Island Corridor Foundation and their initiative to acquire the entire railroad corridor on Vancouver Island.		ICF acquires Corridor in 2005. Rail service continued and expanded on the Island in 2006	ROW acquired and Operator Hired 2006
Create marketing packages for key City owned property		Completed binders for each property Build on existing information	Completed Dec 2007
Implement strategic sign plan		Signs installed	Target by Dec 06
Adopt new Official Community Plan		Clear direction on the City's objectives for future development and redevelopment	Target by Oct 06
Promote Economic Revitalization of the uptown area - taxes		Adoption of bylaws providing revitalization tax exemption in 2006	Target by Feb 07
Promote Economic Revitalization of the uptown area		Completed study and approved budget for infrastructure upgrades	Study -Nov 2006 Construct 2007-2010



























CITY OF PORT ALBERNI - COMPREHENSIVE PROGRESS REPORT ON MUNICIPAL OBJECTIVES

INITIATIVE	DEPT.	OUTCOME MEASURE	STATUS
OBJECTIVE C.3 Create a Healthy Safe Environment			
Undertake needed upgrades to the McLean Mill water supply to ensure and adequate and safe supply of potable drinking water and adequate flows for fire suppression needs.		Connection of McLean Mill to the community water system of Beaver Creek or Cherry Creek in 2006	Completed early 2006
Ensure that disposal of obsolete computers and components is done in an environmentally sound way		80% of disposed equipment recycled or re-used.	Arrangements in place for 90% reuse of surplus equipment
Regular meetings of workplace health and safety committee to ensure a healthy, safe work environment.		Committees created for RCMP and Civilian staff. Meetings Scheduled and occur as planned	Complete 2005
Enhance the current Office Paper recycling program to capture higher volumes of paper from more City facilities.		increased volume of office paper recycled.	Volume of office paper recycled increased in 2005. More needed
Develop a comprehensive Wellness Program for all employees.		Develop opportunities for employees to participate in fitness and wellness activities.	Target by Oct 2006
Ensure parks and facilities are safe that to meet or exceed OH&S regulations and City policies.		Complete an annual safety audit of all parks and facilities. Correct deficiencies. Reduce injury/incident claims.	Ongoing 2006
Improve Fire Prevention and Fire Safety Education to the General Public.		Internal/external advisory group established to advocate for fire safety issues. Monthly news media articles published regarding Fire Service Information	Start in 2006
With assistance from the Alberni Valley Emergency Planning Committee, improve public awareness regarding general emergency preparedness, and tsunamis and earthquake preparedness		develop and deliver public education regarding general emergency preparedness, such as tsunamis and earthquakes during Emergency Preparedness Week	This is an ongoing initiative.



























CITY OF PORT ALBERNI - COMPREHENSIVE PROGRESS REPORT ON MUNICIPAL OBJECTIVES

INITIATIVE	DEPT.	OUTCOME MEASURE	STATUS
OBJECTIVE C.4 Easy to do Business With and get things right the First Time			
Foster healthy communications between the IT Department, IT User group and IT customers (staff)		Staff that are knowledgeable and informed of IT objectives	IT User group established and meeting 
Increase customer awareness and access to electronic products, services and information		Property & Tax info available via internet 2005. Public internet terminal at City Hall - 2006	Ongoing Oct 2006 
Review development application process, DVP, Rezoning/OCP		Improvements implemented	Target by Dec 07 
Ensure that Human Resources services meet the needs of the internal customers and is responsive to emerging departmental HR issues and supports the City's strategic priorities and service plans.		Develop HR delivery standards based on customers expectations. Develop protocols for when to involve HR in departmental activities.	Target by Mar 07 
Evaluate service delivery levels at detachment front counter to ensure that hours and services offered are appropriate.			Hold pending move to new Detachment 
OBJECTIVE C.5 Viewed as Professional, Knowledgeable and Innovative.			
Incorporate into the annual financial plan public input process a Tax Rates Forum with panel speakers to facilitate enhanced public input and sharing of information regarding the 5 Year Plan		Host Facilitated Tax Rates Forum annually	Annual Forum now part of public input process by Council Resolution 
Establish a client satisfaction survey process to evaluate and enhance our service delivery methodologies.		Survey form completed and administered to victims/complainants on random frequency	Complete 2005 
Participate as a partner in the Outlook 20/20 community wide visioning process.		Successful completion of Visioning process in 2006 with City as active partner	Ongoing 2006 
Continue to implement professional museum standards at all heritage sites		Heritage Network sites consistently show museum standards of artifact care and professional quality displays	Ongoing 2006 
Enhance understanding of museum as resource for information on local history,		increased public awareness of heritage values, increased utilization of museum's advisory services.	Ongoing. 
Market effectively parks and rec programs and services and increase understanding of the benefits and support for parks and rec services.		Increased revenues and awareness of the benefits of Parks and Recreation services. Marketing plan completed for parks and facilities.	Ongoing 2006 
Provide competent and effective HR assistance consistent with the needs of employees and the organization		Utilize the National Quality Institute Public Sector Excellence and Healthy Workplace programs.	Target Dec 2006 



CITY OF PORT ALBERNI - COMPREHENSIVE PROGRESS REPORT ON MUNICIPAL OBJECTIVES

INITIATIVE	DEPT.	OUTCOME MEASURE	STATUS
INTERNAL PROCESS OBJECTIVES			
OBJECTIVE P.1 Create Superior Customer Service			
Provide the public with website information that is useful, and accurate		Reduced number of information requests placed upon City staff	Website updated to include new info in 2005. More to come 
Prioritize demands on the IT department to make the most of the resources available		Reduced number of help desk calls	Call-tracking/help desk created and in use. 
Improve process for customer feedback and evaluation.		Undertake customer Survey	Target Dec 2006 
Make property legal plans available digitally to the general public and realtors.		Digital plans are easily available to the public in 2006.	In Progress - Scanning legal plans. Fall 2006 
Develop consistent signage/advertising for all Parks and Rec programs and facilities.		Review and update the Parks and Recreation Department LOGO. Standardize advertising formats to present a consistent image.	Ongoing 2006 
Provide professional, satisfactory service in a timely manner		Develop and implement a customer service evaluation program	Ongoing throughout 2006 
OBJECTIVE P.2 Improve Technology Efficiencies			
Update of high resolution digital photos for the City		Have aerial images taken by early spring with digital photos available mid 2006	Completed in June 06 
Explore the use of wireless technology for field personnel (Building inspections, Fire Department)		Reduction in staff time spent entering data from the field	Fire Dept. wireless installed Jan 06. Eng pending 
Introduce a general paging system for accessing off duty personnel during times of need		All personnel available by pagers	Completed in 2005 
Upgrade and enhance call display and voice messaging capabilities to the internal phone system		Telephone system is capable of operating with/without a control room operator and without impacting service levels	Completed June 2006 
Upgrade Field Inspection Hardware		Hand held portable unit acquired and in service	Completed in 2005 
Install on-board computers to the Emergency Fire Apparatus		Embedded on-board computers installed to 2 Engines	Delayed until 2007 request of the IT dept. 



















CITY OF PORT ALBERNI - COMPREHENSIVE PROGRESS REPORT ON MUNICIPAL OBJECTIVES

INITIATIVE	DEPT.	OUTCOME MEASURE	STATUS
OBJECTIVE P.3 Ensure Responsive & Efficient Operations			
Data and network that is free of corruption from viruses or outside sources		Perform a security audit on the potential for data corruption from outside sources	Completed 2005 
Create corporate consistency in the application of HR policies and procedures.		Develop HR Policies in key areas. Provide information on policies and procedures to both unions and all employees.	Completed in 2005 
Develop centralized filing system for HR related items including those related to personnel and the collective agreement, etc.			Completed in 2005 
Increase accessibility to HR services staff and Department Heads and all staff		Create office location for HR at City Hall	Completed in 2006 
Provide public access to historic photograph collection		Public can access historical images and information electronically via web-site by the end of 2005 Complete?	Completed in 2005 
Improve Bridge Maintenance		Complete and implement Bridge Maintenance Plan in 2005	Complete 
Development Permit Application Process (contingent on OCP Bylaw Adoption)		Amendment to Procedure Bylaw	Following OCP adoption 
Review subdivision application process (application form, information handout, tracking sheet)		Improved process and updated Subdivision and Development Bylaw approved by Council	Target by Dec 07 
Update disaster recovery plan and create a Business Resumption Plan		Business continuance in case of emergency	Target for Oct 2006 
Review and Update of Public Works Tasks Descriptions.		City Council approval of updated Task Descriptions in 2006	Target Oct 2006 
Improve the water distribution system.		Outcome Measurement is: Complete Water system improvements identified in the 5 Yr Capital Plan	Ongoing 
Prepare a Sidewalk Management Plan		Complete Plan and Sidewalk improvements identified in the 5 Yr Capital Plan.	Ongoing Target 2006 
Prepare a Lane Paving Program.		Lane improvements identified in the 5 Yr Operational Plan.	Ongoing Target 2006 
Ensure that City employees understand their role in an Emergency		Assign full time City Staff to specific areas on the Emergency Operations organizational chart. Provide training for staff on Emergency Operations.	Target for Dec 2006 and Ongoing 
Implement the network security enhancements identified in the 2005 Security Audit in 3 phases		Phase 1 - Completed; Phase 2 - July 2006; Phase 3 - January 2007	New for 2006 
















CITY OF PORT ALBERNI - COMPREHENSIVE PROGRESS REPORT ON MUNICIPAL OBJECTIVES

INITIATIVE	DEPT.	OUTCOME MEASURE	STATUS
Evaluate and test increased liquid street de-icing methods in order to achieve better efficiency and reduce environmental impacts.		More liquid De-icing methods used if feasible.	New for 2006 
Complete Engineering Specifications Update - Evaluate change to MMCD Province wide specs..		Council approved Updated Engineering Specifications in 2005. Recommend adoption of MMCD spec in 2006	Target Oct 2006 
OBJECTIVE P.4 Identify Opportunities and Develop Collaborative Solutions.			
Conduct semi-annual staff and employee meetings to identify opportunities to enhance services and develop collaborative solutions.		Meetings scheduled and carried out as planned. Input from meetings utilized to improve service delivery	Complete 2005 and Ongoing 
Remove blockages/inefficiencies which prevent cross department collaboration.		Facilitate cross functional discussions/team meetings to address the changing needs of employees and the workplace	Target for Oct 2006 
Enhance the department's mutual aid program to more efficiently access resources beyond those the of the PAFD.		Mutual aid resources are used more efficiently. Ability to utilize mutual aid FF's as interior attack crews	Ongoing through 2006 
Explore opportunities to partner with regional departments in service and training areas		Cooperative training is measured by increase in annual man-hours of joint training	Ongoing through 2006 
Pursue opportunities to increase efficiency and effectiveness in the Alberni Valley through a Regional Fire Service		Regional fire Service Provision in Alberni Valley by 2010	On going initiative 
Develop and fill an administrative support position to serve PAFD and other AV Fire Departments		An administrative support position is developed to serve the needs of the PAFD and other AV Fire Departments	No target date set for this initiative 



























CITY OF PORT ALBERNI - COMPREHENSIVE PROGRESS REPORT ON MUNICIPAL OBJECTIVES

INITIATIVE	DEPT.	OUTCOME MEASURE	STATUS
OBJECTIVE P.5 Excel in Environmental, Health, Safety, Governance and Community Practices.			
Assess concrete barrier installations		A completed barrier plan in 2005.	Complete 
Prepare a Dead End Water main Tie-In Program.		Complete a Dead End Water main Tie In Plan in 2005	Complete 
Review regulatory bylaws in consideration of best practices, current legislation, authority, redundancy, update bylaws to current standards		Complete review and update of all regulatory bylaw within 5 year plan.	Ongoing 
Implement Municipal Ticket Information (MTI) process		Ticket system in place in 2006	Ongoing 2006 
Adoption of new OCP with updated Policies on land use, environmental protection, watercourses, parks and open spaces, bicycle & pedestrian corridors,		Complete Draft OCP, Completion of public and agency review. Adoption of OCP Bylaw by City Council in 2005	OCP Bylaw Currently at 3rd Reading 
Review and update Signage regulations		Adoption of new sign bylaw in 2006	Draft bylaw pending Council approval 
Ensure workplace practices are consistent with WCB regulations, Human Rights Legislation, Labour Law and Collective Agreements		Train supervisors on relevant legislation and compliance requirements.	Ongoing 
Reduce WCB claims associated with garbage collection and improve operational efficiencies.		Reduction in WCB claims from current levels and a reduction in solid waste collection costs.	Investigating Automated Garbage Trucks. 
Improve Cross Connection Control Program.		Increasing numbers of cross connection assemblies installed in Commercial Buildings.	Ongoing 
Fire Dept compliance with pertinent Environmental Standards and Practices specifically related to the Fire Service.		Identify specific NFPA, WCB, CSA, OSHA and other pertinent standards. Implement programs as deemed necessary and prudent to address those standards	On going through 2006 
Undertake a new grading of the Fire Service for the City of Port Alberni by the Fire Underwriters Surveyors		Achievement of a new grading for the Fire Services	Request delayed until late 2007 
Develop and Implement a City Vehicle Anti-Idling Policy.		Implemented Anti-idling Policy.	2006 Target 2006 
Reduce untreated combined sanitary and storm sewer overflows into the environment by volume reduction and treatment..		Reduction in Combined sewer overflows. Northport Sewer Project Complete in 2006. Maitland overflow upgrades pending	Target 2007 
Improve the sewage treatment process as planned by the Liquid Waste Management Plan.		Improved efficiency of treatment and reduced environmental impacts	LWMP Target 2010 



CITY OF PORT ALBERNI - COMPREHENSIVE PROGRESS REPORT ON MUNICIPAL OBJECTIVES

INITIATIVE	DEPT.	OUTCOME MEASURE	STATUS
LEARNING AND GROWING			
OBJECTIVE L.1 Achieve Positive Employee Climate			
Ensure that Employee Wellness is included in all aspects of Human Resources.		Develop employee wellness stream in the training calendar and undertake employee survey .	Training provided Survey Target Oct 06 
Increase employee recognition/celebration of their achievements.		Develop options for informal and formal employee recognition. Develop an employee newsletter to support a recognition program	Target June 2007 
Rebuilding of the 1928 Chevrolet Antique fire truck, which was used in the City of Port Alberni many years ago.		The chassis and body parts relocated to the old arena site, for IHS to assist in the restoration.	Target June 2007 
Compile Historical photo records for the Port Alberni Fire Department.		Catalogue protect and display existing pictures dating to the start of the dept.	Target June 2007 
OBJECTIVE L.2 Recruit and Retain Skilled Workforce			
Increase supervisors ability to effectively utilize the probationary/trial period and conduct more meaningful probationary/trial reviews.		Provide specific training for all supervisors conducting informal/formal reviews	Completed 2005 
Improve employee selection process by testing for core competencies.		Determine practical skills/competencies and develop an appropriate method for testing ability. Implement testing	Ongoing 
Ensure that all new employees receive a thorough orientation program.		Develop orientation modules. Ensure modules are delivered to all new employees within 8 weeks of their start	Target Dec 07 
Ensure continuous improvement through implementation of a performance evaluation system.		Implement performance evaluation system for all management positions.	Target Dec 07 
OBJECTIVE L.3 Promote Learning and Growing			
Provide an in-house training program that meets the needs of departments and employees.		Increase offering in staff calendar based on results of training needs assessment.	Target Jan 2007 
Implement succession plan for key positions.		Develop personalized development plans for individuals identified in succession process.	Target June 2007 
Increase the budget for training and staff development.		Budget increased to 4% of total wages, salaries and benefits	Target 2010 
Fire Captains taking on increased responsibility for fire investigation.		Extra training for the Officers regarding investigation requirements	Target Dec 2006 



CITY OF PORT ALBERNI - COMPREHENSIVE PROGRESS REPORT ON MUNICIPAL OBJECTIVES

INITIATIVE	DEPT.	OUTCOME MEASURE	STATUS
OBJECTIVE L.4 Provide Information and Tools			
Enhance ability of Fire Department to do in house Training		Acquire Power Point projector for Fire Department training needs	Completed in 2005
Provide instruction manuals & guides related to financial or administrative programs		Guides provided by end of 2005	Ongoing 2006
Setup generic use workstations to allow non-network users access to resources		Staff that are knowledgeable, informed and aware of what information and resources are available to them	Target for July 2006
Provide access to Human Resources information to all employees.		Develop and circulate an employee handbook.	Target April 2007
OBJECTIVE L.5 Foster Corporate Excellence			
Produce financial reports that are recognized by our peers & the public as being of high quality; enhancing the understanding of the reports		Receive GFOA Canadian Award for Financial Reporting each year	Award Received for 2004
Provide "Natural Step" Training to key City employees to promote sustainability in all municipal operations		Natural Step training included in Training Calendar and Natural Step Community Workshop hosted in 2005	Completed in 2005
Implement NQI Public Sector Excellence program.		Implement program in the HR Department Report results and expand program to other departments.	Target Dec 07
OBJECTIVE L.6 Ensure Strategic Alignment			
Ensure that the Heritage and Culture Department's Initiatives further the Strategic Priorities of the overall City of Port Alberni Strategic Plan as well as the goals for heritage conservation in the Alberni Valley.		Adoption of Updated City of Port Alberni Strategic Plan and adoption of a compatible Heritage Commission Strategic Plan in 2005. No conflicts between City of Port Alberni objectives and Heritage Commission objectives	Completed in 2005
Increase knowledge of planning and community development issues by all City Staff.		Information bulletin developed and circulated regularly for City Staff. Bulletin Boards and web access.	Target by Dec 06
Adopt new City of Port Alberni Fire Control Bylaw – update to current fire, rescue, and medical service standards, appropriate codes and levels of service.		New Fire Control Bylaw, endorsed by Mayor and Council, in place	Projected to be completed in 2007

**MUNICIPAL SERVICES AND OPERATIONS
SECTION**

Departmental Summary Reports for 2005

Planning & Development

2005 was a very active year for development in Port Alberni.

Zoning Bylaw Amendments were given final approval to allow the following:

- A new recreational vehicle and marine sale and service facility on Beaver Creek Rd.
- A gaming centre in the former Revelstoke building on Cherry Creek Rd.
- Several small subdivision applications.

Preliminary layout approval was given for the following subdivisions:

- An extension letter was given for a 38-lot subdivision on Burde St.
- An 8-lot subdivision on Bute St.
- A 5-lot subdivision on Bayne Rd.

Final approval was given for the following subdivisions:

- A 33-lot subdivision off Argyle St.
- A 4-lot small lot residential subdivision on 8th Ave.
- A 4-lot subdivision on Mearse Dr.

A Development Permit was issued for the new Pacific Rim Shopping Centre on Johnston Road (Provincial Hwy #4). The project consists of 6 individual buildings divided into 21 units with a total square footage of 69,000 square feet. Construction began in late 2005 and will continue through 2006.

In order to allow for construction of a 26-unit assisted living facility two development variance permits, a bare land strata subdivision and a text amendment to the zoning bylaw, were approved.

The City of Port Alberni and the Port Alberni Port Authority issued a Call for Proposal for consulting firms to undertake an Uptown and Waterfront Redevelopment Study. The project will be conducted in 2006.

The new Official Community Plan (OCP) received two readings and was referred to outside agencies for comment. Work on final revision and adoption of the OCP will continue in 2006.

Work continued on the Strategic Sign Plan in 2005. A hierarchical layout of sign locations as well as sign formats has been approved. Installation of signs is scheduled for fall of 2006.

Fire Department

In 2005 as in most previous years, the majority of fire losses in Port Alberni were attributed to residential structure fires. Overall, the number of structure fires and the estimated losses due to fire were lower in 2005 than in other recent years. Several of the fires that did occur in 2005 had the potential to cause a major impact to the community.

There had been several intentionally set fires in 2004 involving detached garages in one localized area within the city. That trend continued during early 2005, but ceased midway through the year. The Port Alberni Fire Department continues to work with the RCMP to identify the person or persons responsible for those fires.

In March of 2005 there was a structure fire in the Courthouse Racquet Club, an older building in the downtown area. The Courthouse Racquet Club fire posed a significant threat to adjacent commercial and residential buildings.

In May of 2005 a large fire in the Somass Division sawmill resulted in four mill employees being transported to hospital with burn and smoke inhalation injuries. That fire caused a large amount of damage to the head rig and surrounding area. The fire was suppressed by the internal sprinkler system and ultimately extinguished by crews from the Port Alberni and Cherry Creek Fire Departments. After the Somass fire, and as a result of an internal inquiry at the mill, the Fire Department developed and delivered a fire safety training presentation. Over 100 mill employees received that training.

On June 14th, 2005 an earthquake in the Pacific Ocean resulted in a tsunami warning. The Alberni Valley Emergency Plan was activated and the PAFD was directed to activate the City's Tsunami Warning System. There was no tsunami generated by that earthquake, and an "all clear" message was later broadcast. Although the Tsunami Warning System proved to be a valuable resource in that emergency, there were several physical and operational improvements implemented as a result of the June 14th experience.

Parks & Recreation

The Tsu-ma-as Walkway at Victoria Quay was officially opened. This was the first in a series of development projects that the Hupacasath First Nation initiated in partnership with the City of Port Alberni following the lease of the land to the Hupacasath which will transform the waterfront park into a first class attraction documenting the rich cultural, historical and natural attributes of the site and area for residents and visitors.

The Roger Creek Park pedestrian bridge was removed in the fall of 2005 due to safety concerns. This second bridge for the site will be replaced with a new laminated beam bridge with partial funding from the Lions Club. The project will also include trail improvements to the walking trail at the south end of the bridge.

The Provincial Government approved funding for the construction of a new Library and upgrades to the reception area at Echo Centre in the amount of \$856,667. This represents 2/3 of the funds required for this \$1.285 million project. The balance of the funds was allocated from the Land Sale Reserve and Parks and Recreation Capital Reserve accounts. The project is planned for completion in 2006.

Design plans were initiated for upgrades to the Alberni Valley Multiplex. The Provincial Government and the Olympic/Paralympic Live Site program awarded a grant in the amount of \$330,000 which was matched by City and other funding for a total project expenditure of \$660,000. The planned improvements included the development of a new storage room, upgrades to the sound system in the Weyerhaeuser Arena, expansion and completion of the upper lounge and the development of a new multipurpose room at the front of the facility. By the end of 2005, the storage room and sound system improvements were completed and work on the balance of the projects is scheduled for 2006.

The major event for 2005 was the Tall Ships Festival. This was a partnership between the City of Port Alberni, The Port Authority, the Port Alberni Tall Ships Society, First Nations and many Corporate Sponsors. Approximately 20,000 visitors attended the three day event. Other events held during the year included the Winter Wonderland at the Multiplex, Spa Night at the Aquatic Centre, Nights Alive Saturday night program for youth, "Our Town" events, "Go Girls on the Move" program for girls in grades 6 & 7, Weightlifting Junior Nationals, EMS Weightlifting Memorial Tournament, Teen Town Reunion & Car Show, Royal Lipizzaner Stallions, AV Bulldogs Spring Training Camp, Vancouver Island Raiders Football Training Camp and Vancouver Island Fire Departments Auto Extraction and Training.

The Port Alberni 2004 BC Winter Games Board reviewed the Legacy applications and disbursed the grants from the Games surplus funding. A total of 35 local organizations received \$135,250 in Legacy funding for a variety of applications.

Cherry Creek electoral district approved an annual Grant-In-Aid contribution, in the amount of \$13,176 which enabled residents from Cherry Creek to access City of Port Alberni Parks and Recreation programs and services at the same rates as City residents. Residents who qualify will also be eligible for the NEW H.E.A.R.T. program - our financial assistance program for people with limited income.

Parks and Recreation received a grant from the Ministry of Children and Family Development, on behalf of the Early Childhood Care and Education Community of the Alberni Valley in the amount of \$25,000. The funds provided for Professional Development and Training for people working in Early Childhood programs.

Alberni Valley Museum

Total attendance in 2005 was 29,987 including 1,027 school children who took part in curriculum-based educational programs.

The Museum preserves, documents and makes accessible collections that embody the cultural history of our area:

- 150 artifacts have been added to the visible storage display cases.
- Improved storage conditions for the industrial collection with the renovations to the former community arena.
- Permanent exhibits are being designed for this 'new' industrial storage/display facility.
- Collections management, exhibit development and interpretation were provided for the McLean Mill National Historic Site.
- The Museum workroom was renovated to accommodate exhibit preparation.

Six major exhibitions were presented:

- Brewers Gold: the history of the hops industry in BC.
- Happily Ever After: BC Childrens Book Illustrators.
- Mayday: The History of Search and Rescue on the BC Coast.
- Egypt: Gift of the Nile.
- Voices of the Town: Vaudeville in Canada.

Special public and school programs brought a variety of experiences and opportunities to the community:

- The Museum offered 9 core programs linking heritage and museum topics to the school curriculum.
- The Museum's Historica Fair is a major educational initiative. Students in grades 4 – 9 from Port Alberni, Courtenay, Gold River and Zeballos presented their projects related to heritage themes.
- A wide range of public programs was presented, most in partnership with community groups. The Museum also participates in several national recognition events: Forestry Week, Heritage Week, and community events such as Day with the Arts.

McLean Mill National Historic Site

Overall attendance at the Mclean Mill and Alberni Pacific Railway was 14,053 - an increase of 27 % over 2004. An informal survey conducted during one of the Mill's many Special Events (Millwarts School of Magic) found that 52% of those in attendance were from out of town.

Volunteers have been and continue to be a significant component of the Mill's success. In 2005 volunteers donated an estimated 6,300 hours through a variety of activities and events including train operation, retail operations and the more than 26 days of Special Events. Celebrity Cruise Lines, which docked in Nanaimo, contracted the Mclean Mill for five shore excursions providing additional revenue and exposure to our export ready product.

Engineering and Public Works

2005 was another productive year for the Engineering Department. Considerable improvements to our City's infrastructure were made through Capital Projects and Operational Expenditures.

The Road Network was improved with the reconstruction of 900 metres of Collector Roads. Sections of 5th Ave., Kendall Ave., and Strathcona Street were reconstructed to improve the main collector road system.

Improvements to the Water System included the elimination of several dead end water mains, minor system extensions and improvements to the Burde St. Reservoir. A new reservoir cover and control modifications were installed at the Burde St. Reservoir.

The Sewage System was significantly improved with the substantial completion of the North Port Sewer Abatement Project. This project was partially funded through the Federal / Provincial Infrastructure Program. The work involved the installation of a new force main to the lagoon and the replacement of the Margaret St. Pump station.

Policing

The City of Port Alberni and adjoining rural areas are policed by the Royal Canadian Mounted Police (RCMP) under contract from the Province of British Columbia and the Federal Government. The existing policing contract will expire in 2012.

The Port Alberni Detachment area encompasses some 1,528 square miles of west-central Vancouver Island. The Detachment area includes the traditional territories of the Hupacasath, Tseshaht and Uchucklesaht First Nations, as well as the summer tourist destinations of Sproat Lake and Great Central Lake.

The total area population served by Port Alberni Detachment is approximately 30,000 full-time residents, plus summer tourism increases.

Port Alberni Detachment provides policing services in several key areas, including School Resource Officer, First Nations Community Policing, Police-Based Victim Services, Community Policing Program whose volunteers donated more than 10,000 hours in 2005. We also have a Police Boat for Marine Patrols of the Alberni Inlet and Sproat Lake, All Terrain Vehicles for Rural Patrols, an Auxiliary Constable Program, the Alberni Valley Restorative Justice Program, and a fully-functioning Community Policing Satellite Office located in uptown Port Alberni.

In June 2005, the official sod turning for the construction of the new detachment building for the Port Alberni RCMP took place. The construction has continued through 2005 with the official opening ceremonies scheduled for June 2006.

Municipal Infrastructure Summary

The City of Port Alberni provides a wide range of services to the public as outlined below:

Roads & Transportation

The City road network consists of approximately 150 km of paved roadways. From a service capacity perspective almost all roads are adequate to handle current traffic volumes. The majority of roads in Port Alberni are in excess of forty years old and in many areas reconstruction of original road surfaces is required. Road rehabilitation has been identified as a priority for Capital spending within the next five years.

The City has a pavement management system initiated in the mid 1980's which is used to help with selection of streets to be reconstructed and selection of maintenance strategies to extend the life of existing roads. In recent years the City has expanded the pavement maintenance strategies used to include crack sealing, sand sealing, and chip sealing as well as asphalt recycling.

There are a total of 9 bridges, in the City of varying age and type. Five are vehicular traffic bridges and four are pedestrian bridges. Most of the vehicular traffic bridges date from the 1950's. All bridges were structurally evaluated in 1986 and found to be generally in good condition. One bridge was redecked in 1991 and another bridge was repainted in 1994.

Future growth of the City will likely require installation of an additional bridge crossing Roger Creek at 21st Avenue.

Waterworks

The City of Port Alberni obtains water from China Creek and Bainbridge Lake and has an intake on the Somass River for use during peak demands. In addition, the City has a storage dam located on Lizard Lake, which is a tributary to China Creek.

The state of the waterworks infrastructure is quite good. Considerable investment has been made in the last decade to upgrade waterworks facilities. A new reservoir and pumpstation were constructed in Northport in 1986 and all other reservoirs were lined and covered in the 1980's. Still of concern are some supply main trestles from the China creek supply and the need for additional mains linking the north side and south side distribution systems.

The condition of the City's 150 km of watermains appears to be generally good, however, the condition of asbestos cement mains is being monitored for structural problems.

Future growth of the City will require the development of a new water source due to lack of volume in our China Creek and Bainbridge sources. The City and Regional District are jointly investigating development of a new regional source from Great Central Lake. Water meter installation was complete in 2002. This has helped reduce peak consumption and allowed postponement of construction of a new water source.

Sewerage and Drainage

The City's sanitary sewer utility provides service to approximately 98% of the residences and developments within the City. The collection system in the south portion of the City is largely combined resulting in combined sewer overflows during rainfall events. The collection system in the northern part of the City is separate. Sewage from the whole City is pumped via 5 pumpstations to an aeration lagoon located on the south side of the Somass River. The treatment facility produces effluent well within current permit parameters. Biosolids removal from the lagoon was undertaken in 2004.

Much of the collection system dates from before the 1950's and television inspection indicates that the general condition is fair. Some particular areas have serious pipe deterioration and root intrusion and infiltration problems which will be focused on in upcoming Capital Spending Programs.

Continuing inspection will likely reveal more problem areas. Sewer twinning in combined areas is also focused upon with the objective of reducing combined sewer overflows

The City Drainage System includes outlets into the Alberni Inlet, the Somass River as well as into several creeks within the City boundaries.

Solid Waste

The City operates a commercial dumpster type collection service as well as residential collection. Solid waste is taken to the Alberni Valley Landfill operated by the Regional District of Alberni Clayoquot.

The City also operates a recyclable drop-off depot within the City located in the downtown area at 4th Avenue and Bute Street.

Cemetery

The City operates and maintains the Greenwood Cemetery located on Josephine Street. This is the largest of the three cemeteries located in the area.

City Hall

The Port Alberni City Hall located at 4850 Argyle was constructed in 1958. City Hall houses the City Council Chambers and Committee Rooms, as well as the General Administrative Offices on the main floor. The Engineering Department and Planning Department and Building Inspection offices are located on the lower floor.

Fire Hall

Port Alberni has one fire hall constructed in 1967 located at 3699 - 10th Avenue. This building houses the City's Fire Department consisting of 21 fire fighters, four fire trucks and an emergency rescue vehicle. Seismic upgrading of the fire hall was undertaken in 2000.

Government Agents Office

The Government Agents Office is located at 4711 Elizabeth Street and was constructed in 1964 with an addition constructed in 1971. The building is owned by the City of Port Alberni and leased to the British Columbia Buildings Corporation.

Public Safety Building

The Public Safety Building located at 4110 - 6th Avenue was constructed in 1966 with a small addition in 1971. A new roof assembly that changed the roof profile was added in 1984. This structure houses the R.C.M.P. detachment for the area.

Construction of a new Public Safety Building was undertaken in 2005 to house the local RCMP detachment at 4444 Morton Street. The new building is scheduled for completion in the summer of 2006.

Works Yard Complex

The Works Yard Complex is located at 4150 - 6th Avenue and was constructed in 1966.

This complex houses the public works, parks operations, stores, purchasing and related offices. Approximately 65 employees are dispatched from the various shops including water, sewer, streets, parks, facilities, and mechanical. A fleet of about 130 vehicles and pieces of equipment is maintained in the works yard mechanical shop.

Echo '67 Centre

Opened in 1967 as a Canada Centennial project and a celebration of the amalgamation of the Cities of Alberni and Port Alberni, Echo '67 Centre is the hub of community activity in the Alberni Valley. A most versatile facility, Echo Centre contains six meeting and activity rooms ranging in capacity from 33 to 133 persons. Three of these areas can combine into a large banquet, social, conference setting capable of hosting groups as large as 332 persons. Two well-equipped kitchens are adjacent.

The Centre also contains 2 craft studios, a branch of the Vancouver Island Regional Library, the Alberni Valley Museum and Echo Aquatic Centre. The Aquatic Centre itself is a major hub of activity, providing a 25 metre pool, a shallow pool, a tots pool, whirlpool, 2 saunas and a fitness studio. Besides public swimming and swim lesson programs, the Aquatic Centre is home to the Tsunami Swim Club and the Blue Wave Summer Swim Club.

Community Arena

The Alberni Valley Multiplex facility was approved in a referendum held in November 1999. It was a \$6.5 Million dollar project which saw Alberni Valley residents commit to pay \$5 Million through taxation, while the Arena Society covered the remaining \$1.5 Million through an incredible fund raising campaign. As the project developed, the value of the facility increased to more than \$7.4 Million due mainly to improvements supported by additional fund raising initiatives by the Arena Society. One of the most significant improvements was the purchase and installation of 1500 stadium style seats in the Weyerhaeuser Arena. To date, the Arena Society has generated more than \$2.4 Million in direct and in-kind contributions from 140 corporations, local businesses and community organizations.

The main features of the Alberni Valley Multiplex include:

- 2 regulation size ice surfaces
- Seating for 1500 on the main ice arena – stadium style seats
- Four dressing rooms for each ice surface plus a female changing room and a Junior A hockey team room for the Alberni Valley Bulldogs.
- Fully accessible facility – including all change rooms, upper and lower lounge areas and main arena viewing. An elevator gives access to upper level viewing for wheelchair spectators.
- Heated viewing and food services lounge that overlooks both ice surfaces.
- A sizeable sun deck in the upper lounge which gives a spectacular view of the Alberni Valley and some of the adjacent playfields. The facility is equipped with a good sound system, acoustic panels in the ceiling of both ice surfaces and over ice flooring panels.

Glenwood Sports Centre

This is a major multi-purpose facility adjacent to both the Fall Fair Grounds and Bob Dailey Stadium, field and athletic track. With its very large floor space, Glenwood Centre accommodates regular public roller blade sessions, a batting practice cage, indoor tennis practice courts and a multitude of dances, socials and community annual special events. Those events range from exhibitions and dog shows, to Fall Fair exhibits.

Gyro Youth Centre

The Centre houses a large activity area for teens, seniors, and other groups as well as rooms for pool tables and a carpentry workshop. A Teen Health Clinic operates in the lower level of the Centre.

Bob Dailey Stadium

Opened for the City of Port Alberni's hosting of the 1992 B.C. Summer Games, this stadium is the "jewel" of our outdoor recreation facilities. This 400 metre synthetic surface track is complemented by an infield suitably sized for sports such as soccer, football, field hockey, etc. Areas for high jump, javelin, shot put and pole vault events are part of this stadium facility. To top it all off, a magnificently designed wooden grandstand with a seating capacity of 650 overlooks the track and the field, with Mount Arrowsmith providing a grandiose backdrop to the setting.

Echo Park and Fieldhouse

Echo Park is our major community outdoor recreation complex. It contains three junior baseball fields, six softball diamonds which accommodate soccer fields as well in the fall and winter season, two slow-pitch fields and a skateboard park. Central to these playing fields is the Echo Park Fieldhouse. This facility consists of a lounge/meeting area for up to 60 people, a kitchen/concession area beside the lounge, an outdoor patio/terrace area off the lounge, public washrooms, storage rooms as well as change rooms and an officials room.

Alberni Harbour Quay

The "Quay" is Port Alberni's park-marketplace by the sea. This facility is now managed by the Parks and Recreation Department. The area includes shops, charter services, seasonal booths and retail marketplace, which together generate revenues, strategically set in a park made up of a picnic area, lawn, Shipwreck Playground, spray pool and the clocktower. The centrepiece of the site is the Babe Gunn "Life Cycle of the Pacific Salmon" stone sculpture in a central fountain.

The "Quay" annually plays host to a number of community events such as the *Harbour Day*, the *Farmer's Market* and the colourful *Harbour Quay Marine Sailpast* at Christmas time.

Municipal Computer System

The municipality operates an I.B.M. AS/400 domain controller with 5 servers, 112 workstations, 136 network users and 90 e-mail users on a local area network running Windows 2000.

Systems in place as of December 2000 are: purchasing, general ledger, inventory, accounts payable, maintenance management, payroll/human resources, business license, cash and accounts receivable, taxation, utilities, animal license, parking ticket, request for service, elections, G.I.S., and program registration, publishing, scheduling, spreadsheet and data base functions. The main computing system is kept up-to-date using the Equipment.

SUMMARY OF SERVICES AND REGIONAL RELATIONSHIPS

The City is responsible for the provision of a wide variety of local government services. These include:

- Transportation network (roads, bridges, street cleaning, sidewalks, street lighting, etc. - except the Alberni Highway (#4) which is a Provincial Government responsibility).
- Drainage
- Sanitary Sewer Collection System
- Garbage Collection
- Waterworks Distribution and Collection System
- Parks
- Recreation and Cultural Facilities Programs
- Library Facilities
- Land Use Planning
- Police and Fire Protection
- Building Permits
- Business Licensing
- Domestic Animal Control
- Bylaw Establishment and Enforcement
- Emergency Preparedness
- Public Transit
- Heritage

Typical local government services that are not an assumed responsibility of the City of Port Alberni include:

- School System (Provincial Government and Local School Board)
- Social and Health Programs (Provincial Government)
- Hospital Care Systems (Provincial Government)
- Real Property Assessments (Provincial Government)
- Sanitary Landfill (Alberni-Clayoquot Regional District)
- Employee Pension Plan (Provincial Plan)
- Debt Marketing (Municipal Finance Authority)
- Flood Control (Provincial Government)
- Library Collection and Distribution System (Vancouver Island Regional Library)

The City of Port Alberni is represented on the following Regional Boards which provide a variety of services for the residents of Port Alberni:

Alberni-Clayoquot Regional District –

- Provides landfill operations and debt placement on behalf of Port Alberni through the Municipal Finance Authority

Alberni-Clayoquot Hospital District – Vancouver Island Health Authority

- Provides Regional Hospital Planning input to the Provincial Government on the Hospital system and raises local capital construction contributions.

Vancouver Island Regional Library –

- Provides a regionalized library collection and distribution system that includes all of the operational aspects of a library system. The members must provide the local facilities.

City of Port Alberni obtains services from the following intermunicipal organizations:

Municipal Finance Authority:

A Provincial organization that provides for marketing, placement and administration of all Municipal debt requirements (except the City of Vancouver). This Authority also operates an investment pool on behalf of Municipalities.

Royal Canadian Mounted Police (R.C.M.P.):

Contract with the Federal Government to provide police services (police officers); the municipality provides the clerical support services, custodial guards, and facilities.

B.C. Society for the Prevention of Cruelty to Animals (B.C.S.P.C.A.):

Contract to provide domestic animal pound and shelter and to operate a large animal pound as required.

Alberni Valley Chamber of Commerce:

Contract to provide tourism information to the general public.

Pacific Rim Tourism Association

Works to promote the Alberni-Clayoquot region to become a major tourism destination.

The City of Port Alberni issues the property tax notices and acts as a collection agent for all property taxes.

- (A) The following organizations' property tax levies are contained on the Municipal Property Tax Notice, however the Municipal Council does not have control or responsibility over their levy rates, expenditure or operation:

B.C. Assessment
Municipal Finance Authority
Provincial Government School System(Residential and Non-Residential)

- (B) The following organizations' levies are contained on the Municipal Property Tax Notice, however the Municipal Council does not have control or responsibility over their levy, expenditure or operation, except as a voting member:

Alberni-Clayoquot Regional District
Alberni-Clayoquot Regional Hospital District
Vancouver Island Regional Library

BUDGET PROCESS FOR THE YEAR 2005

Bill 88 passed in the fall of 2000 requires municipalities to prepare a Five Year Financial Plan which is adopted annually by bylaw before May 15th. The Plan may be amended at any time by bylaw. Each year, the Financial Plan from the previous year remains in place until the Plan for the current year is adopted. As part of the Plan process, Council must undertake a process of public consultation regarding the Financial Plan before it is adopted. The Community Charter does not specify the format of the public consultation process and it may be varied at Council's discretion to suit the local community.

The year 2005 public consultation process on the five year plan consisted of the preparation of a "draft five year plan" with attached comment forms. The document was distributed in hard copy and via the internet. Several public meetings took place in the months January 2005 through February 2005. Detailed explanations of the five year plan were presented by City Staff. Summaries from comment forms and public input was evaluated and changes were made to the five year plan Bylaw #4587 adopted April 25, 2005.

Five Year Plan Bylaw #4587 was amended twice. The first amendment was Bylaw #4600 which was for the purpose of bringing forward Phase II of the North Port Sewer Overflow Abatement project from 2006 in order to facilitate the borrowing for this project. This bylaw was adopted September 12, 2005. The second amendment was Bylaw #4613 which was adopted December 22, 2005.

FINANCIAL SECTION

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DECEMBER 31, 2005**

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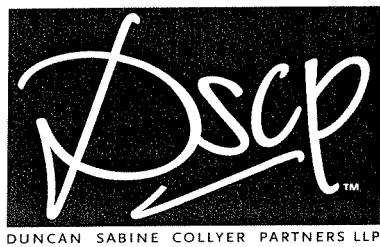
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CERTIFIED GENERAL ACCOUNTANTS
MANAGEMENT CONSULTANTS

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PORT ALBERNI BC CANADA V9Y 1V3

AUDITOR'S REPORT

T 250.724.5717
F 250.724.5155

To: Mayor and Councillors
City of Port Alberni



We have audited the consolidated statement of financial position of the City of Port Alberni as at December 31, 2005 and the consolidated statements of financial activities, changes in financial position, current fund operations, capital fund operations and reserve fund operations for the year then ended. These financial statements are the responsibility of the municipality'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. Those 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 City of Port Alberni as at December 31, 2005 and the results of its operations and the changes in its financial position for the year then ended in accordance with generally accepted accounting principles and the concepts for local governments described in Section 1700 of the CICA Public Sector Accounting Handbook.

Our audit was made for the purpose of forming an opinion on the consolidated financial statements taken as a whole. The current year's supplementary information included in Schedules 1 through 12 is presented for purposes of additional analysis. Such supplementary information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and, in our opinion, is fairly stated, in all material aspects, in relation to the consolidated financial statements taken as a whole.

Duncan Sabine Collyer Partners LLP

CERTIFIED GENERAL ACCOUNTANTS

Port Alberni, B.C.
April 25, 2006

ROBERT J. DUNCAN* CGA CAFM

DONALD H. JONES* BCOM CGA CAFM

DEBRA NIXON BAccS CGA CAFM
ASSOCIATE

* DENOTES PROFESSIONAL CORPORATION

CONSOLIDATED FINANCIAL STATEMENTS

CITY OF PORT ALBERNI
CONSOLIDATED STATEMENT OF FINANCIAL POSITION (STATEMENT A)
FOR THE YEAR ENDED DECEMBER 31, 2005
(with comparative figures for 2004)

	<u>2005</u>	<u>2004</u>
FINANCIAL ASSETS:		
Cash and short term investments (Note 2)	\$ 16,920,904	\$ 16,357,776
Accounts receivable (Note 4)	2,192,692	2,362,563
Inventory for resale (Note 2)	<u>17,363</u>	<u>70,335</u>
	<u>19,130,959</u>	<u>18,790,674</u>
FINANCIAL LIABILITIES:		
Interim capital financing	25,000	75,000
Accounts payable and accrued liabilities (Note 6)	4,155,093	3,291,718
Deferred revenue	1,407,793	425,722
Refundable deposits	452,370	99,564
Debenture debt (Note 7, Schedule2)	<u>961,141</u>	<u>174,460</u>
	<u>7,001,397</u>	<u>4,066,464</u>
NET FINANCIAL ASSETS AND LIABILITIES	<u>12,129,562</u>	<u>14,724,210</u>
PHYSICAL ASSETS:		
Inventory of supplies (Note 2)	471,381	447,741
Prepaid expenses	15,677	13,346
Capital assets (Note 2, Schedule 1)	<u>126,902,761</u>	<u>120,131,240</u>
	<u>127,389,819</u>	<u>120,592,327</u>
NET POSITION	<u>\$ 139,519,381</u>	<u>\$ 135,316,537</u>
MUNICIPAL CAPITAL:		
Equity in physical assets (Note 9)	\$ 126,602,820	\$ 120,542,010
Capital fund	(3,748,081)	(734,415)
Operating fund	4,525,229	3,679,727
Reserve accounts (Schedule 11)	3,088,487	2,511,296
Reserve fund	<u>9,050,926</u>	<u>9,317,919</u>
MUNICIPAL POSITION	<u>\$ 139,519,381</u>	<u>\$ 135,316,537</u>

Ann Hopkins
Director of Finance

The notes to the financial statements are an integral part of this statement.

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CITY OF PORT ALBERNI
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (STATEMENT B)
FOR THE YEAR ENDED DECEMBER 31, 2005
(with comparative figures for 2004)

	2005 <u>Budget</u>	2005 <u>Actual</u>	2004 <u>Actual</u>
REVENUE:			
Taxes (Schedule 3)	\$ 18,378,933	\$ 18,223,216	\$ 18,335,624
Sales of services (Schedule 8)	5,215,911	6,689,358	6,305,638
Other revenue from own sources (Schedule 9)	537,123	622,722	1,049,974
Investment income	112,707	492,654	394,571
Grants (Schedule 12)	3,290,475	922,607	483,792
Sale of property and equipment	<u>-</u>	<u>184,765</u>	<u>361,449</u>
	<u>27,535,149</u>	<u>27,135,322</u>	<u>26,931,048</u>
EXPENDITURE:			
General government (Schedule 4)	2,761,490	2,558,818	2,432,816
Protective services (Schedule 5)	13,783,499	8,852,916	6,902,035
Transportation services (Schedule 6)	5,216,095	4,998,467	5,262,180
Environmental health services	1,160,909	1,205,451	1,169,283
Environmental development	582,450	407,693	438,148
Recreation and cultural services (Schedule 7)	8,600,604	6,998,139	6,491,991
Interest	200,438	51,503	26,844
Debt reserve	28,180	445	200
Water utility (Schedule 10)	1,552,390	1,493,037	1,533,242
Sewer utility (Schedule 10)	3,337,698	3,142,786	1,785,525
Cost of sales and service	<u>-</u>	<u>20,712</u>	<u>70,819</u>
	<u>37,223,753</u>	<u>29,729,967</u>	<u>26,113,083</u>
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURE	(9,688,604)	(2,594,645)	817,965
Debt financing	<u>3,979,246</u>	<u>736,681</u>	<u>(125,173)</u>
CHANGE IN CONSOLIDATED FUND EQUITY	(5,709,358)	(1,857,964)	692,792
Fund equity - beginning of year	<u>14,774,526</u>	<u>14,774,526</u>	<u>14,081,734</u>
FUND EQUITY - END OF YEAR	<u>\$ 9,065,168</u>	<u>\$ 12,916,562</u>	<u>\$ 14,774,526</u>

The notes to the financial statements are an integral part of this statement.

Financial Statements

**CITY OF PORT ALBERNI
CONSOLIDATED STATEMENT OF CHANGES IN FINANCIAL POSITION (STATEMENT C)
FOR THE YEAR ENDED DECEMBER 31, 2005
(with comparative figures for 2004)**

	<u>2005</u> <u>Actual</u>	<u>2004</u> <u>Actual</u>
CASH PROVIDED BY (USED FOR) OPERATIONS:		
Excess (deficiency) of revenue over expenditures for the year	\$ (2,594,645)	\$ 817,965
Add: Capital asset purchases expensed	<u>6,771,521</u>	<u>3,988,615</u>
Cash provided by operations	<u>4,176,876</u>	4,806,580
Changes in working capital balances		
Accounts receivable	169,871	(2,299)
Inventory for resale	52,972	8,038
Accounts payable and accrued liabilities	863,375	(93,750)
Deferred revenue	982,071	(24,794)
Refundable deposits	<u>352,803</u>	<u>55,067</u>
	<u>6,597,968</u>	<u>4,748,842</u>
CASH PROVIDED BY (USED FOR) FINANCING:		
Proceeds from interim capital financing	(50,000)	(114,733)
Debenture debt proceeds/repayment	<u>786,681</u>	<u>(10,438)</u>
	<u>736,681</u>	<u>(125,171)</u>
CASH PROVIDED BY (USED FOR) INVESTING:		
Capital asset purchases	<u>(6,771,521)</u>	<u>(3,988,615)</u>
INCREASE IN CASH AND SHORT TERM INVESTMENTS	563,128	635,056
Cash and short term investments - beginning of year	<u>16,357,776</u>	<u>15,722,722</u>
CASH AND SHORT TERM INVESTMENTS - END OF YEAR	<u>\$ 16,920,904</u>	<u>\$ 16,357,776</u>

The notes to the financial statements are an integral part of this statement.

CITY OF PORT ALBERNI
CONSOLIDATED STATEMENT OF CURRENT FUND OPERATIONS (STATEMENT D)
FOR THE YEAR ENDED DECEMBER 31, 2005
(with comparative figures for 2004)

	2005 <u>Budget</u>	2005 <u>Actual</u>	2004 <u>Actual</u>
REVENUE:			
Taxes (Schedule 3)	\$ 18,378,933	\$ 18,223,216	\$ 18,335,624
Sales of services	5,215,911	6,037,984	5,675,828
Other revenue from own sources	479,566	634,651	806,684
Investment income	112,707	200,338	172,527
Provincial grants	<u>534,109</u>	<u>569,100</u>	<u>466,792</u>
	<u>24,721,226</u>	<u>25,665,289</u>	<u>25,457,455</u>
EXPENDITURE:			
General government	2,676,490	2,488,682	2,324,858
Protective services	7,483,199	7,247,227	6,878,682
Transportation services	2,884,790	3,109,950	3,072,380
Environmental health services	1,160,909	1,205,450	1,169,283
Environmental development	582,450	407,693	438,148
Recreation and cultural services	5,976,180	6,262,303	6,222,061
Interest	200,438	51,503	26,844
Debt reserve	28,180	445	200
Water utility	1,187,582	1,217,489	1,093,428
Sewer utility	<u>849,836</u>	<u>933,034</u>	<u>827,763</u>
	<u>23,030,054</u>	<u>22,923,776</u>	<u>22,053,647</u>
EXCESS OF REVENUE OVER EXPENDITURE	1,691,172	2,741,513	3,403,808
Transfers to reserve accounts	543,888	(611,773)	(147,226)
Transfers to capital accounts	(1,928,961)	(1,226,818)	(1,916,947)
Debt repayment	<u>(120,437)</u>	<u>(57,419)</u>	<u>(122,152)</u>
CHANGE IN FUND EQUITY	185,662	845,503	1,217,483
Fund equity - beginning of year (Note 10)	<u>3,679,726</u>	<u>3,679,726</u>	<u>2,462,244</u>
FUND EQUITY - END OF YEAR	<u>\$ 3,865,388</u>	<u>\$ 4,525,229</u>	<u>\$ 3,679,727</u>

The notes to the financial statements are an integral part of this statement.

Financial Statements

**CITY OF PORT ALBERNI
CONSOLIDATED STATEMENT OF CAPITAL FUND OPERATIONS (STATEMENT E)
FOR THE YEAR ENDED DECEMBER 31, 2005
(with comparative figures for 2004)**

	2005 <u>Budget</u>	2005 <u>Actual</u>	2004 <u>Actual</u>
REVENUE:			
Other revenue from own sources	\$ 57,557	\$ 22,653	\$ 195,440
Investment income	-	5,109	4,384
Provincial grants	<u>2,756,366</u>	<u>116,049</u>	<u>17,000</u>
	<u>2,813,923</u>	<u>143,811</u>	<u>216,824</u>
EXPENDITURE:			
General government	85,000	70,137	107,956
Protective services	6,300,300	1,605,689	23,353
Transportation services	2,331,305	1,888,518	2,189,801
Recreation and cultural services	2,624,424	735,836	269,930
Water utility	364,808	275,548	439,814
Sewer utility - capital	2,487,862	2,195,794	957,762
Cost of issuing debentures	<u>-</u>	<u>13,958</u>	<u>-</u>
	<u>14,193,699</u>	<u>6,785,480</u>	<u>3,988,616</u>
EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURE	(11,379,776)	(6,641,669)	(3,771,792)
DEBT REPAYMENT AND TRANSFERS BETWEEN FUNDS			
Transfers from reserve accounts	5,351,132	1,607,086	1,186,186
Transfers from current funds	1,928,961	1,226,818	1,916,947
Debt financing/repayment	<u>4,099,683</u>	<u>794,099</u>	<u>(3,021)</u>
	<u>11,379,776</u>	<u>3,628,003</u>	<u>3,100,112</u>
CHANGE IN FUND EQUITY	-	(3,013,666)	(671,680)
Fund equity - beginning of year	<u>(734,415)</u>	<u>(734,415)</u>	<u>(62,735)</u>
FUND EQUITY - END OF YEAR	\$ <u>(734,415)</u>	\$ <u>(3,748,081)</u>	\$ <u>(734,415)</u>

The notes to the financial statements are an integral part of this statement.

CITY OF PORT ALBERNI
CONSOLIDATED STATEMENT OF RESERVE FUND OPERATIONS (STATEMENT F)
FOR THE YEAR ENDED DECEMBER 31, 2005
(with comparative figures for 2004)

	2005	2004
	<u>Actual</u>	<u>Actual</u>
REVENUE:		
Services provided to other governments	\$ 651,374	\$ 629,810
Other revenue from own sources	-	15,377
Investment income	287,207	217,659
Provincial grants	237,459	-
Sale of property and equipment	<u>184,765</u>	<u>361,449</u>
	<u>1,360,805</u>	<u>1,224,295</u>
EXPENDITURE:		
Cost of land sales and service	<u>20,711</u>	<u>70,819</u>
EXCESS OF REVENUE OVER EXPENDITURE	1,340,094	1,153,476
Transfer to current funds	-	(60,000)
Transfer to capital funds	<u>(1,607,086)</u>	<u>(1,186,186)</u>
CHANGE IN FUND EQUITY	(266,992)	(92,710)
Fund equity - beginning of year	<u>9,317,919</u>	<u>9,410,629</u>
FUND EQUITY - END OF YEAR	<u>\$ 9,050,927</u>	<u>\$ 9,317,919</u>

The notes to the financial statements are an integral part of this statement.

**CITY OF PORT ALBERNI
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2005**

1. General

The City of Port Alberni is incorporated under the provisions of the British Columbia Community Charter. The activities of the corporation are carried out through the following funds: General Revenue Fund, General Capital Fund, Reserve Funds, Water Revenue Fund, Water Capital Fund, Sewer Revenue Fund, Sewer Capital Fund. There are no other entities that meet the criteria for inclusion for this financial report.

2. Summary of Significant Accounting Policies

The accounting policies of the corporation conform to generally accepted accounting principles as applicable to British Columbia municipalities. The financial statements have been prepared using guidelines issued by the Public Sector Accounting and Auditing Board of the Canadian Institute of Chartered Accountants. The following is a summary of the more significant policies:

Basis of Presentation

The City follows the fund basis of accounting. Funds are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations. Currently in use are:

- 1) **General Revenue Funds** - to account for all financial resources except those required to be accounted for in another fund. The General Revenue Fund is the corporation's operating fund including collection of taxation, administering operations, roads, policing, fire protection etc.
- 2) **Capital Funds** - to account for all capital assets and unfunded work-in-progress of the corporation and offset by long-term debt and investment in capital assets.
- 3) **Reserve Funds** - to account for activities within designated funds established for specific purposes with the approval of the Ministry of Community Services. The funds are governed by bylaws defining their purpose, and are funded primarily by budgetary contributions from the General Revenue Fund plus interest earned on the fund balances.
- 4) **Water and Sewer Funds** - to account for operations that are financed and operated in a manner similar to private business operations, where the intent is that costs of providing the services on a continuing basis be financed or recovered at least partially through user charges.

**CITY OF PORT ALBERNI
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2005**

Consolidated Financial Statements - the General Revenue Fund, Water Revenue Fund, Sewer Revenue Fund, General Capital Fund, Water Capital Fund, Sewer Capital Fund, Equipment Replacement Reserve Fund, Capital Works Reserve Fund, and Land Sale Reserve Fund belong to one economic entity under control of Municipal Council.

The consolidated financial statements reflect the removal of internal transactions and balances. The Cemetery Trust Fund administered by the City is specifically excluded from the consolidated financial statement.

Basis of Accounting - effective in 1996 all revenues and expenditures are recorded on a full accrual basis using guidelines issued by the Public Sector Accounting and Auditing Board of the Canadian Institute of Chartered Accountants. Revenues are recorded in the period in which the transaction or events occurred that gave rise to the revenues. Expenditures are recorded in the period the goods and services are acquired and a liability is incurred, or transfers are due.

Investments - investments are described as cash and short-term investments. All investments placed with the Municipal Finance Authority are essentially cash, and are stated at current value.

Inventories - inventories of materials and supplies are valued at cost with an allowance made for damaged or obsolete goods. Inventories for resale are classified as Financial Assets. Inventories of supplies for internal use are classified as Physical Assets and are expensed in the year of acquisition.

Capital Assets - capital assets acquired or constructed for governmental purposes are reported as expenditures in the fund that finances the asset acquisition and are capitalized in the related capital fund. Capital assets purchased or constructed are recorded at cost. Capital assets donated are recorded at fair market value at the time of the donation. Capital projects are reported as capital assets when they have been funded. Prior to funding, capital projects are reported as work-in-progress.

Amortization - the City does not reflect amortization of capital assets in the financial statements.

Reserve Accounts - reserves for future expenditures are non-statutory reserves, which represent an allocation of revenue for specific purposes.

3. Trust Funds

The City holds trust funds under British Columbia law for the purposes of maintaining a public cemetery. This fund is excluded from the consolidated statement of financial position and was comprised of the following:

	2004 Balance	Interest	Receipts	Expenditures	2005 Balance
Cemetery Trust	\$ <u>113,089</u>	\$ <u>3,632</u>	\$ <u>2,070</u>	\$ <u>9,283</u>	\$ <u>109,508</u>

**CITY OF PORT ALBERNI
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2005**

4. Accounts Receivable

	<u>2005</u>	<u>2004</u>
Property taxes	\$ 674,723	\$ 874,888
Provincial government	-	4,258
Federal government	15,239	143,145
General	1,502,730	1,329,846
Land sales	<u>-</u>	<u>10,425</u>
	<u>\$ 2,192,692</u>	<u>\$ 2,362,562</u>

5. Municipal Finance Authority Debt Reserve Fund

The Municipal Finance Authority of British Columbia provides capital financing for regional districts and their member municipalities. The Authority is required to establish a Debt Reserve Fund. Each regional district through its member municipalities who share in the proceeds of a debt issue is required to pay into the Debt Reserve Fund certain amounts set out in the debt agreements. The Authority pays into the Debt Reserve Fund these monies from which interest earned thereon less administrative expenses becomes an obligation to the regional districts. It must then use this fund, if at any time there are insufficient funds, to meet payments on its obligations. When this occurs the regional districts may be called upon to restore the fund.

Upon the maturity of a debt issue the unused portion of the Debt Reserve Fund established for that issue will be discharged to the Municipality. The proceeds from these discharges will be credited to income in the year they are received. As at December 31, 2005 the total investment of the Debt Reserve Fund was comprised of:

	<u>2005</u>	<u>2004</u>
General Revenue	5,901	5,826
Sewer Revenue	<u>60,475</u>	<u>8,739</u>
	<u>66,376</u>	<u>14,565</u>

**CITY OF PORT ALBERNI
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2005**

6. Accounts Payable and Accrued Liabilities

	<u>2005</u>	<u>2004</u>
Provincial government	\$ 104,633	\$ 3,225
Other local governments	16,944	44,079
Trade accounts	2,363,594	1,666,681
Salaries and wages	564,032	500,031
Accrued debenture interest - sewer revenue	11,454	2,903
Accrued employee benefits	<u>1,094,436</u>	<u>1,074,800</u>
	<u>\$ 4,155,093</u>	<u>\$ 3,291,719</u>

Accrued employee benefits are future liabilities of the City to its employees for benefits earned but not taken as at December 31, 2005 and consist of the following:

	<u>2005</u>	<u>2004</u>
Vacation	\$ 651,678	\$ 638,900
Retirement Benefits	442,758	435,900
	<u>\$ 1,094,436</u>	<u>\$ 1,074,800</u>

The City recognizes these benefits in the period in which the employees rendered the services. The liability was determined by actuarial valuation using a discount rate of 6.0% and an annual rate of inflation of 2.5%. The actuarial valuation was performed by AON Consulting Inc. in accordance with sections PS3250 and PS3255 of the Canadian Institute of Chartered Accountants Public Sector Accounting Handbook. Actuarial valuations for accounting purposes are performed triennially using the projected accrued benefit cost method. The actuarial report was prepared for the first time at December 31, 2004

Sick pay benefits do not vest with the employee and are not accrued in the accounts of the City. Estimated annual used sick leave for employees is \$320,000.

7. Debenture Debt

All debt is reported at gross amount. The City has no debt assumed by others on its behalf, and has assumed no debt for others.

The annual principal and interest requirements to maturity as of December 31, 2005 are as follows:

		Principal	Interest	Total
2006	\$	73,855	\$ 54,497	\$ 128,352
2007		73,855	54,497	128,352
2008		73,855	54,497	128,352
2009		73,855	54,497	128,352
2010		73,855	54,497	128,352

**CITY OF PORT ALBERNI
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2005**

8. Expenditures by Object

	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>
Salaries, Wages and Benefits	\$ 12,705,699	\$ 12,514,875	\$ 12,411,336	\$ 12,142,006	\$ 12,224,046
Debt Servicing	116,275	156,676	207,170	505,594	473,852
RCMP Contract	3,479,214	3,119,857	3,190,173	2,928,204	2,749,878
Grants	105,009	127,342	83,492	94,609	115,138
Other Contracts	616,233	557,550	539,400	684,440	545,362
Goods and Services	<u>13,736,545</u>	<u>9,910,894</u>	<u>7,778,841</u>	<u>7,226,091</u>	<u>11,363,908</u>
	<u>\$ 30,758,975</u>	<u>\$ 26,387,194</u>	<u>\$ 24,210,412</u>	<u>\$ 23,580,944</u>	<u>\$ 27,472,184</u>

9. Equity in Physical Assets

Equity in Physical Assets represents the total physical assets less long-term debt assumed to acquire those assets. The change in Equity in Physical Assets is as follows:

	<u>2005</u>	<u>2004</u>
Equity in physical assets - beginning of year	\$ 120,542,010	\$ 116,411,371
Add: Capital expenditures	6,771,521	3,988,615
Reduction in long-term debt	(786,682)	10,438
Interim capital financing	50,000	114,733
Increase(decrease) in inventory and prepaid	<u>25,971</u>	<u>16,853</u>
Equity in physical assets - end of year	<u>\$ 126,602,820</u>	<u>\$ 120,542,010</u>

10. Comparative Figures

Certain of the comparative figures have been reclassified to conform with the presentation adopted in the current year.

Work in progress has been reclassified to be recorded as expenditure in the year the works were performed. Work in progress represents capital works under construction which are incomplete and/or unfunded at year end.

This reclassification has increased the Equity in physical assets for the year 2005 by \$3,018,775.

**CITY OF PORT ALBERNI
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2005**

11. Contingent Liabilities

Regional District Debt - debt issued by the Regional District of Alberni Clayoquot is a direct joint and several liability of the District and each member municipality including the City.

Claim for Damages - in the normal course of a year, the Corporation is faced with lawsuits and other claims for damages of diverse nature. At year end, the Corporation's estimated exposure for such liabilities is not considered to be significant. The City carries general liability insurance with a private insurance carrier in the amount of \$2 million, plus an umbrella liability policy in the amount of \$8 million. When claims are paid the expense is charged at the General Government Expense category.

Pension Liability

The municipality and its employees contribute to the Municipal Pension Plan (the Plan), a jointly-trusted pension plan. The Board of Trustees, representing plan members and employers, is responsible for overseeing the management of the pension plan, including investment of the assets and administration of benefits. The pension plan is a multi-employer contributory pension plan. Basic pension benefits provided are defined. The plan has about 130,000 active members and approximately 48,000 retired members. Active members include approximately 30,000 contributors from local governments.

Every three years an actuarial valuation is performed to assess the financial position of the Plan and the adequacy of plan funding. The most recent valuation as at December 31, 2003 indicated an unfunded liability of \$789 million for basic pension benefits. The next valuation will be as at December 31, 2006 with results available in 2007. The actuary does not attribute portions of the unfunded liability to individual employers.

Employer contributions to the Plan for 2005 were \$725,262 (\$670,375 for 2004) and are included in consolidated operating expenditures. Employee contributions for 2005 were \$597,318 (\$550,491 for 2004).

12. Subsequent Event

On April 11, 2006, the Regional District on behalf of the City of Port Alberni, participated in a debt issue for \$3,813,234, of which \$438,170 matures in 2016 and \$3,375,064 matures in 2031. This represents debt financing for the second phase of the Northport Sewer Overflow project and for the construction of the new RCMP detachment.

SUPPORTING SCHEDULES

CITY OF PORT ALBERNI
CAPITAL ASSETS (SCHEDULE 1)
AT DECEMBER 31, 2005

	Engineering <u>Structures</u>	Buildings	Machinery & <u>Equipment</u>	<u>Land</u>	2005 <u>Total</u>	2004 <u>Total</u>
<u>General Capital Fund</u>						
<u>General government</u>	\$ -	\$ 849,176	\$ 3,035,368	\$ 77,510	\$ 3,962,054	\$ 3,891,917
<u>Protective Services</u>	-	-	-	-	-	-
Fire department	-	500,658	2,300,861	34,039	2,835,558	2,811,349
Police department	-	960,297	230,014	4,153	1,194,464	1,194,463
Pound and pest control	4,448	50,533	16,406	-	71,387	71,386
<u>Transportation Services</u>						
Workshop and yard	-	353,637	6,407,908	67,175	6,828,720	5,984,831
Bridges	130,390	-	-	-	130,390	130,390
Drains, ditches and dykes	6,707,562	-	-	-	6,707,562	6,570,876
Streets, roads, and sidewalks	32,677,565	-	-	-	32,677,565	31,782,999
Off-street parking	210,709	-	-	-	210,709	210,709
River Road flood control	460,007	-	-	-	460,007	460,007
Argyle St. water lot	65,602	-	-	-	65,602	65,602
Tsunami warning system	825,393	-	-	-	825,393	825,393
<u>Environmental Health</u>						
Garbage collection	-	-	1,300,012	1	1,300,013	1,286,638
<u>Public Health</u>						
Health centre	-	310,863	-	4,438	315,301	315,301
<u>Other Services</u>						
Cemetery	-	-	-	240,268	240,268	240,268
Waterfront property	-	-	-	1,370	1,370	1,370
1912 Buick	-	-	3,461	-	3,461	3,461
Emergency measures	-	-	405	-	405	405
Marina	-	-	-	34,084	34,084	34,084
<u>Recreation and Cultural Services</u>						
Arena and curling rink	33,922	8,660,099	222,947	92,524	9,009,492	8,805,400
Swimming pools	20,228	770,060	209,840	41,944	1,042,072	1,038,643
Glenwood centre	-	120,987	57,460	9,945	188,392	188,392
Gyro youth centre	129,995	45,646	19,669	-	195,310	195,309
Echo '67 community centre	-	692,003	345,703	-	1,037,706	1,001,749
Library - museum	-	1,187,146	122,690	116,760	1,426,596	1,425,547
McLean mill	6,714,773	152,136	51,891	-	6,918,800	6,911,083
Parks and playgrounds	5,890,926	1,326,187	1,738,980	1,260,811	10,216,904	9,820,635
<u>Industrial Mall</u>						
Alberni Harbour Quay	1,128,231	1,265,131	18,160	75,035	2,486,557	2,486,557
	<u>54,999,751</u>	<u>18,010,934</u>	<u>16,081,775</u>	<u>2,060,057</u>	<u>91,152,517</u>	<u>88,521,139</u>
<u>Sewer Capital Fund</u>						
Collection system	<u>12,302,419</u>	<u>58,028</u>	<u>658,192</u>	<u>125</u>	<u>13,018,764</u>	<u>12,172,943</u>
<u>Water Capital Fund</u>						
Distribution system	9,657,294	-	-	-	9,657,294	9,546,548
Source of supply	<u>8,423,705</u>	<u>128,237</u>	<u>717,950</u>	<u>10,257</u>	<u>9,280,149</u>	<u>9,115,347</u>
	<u>18,080,999</u>	<u>128,237</u>	<u>717,950</u>	<u>10,257</u>	<u>18,937,443</u>	<u>18,661,895</u>
<u>Work-in-progress</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,794,037</u>	<u>775,262</u>
	<u>\$ 85,383,169</u>	<u>\$ 18,197,199</u>	<u>\$ 17,457,917</u>	<u>\$ 2,070,439</u>	<u>\$ 126,902,761</u>	<u>\$ 120,131,239</u>

**CITY OF PORT ALBERNI
DEBENTURE DEBT - SCHEDULE 2**

ALL FUNDS AT DECEMBER 31, 2005 - SHOWING REQUIREMENTS FOR PRINCIPAL AND INTEREST FOR 2006

Security Issuing Bylaw	Purpose	Original Issue	Amount Outstanding Dec.31, 2005	Term In Years	Annual Interest Rate	Maturity Date	2006 Requirements Interest	2006 Requirements Principal	Sinking Fund Addition	Debt Reserve Cash Balance
4280	L.I. General	\$ 98,120	\$ 65,401	20	7.25%	25/09/16	\$ 7,282	\$ 2,967	\$ 1,636	\$ 1,758
4280	L.I. Sewer	147,180	104,676	20	7.25%	25/09/16	10,922	4,451	2,454	2,637
4590	L.I. Sewer	<u>797,642</u>	<u>797,642</u>	10	4.55%	06/04/15	<u>36,293</u>	<u>66,436</u>	<u>0</u>	<u>8,235</u>
		\$ 944,822	\$ 895,742				\$ 47,215	\$ 70,887	\$ 2,454	\$ 10,872
		<u>\$1,042,942</u>	<u>\$ 961,143</u>				<u>\$ 54,497</u>	<u>\$ 73,855</u>	<u>\$ 4,090</u>	<u>\$ 12,630</u>

CITY OF PORT ALBERNI
TAX LEVIES and GRANTS IN LIEU OF TAXES (SCHEDULE 3)
FOR THE YEAR ENDED DECEMBER 31, 2005
(with comparative figures for 2004)

	2005 <u>Budget</u>	2005 <u>Actual</u>	2004 <u>Actual</u>
MUNICIPAL PURPOSES:			
Tax Levies:			
General purpose	\$ 17,359,776	\$17,214,247	\$ 17,323,788
Local improvement - streets and drains	186	186	186
Local improvement - sewer	32,708	32,708	32,708
Off-street parking	1,362	1,361	1,352
Utility	104,111	112,543	105,381
Business improvement area	15,000	15,000	10,815
Parcel Tax	<u>230,986</u>	<u>230,851</u>	<u>239,235</u>
	17,744,129	17,606,896	17,713,465
Grants in lieu of taxes	<u>634,804</u>	<u>616,320</u>	<u>622,158</u>
Total Municipal Taxes	<u>18,378,933</u>	<u>18,223,216</u>	<u>18,335,623</u>
COLLECTIONS FOR OTHER GOVERNMENTS:			
Tax Levies:			
School	5,670,295	5,804,709	5,562,927
Regional hospital	928,882	929,063	1,034,005
Regional District of Alberni Clayoquot	917,978	918,039	1,113,674
B.C. Assessment	157,533	157,467	157,403
Municipal Finance Authority	<u>261</u>	<u>286</u>	<u>261</u>
Total Collections For Other Governments	<u>7,674,949</u>	<u>7,809,564</u>	<u>7,868,270</u>
Total Taxes Collected	<u>\$ 26,053,882</u>	<u>\$ 26,032,780</u>	<u>\$ 26,203,893</u>

Financial Statements

**CITY OF PORT ALBERNI
GENERAL GOVERNMENT EXPENDITURES (SCHEDULE 4)
FOR THE YEAR ENDED DECEMBER 31, 2005
(with comparative figures for 2004)**

	2005	2005	2004
	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
Legislative	\$ 117,222	\$ 116,118	\$ 119,585
City manager's office	204,626	203,980	196,587
Municipal clerk's office	321,119	313,283	308,631
Legal and bylaw prosecution services	51,622	28,744	36,060
Financial management	713,087	630,160	573,795
Administration vehicle	8,825	7,084	7,569
External audit	11,101	13,506	11,603
Purchasing	197,704	190,295	195,454
Buildings	112,330	117,782	94,136
Information services	394,960	380,138	401,648
Consulting services personnel	102,184	90,587	58,937
Election expenses	31,000	24,878	412
Travel, training and conventions	167,061	158,333	83,210
Damage claims	40,800	9,966	29,593
Donations and grants	55,000	44,948	59,274
Office equipment supplies and printing	248,492	238,696	230,167
Public liability insurance	118,610	119,224	115,155
Other general services	-	23,293	25,378
General government - capital assets	85,000	70,136	107,955
Administration recoveries	<u>(219,253)</u>	<u>(222,333)</u>	<u>(222,333)</u>
	\$ <u>2,761,490</u>	\$ <u>2,558,818</u>	\$ <u>2,432,816</u>

**CITY OF PORT ALBERNI
 PROTECTIVE SERVICES (SCHEDULE 5)
 FOR THE YEAR ENDED DECEMBER 31, 2005
 (with comparative figures for 2004)**

	2005 <u>Budget</u>	2005 <u>Actual</u>	2004 <u>Actual</u>
Police protection	\$ 4,914,973	\$ 4,683,342	\$ 4,381,633
Fire protection	2,350,981	2,338,372	2,274,562
Emergency measures	75	227	80
Building and plumbing inspections	113,769	120,437	117,316
Animal pound operations	103,401	104,849	105,091
Protective services - capital assets	<u>6,300,300</u>	<u>1,605,689</u>	<u>23,353</u>
	<u>\$ 13,783,499</u>	<u>\$ 8,852,916</u>	<u>\$ 6,902,035</u>

Financial Statements

**CITY OF PORT ALBERNI
TRANSPORTATION SERVICES (SCHEDULE 6)
FOR THE YEAR ENDED DECEMBER 31, 2005
(with comparative figures for 2004)**

	2005 <u>Budget</u>	2005 <u>Actual</u>	2004 <u>Actual</u>
COMMON SERVICES:			
Engineering administration	\$ 522,191	\$ 493,370	\$ 499,891
Engineering consulting services	119,049	98,889	121,371
Public works supervision	295,000	299,161	322,325
Equipment and supplies	49,201	50,539	78,026
Building and yard maintenance	168,000	171,220	176,955
Equipment maintenance	<u>719,796</u>	<u>764,268</u>	<u>757,100</u>
	<u>1,873,237</u>	<u>1,877,447</u>	<u>1,955,668</u>
ROADS AND STREET MAINTENANCE:			
Roadway surfaces maintenance	866,152	859,737	809,303
Snow and ice removal	183,600	154,005	221,780
Parking	15,402	13,644	16,274
Gravel	229,500	193,434	250,794
Ditch and dyke maintenance	142,250	111,557	106,220
Storm sewers	<u>185,140</u>	<u>219,489</u>	<u>146,505</u>
	<u>1,622,044</u>	<u>1,551,866</u>	<u>1,550,876</u>
Bridges and retaining walls	25,000	9,128	22,092
Street lighting	234,400	231,042	229,477
Traffic control	217,700	212,534	212,627
Public transit	447,157	463,968	447,274
Other	96,430	388,983	136,784
Transportation services - capital assets	2,331,305	1,888,518	2,189,801
Recoveries	<u>(1,631,178)</u>	<u>(1,625,019)</u>	<u>(1,482,419)</u>
	<u>\$ 5,216,095</u>	<u>\$ 4,998,467</u>	<u>\$ 5,262,180</u>

CITY OF PORT ALBERNI
RECREATION AND CULTURAL SERVICES (SCHEDULE 7)
FOR THE YEAR ENDED DECEMBER 31, 2005
(with comparative figures for 2004)

	2005 Budget Revenue	2005 Actual Revenue	2005 Budget Expenditure	2005 Actual Expenditure	2005 Budget Operating Deficit	2005 Actual Operating Deficit	2004 Actual Operating Deficit
RECREATION SERVICES:							
Administration	\$ -	\$ -	\$ 553,717	\$ 557,459	\$ (553,717)	\$ (557,459)	\$ (729,184)
Leisure Centre	168,901	159,464	307,057	307,570	(138,156)	(148,105)	(148,178)
Swimming pool	320,300	311,661	409,466	400,211	(89,166)	(88,549)	(90,193)
Arena	658,200	680,311	821,573	902,425	(163,373)	(222,114)	(183,412)
Parks, playgrounds and other	97,395	157,413	1,230,234	1,352,151	(1,132,839)	(1,194,738)	(1,104,248)
Programs	189,070	289,402	1,081,274	1,148,108	(892,204)	(858,706)	(812,957)
Capital assets	-	-	2,455,824	727,070	(2,455,824)	(727,070)	(252,204)
	<u>1,433,866</u>	<u>1,598,251</u>	<u>6,859,145</u>	<u>5,394,994</u>	<u>(5,425,279)</u>	<u>(3,796,741)</u>	<u>(3,320,376)</u>
CULTURAL SERVICES:							
Museum services	30,100	47,270	464,017	489,903	(433,917)	(442,633)	(411,771)
McLean Mill	197,900	195,337	600,625	618,060	(402,725)	(422,724)	(411,035)
Regional library	-	-	508,217	486,416	(508,217)	(486,416)	(493,654)
Capital assets	-	-	168,600	8,766	(168,600)	(8,766)	(17,726)
	<u>228,000</u>	<u>242,607</u>	<u>1,741,459</u>	<u>1,603,145</u>	<u>(1,513,459)</u>	<u>(1,360,539)</u>	<u>(1,334,186)</u>
	<u>\$ 1,661,866</u>	<u>\$ 1,840,858</u>	<u>\$ 8,600,604</u>	<u>\$ 6,998,139</u>	<u>\$ (6,938,738)</u>	<u>\$ (5,157,280)</u>	<u>\$ (4,654,562)</u>

Financial Statements

**CITY OF PORT ALBERNI
SALE OF SERVICES (SCHEDULE 8)
FOR THE YEAR ENDED DECEMBER 31, 2005
(with comparative figures for 2004)**

	2005 <u>Budget</u>	2005 <u>Actual</u>	2004 <u>Actual</u>
GENERAL REVENUE:			
General Services	\$ 1,421,305	\$ 1,721,716	\$ 1,483,031
Arena	658,200	680,312	631,464
Leisure Centre	168,901	159,464	153,233
Parks, playgrounds and other	97,395	157,413	105,677
Pool	320,300	311,661	321,070
Programs	189,070	289,402	364,074
Museum	30,100	47,270	94,104
McLean Mill	<u>197,900</u>	<u>195,337</u>	<u>167,808</u>
	<u>3,083,171</u>	<u>3,562,575</u>	<u>3,320,461</u>
MISCELLANEOUS REVENUE:			
Miscellaneous receipts/sales	-	651,374	629,810
SERVICES PROVIDED TO OTHER GOVERNMENTS:			
Services provided to other governments	68,000	173,848	88,769
SEWER REVENUE:			
Connections and sundry charges	39,675	121,967	58,505
WATER REVENUE:			
Sale of water	1,989,765	2,131,349	2,142,943
Connections and sundry charges	<u>35,300</u>	<u>48,245</u>	<u>65,150</u>
	<u>2,025,065</u>	<u>2,179,594</u>	<u>2,208,093</u>
	<u>\$ 5,215,911</u>	<u>\$ 6,689,358</u>	<u>\$ 6,305,638</u>

**CITY OF PORT ALBERNI
OTHER REVENUE FROM OWN SOURCES (SCHEDULE 9)
FOR THE YEAR ENDED DECEMBER 31, 2005
(with comparative figures for 2004)**

	2005		2005		2004
	<u>Budget</u>		<u>Actual</u>		<u>Actual</u>
Licences and permits	\$ 166,975	\$	206,495	\$	209,546
Fines and costs	8,200		8,363		7,711
Land and building rentals	73,191		108,057		152,447
Tax penalties	128,500		134,249		136,519
Miscellaneous revenue	102,700		177,487		300,461
Other revenue from own sources - capital fund	57,557		(11,929)		227,913
Other revenue from own sources - reserve funds	<u>-</u>		<u>-</u>		<u>15,377</u>
	<u>\$ 537,123</u>	\$	<u>622,722</u>	\$	<u>1,049,974</u>

Financial Statements

**CITY OF PORT ALBERNI
SEWER AND WATER UTILITIES (SCHEDULE 10)
FOR THE YEAR ENDED DECEMBER 31, 2005
(with comparative figures for 2004)**

	2005 <u>Budget</u>	2005 <u>Actual</u>	2004 <u>Actual</u>
SEWER UTILITIES:			
Administration	\$ 251,466	\$ 261,553	\$ 217,108
Sewage treatment and disposal	137,500	160,293	119,548
Sewage collection system	284,500	303,074	296,642
Sewage pump stations	173,870	142,910	184,695
Other operating costs	2,500	65,204	9,770
Sewer utility - capital	2,487,862	2,195,794	957,762
Cost of issuing debt	<u>-</u>	<u>13,958</u>	<u>-</u>
	<u>\$ 3,337,698</u>	<u>\$ 3,142,786</u>	<u>\$ 1,785,525</u>
WATER UTILITIES:			
Administration	\$ 316,976	\$ 254,403	\$ 274,940
Service of supply	187,546	244,785	162,610
Pumping	171,010	167,292	155,926
Transmission and distribution	502,050	536,057	487,453
Other operating costs	10,000	14,952	12,499
Water utility - capital fund	<u>364,808</u>	<u>275,548</u>	<u>439,814</u>
	<u>\$ 1,552,390</u>	<u>\$ 1,493,037</u>	<u>\$ 1,533,242</u>

CITY OF PORT ALBERNI
RESERVES FOR FUTURE EXPENDITURES (SCHEDULE 11)
FOR THE YEAR ENDED DECEMBER 31, 2005

	<u>Balance</u> <u>Dec 31, 2004</u>	<u>Additions</u>	<u>Transfers &</u> <u>Expenditures</u>	<u>Balance</u> <u>Dec 31, 2005</u>
<u>General Revenue Fund</u>				
Projects and purchases	\$ 648,114	\$ 308,140	\$ 10,000	\$ 946,254
Loss on taxation	366,000	-	-	366,000
Museum purchases	12,953	-	-	12,953
Parks and Recreation building	212,807	86,416	-	299,223
<u>Sewer Revenue Fund</u>				
Projects and purchases	-	64,933	-	64,933
<u>Water Revenue Fund</u>				
Water revenue fund reserve	52,020	127,703	-	179,723
<u>Capital Works</u>				
Capital Reserve	<u>1,219,401</u>	<u>-</u>	<u>-</u>	<u>1,219,401</u>
	<u>\$ 2,511,295</u>	<u>\$ 587,192</u>	<u>\$ 10,000</u>	<u>\$ 3,088,487</u>

**CITY OF PORT ALBERNI
GRANTS (SCHEDULE 12)
FOR THE YEAR ENDED DECEMBER 31, 2005
(with comparative figures for 2004)**

	2005 <u>Budget</u>	2005 <u>Actual</u>	2004 <u>Actual</u>
Provincial grants - capital fund	\$ 2,756,366	\$ 116,049	\$ 17,000
Unconditional transfers - government - general rev	435,208	435,208	385,084
Grants - Other conditional transfers	7,500	238,006	9,450
Grants - Museum	50,000	71,044	50,000
Grants - McLean Mill	27,725	48,624	22,258
Provincial grants - water revenue	<u>13,676</u>	<u>13,676</u>	<u>-</u>
	<u>\$ 3,290,475</u>	<u>\$ 922,607</u>	<u>\$ 483,792</u>

ACTUAL 2005 PROPERTY TAX EXEMPTIONS
(Based on Tax Exemption Bylaw, 2005, Bylaw 4609)

NAME OF ORGANIZATION	PROPERTY DESCRIPTION	VALUE OF CITY REVENUE FOREGONE	VALUE OF OTHER GOVERNMENT REVENUE FOREGONE	VALUE OF PERMISSIVE TAX EXEMPTION FOR 2004
Alberni Athletic Association	Lot 1, DL 11, Plan 11452 (4835 Beaver Creek Road) Folio 11-0292	9,755.63	4,550.21	14,325.84
Alberni Clayoquot Continuing Care - Fir Park Village	Lot B, DL 1, AD, Plan 32448 (4411 Wallace Street) Folio 1-3931	16,450.61	9,030.43	25,481.04
Alberni District Fall Fair	Lot 2, DL 92, Plan 29389 (4600 Block Anderson Avenue) Folio 92-0694	19,921.16	9,291.62	29,212.78
Alberni Valley Curling Club	Lot 1, DL 1, AD, Plan 14814 (3250 9th Avenue) Folio 1-3380-01	7,332.34	3,427.80	10,760.14
Alberni Valley Fastpitch Association	480 sq. ft. building of which 168 sq. ft. represents the concession. Included in improvements. Folio 092-0696-04	63.18	30.59	93.77
Alberni Valley Minor Baseball Association	Folio 092-0696-03	63.18	30.59	93.77
Alberni Valley Minor Hockey Association	Office within Multiplex approx. 234 sq. ft. Folio 092-0691-03	1,836.35	856.51	2,692.86
Alberni Valley Rescue Squad	Lot 2, DL 137, Plan VIP 52779 (4790 Tebo Avenue) Folio 14-0511	7,760.78	3,619.78	11,380.56
Alberni Valley Soccer Association	130,000 of Assessment from Folio 092-0696-00 for East Fieldhouse less caretakers residence 85,813.00 Folio 092-0696-00	3,590.73	1,674.78	5,265.51
Alberni Valley Softball Association	130,000 of Assessment from Folio 092-0696-00 for East Fieldhouse less caretakers residence 85,813.00 Folio 092-0696-01	450.89	210.30	661.19
Bread of Life Centre	Lot A, DL 1, AD, Plan 30733 (3130 3rd Avenue) Folio 1-3910	3,044.19	1,419.87	4,464.06
British Columbia Society for Prevention of Cruelty to Animals - Alberni Clayoquot Branch	Part of Lot B, DL 14, Plan 31798, Part of Lot A, DL 137, Plan VIP62423, Part of DL 143 (4936 Broughton Street) Folio 14-0506	11,641.17	5,429.67	17,070.84

**ACTUAL 2005 PROPERTY TAX EXEMPTIONS
(Based on Tax Exemption Bylaw, 2005, Bylaw 4609)**

NAME OF ORGANIZATION	PROPERTY DESCRIPTION	VALUE OF CITY REVENUE FOREGONE	VALUE OF OTHER GOVERNMENT REVENUE FOREGONE	VALUE OF PERMISSIVE TAX EXEMPTION FOR 2004
Canadian Mental Health Association - Port Alberni Branch (New Horizons Centre)	Lot 2, Block 85, Plan 197 (3178 2 nd Avenue) Folio 1-0943	1,864.06	1,100.05	2,964.11
* Canadian Red Cross	Lots 9-12, Block J, DL 1, Plan 1558 (portion of the lower floor of 4711 Elizabeth Street) Folio 1-1815-03	715.96	333.94	1,049.90
Catholic Independent Schools, Diocese of Victoria (increase in exempt floor area and property)	Portion of Lot A, DL 1, Plan 6564, Exc. VIP 55599 (4006 – 8 th Ave) Folio #001-2527-00	2,322.77	1,083.38	3,406.15
Community Arts Council of the Alberni Valley	Lots 20 to 22 inclusive, Block 150, DL 1, Plan 197B (3061 to 3093 8th Avenue - Rollin Art Centre) Folio 1-1564, 1563, 1562	4,916.07	2,292.95	7,209.02
CTH Management Association (formerly Hilton Management Committee)	Lots 5 & 6, DL 1, Plan 15331 (2554 10th Avenue and 4325 Neill Street) Folio 1-3409, 3410	34,352.58	16,278.89	50,631.47
Echo Sunshine Club	80 sq. ft. Echo office room Folio 990-0513-02	5,610.17	2,616.69	8,226.86
Mount Arrowsmith Skating Club	Arena Office: 200 sq. ft. Folio 092-0691-02	1,929.27	899.85	2,829.12
Navy League of Canada, and	Both a portion of Lot 15, Block 5, DL 1, Plan 11410 (4222 Cedarwood Street - former Glenwood School) Folio 1-3107-01 & -02	6,063.79	2,878.27	8,942.06
The Alberni Valley Day Care Society (know as Stepping Stone Too Preschool)		1,688.39	926.83	2,615.22

ACTUAL 2005 PROPERTY TAX EXEMPTIONS
(Based on Tax Exemption Bylaw, 2005, Bylaw 4609)

NAME OF ORGANIZATION	PROPERTY DESCRIPTION	VALUE OF CITY REVENUE FOREGONE	VALUE OF OTHER GOVERNMENT REVENUE FOREGONE	VALUE OF PERMISSIVE TAX EXEMPTION FOR 2004
Port Alberni Association for Community Living	Lot 13, Block 86, DL 1, Plan 197 (3009 1 st Avenue) and Lot A, DL 1, Plan 26322 (3008 2 nd Avenue) Folio 1-0971, 1-3703	5,299.03	2,491.22	7,790.25
Port Alberni Black Sheep Rugby Club	Lot A, DL 91, Plan VIP63503 (3400 Argyle Street) Folio 91-0077-05	13,637.98	6,455.91	20,093.89
Port Alberni Gymnastics Association	Lot 1, DL 91, Plan VIP60758 (3450 Argyle Street) Folio 91-0077-10	20,986.91	9,788.70	30,775.61
* Port Alberni Lawn Bowling Club	Lot 1, DL 1, Plan 5330 Folio 990-0513-01	7,780.30	3,638.06	11,418.36
Port Alberni Maritime Heritage Society	Improvements only situated on Block 115, DL 1, Plan 197, except that part in Plan 11243 and 13074 (Barnfield Lifeboat canopy at Harbour Quay) Folio 001.1168-10	251.41	117.26	368.67
Port Alberni Maritime Heritage Society	"Harbour Quay Marina Pier - 2908 sq. ft. for the purpose of a building and operating a Maritime Interpretive Centre." Folio 1-3167-02	12,351.67	5,761.06	18,112.73
Port Alberni Women's Resources Society	Lot A, DL 13, Plan VIP64605 (5012 Ian Avenue) Folio 13-0399-01	2,183.20	1,198.45	3,381.65
Portal Players Dramatic Society	Amended Lot 3, Block 55, DL 1, Plan 197B (4904 Argyle Street) Folio 1-0726	7,443.79	3,471.93	10,915.72
Tsunami Swim Club Port Alberni Aquatic Club	Echo Office: 154 sq. ft. Folio 990-0513-03	715.96	333.94	1,049.90
Ty Watson Home Foundation	Lots 23 - 24, Block 67, DL 1, Plan 197B (2649 2nd Avenue) Folio 1-0821	1,263.86	693.78	1,957.64

ACTUAL 2005 PROPERTY TAX EXEMPTIONS
(Based on Tax Exemption Bylaw, 2005, Bylaw 4609)

NAME OF ORGANIZATION	PROPERTY DESCRIPTION	VALUE OF CITY REVENUE FOREGONE	VALUE OF OTHER GOVERNMENT REVENUE FOREGONE	VALUE OF PERMISSIVE TAX EXEMPTION FOR 2004
* Western Vancouver Island Industrial Heritage Society	Lot 1, DL 1, Plan 7775 (4608 10 th Avenue) Folio 1-2677	2,910.29	1,357.42	4,267.71
* Western Vancouver Island Industrial Heritage Society	Train Station Lot A, DL 1, AD, Plan 49411 (3100 Kingsway) Folio 990-0307-20	6,667.71	3,109.95	9,777.66
TOTALS:		\$222,865.38	\$106,400.68	\$329,266.06

**CITY OF PORT ALBERNI
STATEMENT OF FINANCIAL INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2005**



SCHEDULES:

COUNCIL MEMBERS' REMUNERATION

EMPLOYEES' WAGES OVER \$75,000 AND RELATED EXPENSES
(including consolidated totals for all others)


LISTING OF SEVERANCE AGREEMENTS COMMENCED DURING THE YEAR

AMOUNTS PAID TO SUPPLIERS IN EXCESS OF \$25,000
(including consolidated totals for all other amounts paid)

CITY OF PORT ALBERNI

STATEMENT OF FINANCIAL INFORMATION APPROVAL

The undersigned, as authorized by the Financial Information Regulation, Schedule 1, subsection 9(2), approves all the statements and schedules included in this Statement of Financial Information , produced under the *Financial Information Act*.



Ann Hopkins
Director of Finance

SCHEDULE SHOWING THE REMUNERATION AND EXPENSES PAID TO OR ON BEHALF OF EACH EMPLOYEE

1. Elected Officials, Employees appointed by Cabinet and Members of the Board of Directors

Name	Position	Remuneration	Expenses
CHOPRA, HIRA	Elected Official	\$ 9,676.20	\$ 1,267.40
LORD, SHIRLEY	Elected Official	\$ 9,283.23	\$ 1,054.29
MCLEMAN, JACK	Elected Official	\$ 392.97	\$ -
MCRAE, KEN	Elected Official	\$ 24,332.34	\$ 11,134.36
MEALEY, CHARLES	Elected Official	\$ 9,676.20	\$ 1,714.73
PATTERSON, ARMAND	Elected Official	\$ 9,676.20	\$ 460.41
PRICE, LYLE	Elected Official	\$ 9,283.23	\$ 460.41
SOLDA, CINDY	Elected Official	\$ 9,676.20	\$ 1,546.32
WHITEMAN, KENNETH	Elected Official	\$ 392.97	\$ -
Total: elected officials, employees appointed by Cabinet and members of the Board of Directors (A)		\$ 82,389.54	\$ 17,637.92

2. Other employees (excluding those listed in Part 1 above)

Name	Remuneration	Expenses	
ASPINALL, PETER	\$ 85,325.58	\$ 475.97	
BJORNSON, WILLIAM	\$ 76,198.59	\$ 2,242.79	
CICON, GUY	\$ 98,043.89	\$ 3,858.51	
DYSON, RUSSELL	\$ 93,725.34	\$ 1,918.71	
FRASER, RANDALL	\$ 79,465.58	\$ 3,491.30	
HAMILTON, JANIS	\$ 87,238.41	\$ 1,201.27	
HOPKINS, ANN	\$ 88,985.59	\$ 184.78	
JOHNS, PHILIP	\$ 80,895.86	\$ 2,014.73	
KENNY, R. SCOTT	\$ 97,893.89	\$ 1,664.57	
KINGSTON, THERESA	\$ 81,686.16	\$ 2,700.64	
MCGIFFORD, LAWRENCE	\$ 94,128.47	\$ 1,845.56	
MCVIE, DUNCAN	\$ 87,180.05	\$ -	
MEUNIER, NORMAN	\$ 79,188.85	\$ 2,309.28	
PLEY, TIMOTHY	\$ 88,079.15	\$ 4,899.55	
SMITH, SCOTT	\$ 82,078.73	\$ 1,857.13	
THOEN, RANDOLPH	\$ 76,770.27	\$ 499.30	
TRENHOLM, J. BRUCE	\$ 80,801.27	\$ -	
VANDERMOLEN, PETER	\$ 83,809.45	\$ 18.00	
WATSON, KENNETH	\$ 110,135.28	\$ 6,786.48	
Consolidated total of other employees with remuneration and expenses of \$75,000 or less		\$ 8,334,695.43	\$ 51,033.02
Total: Other Employees (B)		\$ 9,986,325.84	\$ 89,001.59

3. Reconciliation

Total remuneration - elected officials, employees appointed by cabinet and members of the Board of Directors (A)	\$	82,389.54
Total remuneration - other employees (B)	\$	9,986,325.84
Subtotal	\$	10,068,715.38
Reconciling Items		
Total per Statement of Revenue and Expenditure	\$	12,705,699.00
Variance	Note 1	\$ (2,636,983.62)

SCHEDULE SHOWING THE REMUNERATION AND EXPENSES PAID TO OR ON BEHALF OF EACH EMPLOYEE

NOTE 1

A formal reconciliation of the figures cannot be presented due to the functional reporting of expenditures.

The variance is due in large part to the following reasons:

- the payroll is based on a 26 pay period reporting whereas the financial statement is based on an accrual method of reporting;
- the financial statement reports benefits as a percentage of salaries and wages whereas remuneration is the amount paid directly to the employee as defined in the Financial Information Regulation, Schedule 1, subsection 6(1).

CITY OF PORT ALBERNI
STATEMENT OF SEVERANCE AGREEMENTS

There were **no** severance agreements made between the City of Port Alberni and its non-unionized employees during fiscal year 2005.

SCHEDULE SHOWING PAYMENTS MADE FOR THE PROVISION OF GOODS OR SERVICES

1. Alphabetical list of suppliers who received aggregate payments exceeding \$25,000

Supplier Name	Aggregate Amount Paid To Supplier
ACE FLAGGING	\$39,852.15
ACKLANDS - GRAINGER INC	\$58,558.72
ALBERNI CLAYOQUOT REGIONAL HOSPITAL DIST.	\$934,137.52
ALBERNI ENGINEERING	\$46,787.90
ALBERNI FOUNDRY LTD	\$38,645.27
ANDREW SHERET LIMITED	\$28,952.45
AURORA ROOFING LTD	\$28,102.29
B C ASSESSMENT AUTHORITY	\$158,185.43
B C HYDRO - PAYMENT CONTROLS DEPT.	\$120,667.42
B C HYDRO & POWER AUTHORITY	\$730,348.20
B C TRANSIT	\$444,280.00
BAILEY ELECTRIC CO LTD	\$145,699.66
BEAVER CREEK HOME CENTRE	\$25,316.75
BERK'S INTERTRUCK LTD	\$137,769.30
BETA CONSTRUCTION (1998) LTD	\$1,521,261.41
BRANDT TRACTOR LTD.	\$257,465.93
BUDGET CAR & TRUCK SALES	\$37,584.10
CANADIAN CORPS OF COMMISSIONAIRES	\$28,803.96
CANADIAN UNION OF PUBLIC EMPLOYEES	\$129,876.18
CANSCOTT MANAGEMENT SERVICES LTD	\$30,424.51
CITY OF PORT ALBERNI	\$25,071.86
COAST HYDROVAC	\$47,893.35
COLYN, WILLEM A	\$74,429.68
CROCKER EQUIPMENT CO LTD	\$184,085.71
DEL EQUIPMENT LIMITED	\$26,081.84
DOLANS CONCRETE LTD	\$261,149.18
DON WOODFIN LOG TRANSPORT LTD.	\$43,698.53
DUNCAN BAY CONSTRUCTION	\$61,739.00
E & N RAILWAY COMPANY (1998) LTD	\$58,423.94
GRAND & TOY	\$63,024.58
GREAT WEST EQUIPMENT	\$212,780.43
HARBORTOWNE FORD SALES LTD	\$219,758.03
HAYLOCK BROS PAVING LTD	\$41,407.59
HUB EXCAVATING	\$865,659.79
HUPACASATH FIRST NATION	\$50,000.00
I C B C -Insurance Corporation of British Columbia	\$70,573.00
IMPERIAL OIL	\$255,478.24
INDUSTRIAL HERITAGE SOCIETY (THE STATION)	\$286,972.46
J W BERRY TRUCKING LTD.	\$29,431.86
JACK'S TIRE SALES & SERVICES LTD	\$51,981.30
JARDINE LLOYD THOMPSON CANADA INC	\$300,620.00
JOHNSON CONTROLS L.P.	\$37,366.91
KOERS & ASSOCIATES ENGINEERING LTD	\$33,100.96
LINEX LINERS & COVERS LTD.	\$59,056.92
LIQUOR DISTRIBUTION BRANCH	\$39,154.25
MAR-TECH INSITUFORM LTD	\$64,124.22
MCGILL & ASSOCIATES	\$204,221.14
MEDICAL SERVICE PLAN OF BC	\$140,298.00
MEIKLEJOHN ARCHITECTS INC	\$129,024.91

SCHEDULE SHOWING PAYMENTS MADE FOR THE PROVISION OF GOODS OR SERVICES

MICROSERVE		\$45,953.40
MINISTER OF FINANCE		\$40,469.29
MUELLER FLOW CONTROL		\$42,782.67
MUNICIPAL FINANCE AUTHORITY OF BC		\$104,550.28
OAK CREEK GOLF & TURF INC.		\$75,225.05
PACIFIC BLUE CROSS		\$274,444.17
PACIFIC PILEDIVING LTD		\$611,894.69
PENSION CORPORATION		\$1,338,765.83
PORT ALBERNI TIMES GROUP INC.		\$53,190.72
PORT ALBERNI SCHOOL TAX		\$5,804,709.47
PORT MACHINE WORKS LTD		\$27,584.10
POSTAGE ON CALL		\$27,285.00
PRECISION CIVIL INSTALLATIONS LTD.		\$36,938.97
QUALITY FOODS		\$28,308.19
RAYNER BRACHT CONSTRUCTION INC		\$763,483.60
REC GENERAL FOR CANADA		\$3,479,213.63
REC GENERAL FOR CANADA REVENUE CANADA TAXATION		\$2,854,512.98
REGIONAL DISTRICT OF ALBERNI CLAYOQUOT		\$973,004.11
REGIONAL DISTRICT OF ALBERNI CLAYOQUOT - LANDFILL		\$437,993.63
ROLLINS MACHINERY LTD		\$218,531.99
S P C A		\$106,095.00
SOLDA, ANNA		\$74,719.15
SUN LIFE ASSURANCE COMPANY OF CANADA		\$200,718.29
TELUS		\$142,762.65
TERASEN GAS		\$257,902.19
TERASEN WATERWORKS (SUPPLY) INC		\$89,994.17
UNISOURCE CANADA INC		\$37,147.94
VANCOUVER ISLAND REGIONAL LIBRARY		\$486,416.00
VIS PAINTING LTD		\$35,614.95
WATSONS PAINT CENTRE (1996) LTD		\$43,517.97
WESCOM COMPUTER SERVICES LTD		\$34,316.28
WINDSOR PLYWOOD		\$25,114.93
WL SOLUTIONS LTD		\$68,799.27
WOLSELEY CANADA INC.		\$72,121.35
WORKERS' COMPENSATION BOARD OF BC		\$26,583.21
Total aggregate amount paid to suppliers	(A)	\$ 27,819,991.95

2. Consolidated total paid to suppliers who received aggregate payments of \$25,000 or less

	(B)	\$3,176,622.93
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3. Total of payments to suppliers for grants and contributions exceeding \$25,000

ALBERNI VALLEY CHAMBER OF COMMERCE	\$	84,000.00
Consolidated total of grants exceeding \$25,000.00	\$	84,000.00
Consolidated total of contributions exceeding \$25,000.00	\$	-
Consolidated total of all grants and contributions exceeding \$25,000 (C)	\$	84,000.00

SCHEDULE SHOWING PAYMENTS MADE FOR THE PROVISION OF GOODS OR SERVICES

4. Reconciliation

Total of aggregate payments exceeding \$25,000 paid to suppliers	(A)	\$	<u>27,819,991.95</u>
Consolidated total of payments of \$25,000 or less paid to suppliers	(B)	\$	<u>3,176,622.93</u>
Consolidated total of all grants and contributions exceeding \$25,000	(C)	\$	<u>84,000.00</u>
Reconciling items			<u></u>
Total per Statement of Revenue and Expenditure		\$	<u>18,053,276.00</u>
Variance	Note 2	\$	<u>13,027,338.88</u>

NOTE 2

A formal reconciliation cannot be presented due to the functional reporting of expenditures.

The variance is due in large part to the following reasons:

- collections for others;
- payments made to suppliers for payroll purposes eg. Receiver General, Pension Corporation etc.;
- GST is included in the payments to suppliers but is not included in the financial statement total.

**CITY OF PORT ALBERNI
SOURCE AND USE OF CAPITAL FUNDING**

GENERAL GOVERNMENT:

Computer hardware and software	\$ 46,528	
City Hall Accessibility and Chamber Renovations	<u>23,608</u>	\$ 70,136

FIRE PROTECTION:

Communications Repeater	4,089	
Small capital equipment	1,785	
Motorized Opening Rear Doors	4,336	
Emergency Radio Transmitter/Receiver	6,049	
Halmatro Air Bags	<u>7,950</u>	24,209

POLICE PROTECTION:

New RCMP Detachment work-in-progress	<u>1,581,480</u>	1,581,480
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PUBLIC WORKS:

Public works equipment	857,264	
Paving and road reconstruction:		
5 th Ave – Bruce to Neill	255,621	
Kendall Ave – Wallace to Roger	270,293	
Strathcona St– Compton to Shaugnessy	307,772	
Cherry Creek Rd – Michigan to Mulhern	23,648	
Storm Drain Construction:		
Johnston Rd – Margaret & Gertrude	7,529	
Ian Ave – Johnston	24,907	
5 th Ave – Bruce to Neill	63,616	
Kendall Ave – Huff to Roger	17,076	
Broughton St – Johnston south	23,558	
Other:		
Sidewalk projects	29,419	
10 th Ave & China Creek Rd traffic upgrade	<u>7,815</u>	<u>1,888,518</u>

**CITY OF PORT ALBERNI
SOURCE AND USE OF CAPITAL FUNDING**

CULTURAL SERVICES:

Museum – small equipment	\$ 1,049	
McLean Mill – mill development	<u>7,717</u>	\$ 8,766

PARKS AND RECREATION:

Facilities equipment	4,856	
Tsu-Ma-As Walkway project	85,612	
Fitness equipment replacement	3,429	
Parks equipment replacement	342,950	
Alberni Valley Multiplex upgrades	202,900	
Library upgrades work-in-progress	<u>87,323</u>	727,070

WATER SYSTEM:

Equipment	10,460	
Distribution System	<u>265,088</u>	275,548

SEWER SYSTEM:

Sewer system equipment	13,952	
Sewer system renewals	831,870	
Sewer system work-in-progress	<u>1,349,972</u>	<u>2,195,794</u>

\$6,771,521

SOURCE OF FUNDING

Revenue Funds	\$1,226,818
Land Sale Reserve	85,612
Equipment Replacement Reserve Fund	1,207,278
Capital Reserves	314,195
Government Grants	116,049
Borrowing	783,683
Contributed by Others	<u>19,111</u>
	\$3,752,746

Unfunded Work-In-Progress	<u>3,018,775</u>
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\$6,771,521

STATISTICS SECTION

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CITY OF PORT ALBERNI
MISCELLANEOUS STATISTICS
AT DECEMBER 31, 2005

Date of Incorporation	1912
Form of Government	City/Council/Manager
Number of employees (excluding police and fire)	
Classified	100
Exempt	19
Area in Hectares	2,148
City of Port Alberni Facilities and Services:	
Kilometers of streets	151
Number of street lights	1,395
Culture and Recreation:	
Community centers	6
Parks	39
Park in hectares	165
Swimming pools	1
Tennis courts	5
Fire Protection:	
Number of stations	1
Number of fire personnel and officers	23
Number of calls received - Fire/Rescue/First Responder	1,117
Number of inspections conducted	672
Police Protection:	
Number of stations	1
Number of police personnel and officers	34
Number of law violations:	
Physical arrests	1,916
Number of reported criminal incidents	5,657
Sewerage System:	
Kilometers of sanitary sewers and storm sewer	259
Number of treatment plants	1
Number of service connections	6,208
Daily average treatment of cubic meters	30,021
Water System:	
Kilometers of water mains	166
Number of service connections	6,576
Number of fire hydrants	706
Daily average consumption in cubic meters	11,915
Maximum daily capacity of plant in cubic meters	48,000
Facilities and services not included in the reporting entity:	
Education:	
Number of elementary schools	6
Number of middle schools	2
Number of secondary schools	2
Number of community colleges	1
Hospitals:	
Number of hospitals	1
Number of patient beds	52

Statistics

**CITY OF PORT ALBERNI
ASSESSMENT/TAXATION COMPARATIVE STATISTICS
AT DECEMBER 31, 2005**

	2005	2004	2003	2002	2001
Population(based on last census) ⁽¹⁾	17743	17743	17743	17743	17743
Assessed valuations for General Purposes⁽²⁾					
Land					
Residential	\$ 255,339,400	\$ 233,181,301	\$ 230,463,000	\$ 234,684,100	\$ 238,299,600
Commercial	\$ 48,605,127	\$ 45,259,097	\$ 42,556,659	\$ 41,386,063	\$ 37,888,756
Industrial	\$ 7,692,200	\$ 7,820,300	\$ 7,958,300	\$ 7,950,400	\$ 7,940,400
Other	\$ 2,980,935	\$ 1,962,145	\$ 1,896,635	\$ 1,842,405	\$ 1,852,905
	\$ 314,617,662	\$ 288,222,843	\$ 282,874,594	\$ 285,862,968	\$ 285,981,661
Improvements					
Residential	\$ 466,211,100	\$ 418,767,701	\$ 394,450,400	\$ 393,519,000	\$ 396,185,300
Commercial	\$ 58,602,073	\$ 56,157,453	\$ 54,659,791	\$ 56,674,987	\$ 56,782,644
Industrial	\$ 91,966,700	\$ 87,932,200	\$ 90,877,900	\$ 90,665,500	\$ 92,595,300
Other	\$ 4,678,330	\$ 2,219,315	\$ 2,558,845	\$ 2,747,155	\$ 2,816,455
	\$ 621,458,203	\$ 565,076,669	\$ 542,546,936	\$ 543,606,642	\$ 548,379,699
Total	\$ 936,075,865	\$ 853,299,512	\$ 825,421,530	\$ 829,469,610	\$ 834,361,360
General & Debt Tax Rates					
Residential	\$ 9.7595	\$ 10.3449	\$ 10.5658	\$ 10.1053	\$ 9.9378
Utilities	\$ 68.3167	\$ 71.3801	\$ 72.2703	\$ 71.5455	\$ 72.5457
Major Industrial	\$ 73.7820	\$ 78.2077	\$ 75.8626	\$ 75.8907	\$ 76.1233
Light Industrial	\$ 41.8455	\$ 43.2418	\$ 42.1576	\$ 41.6338	\$ 46.3100
Business & Other	\$ 27.3267	\$ 28.5520	\$ 28.9504	\$ 28.5980	\$ 30.3102
Seasonal Recreational	\$ 9.7595	\$ 10.3449	\$ 10.5658	\$ 10.1053	\$ 9.9378
Farm	\$ 9.7595	\$ 10.3449	\$ 10.5658	\$ 10.1053	\$ 9.9378
School Tax Rates					
Residential	\$ 4.0979	\$ 4.7320	\$ 5.0491	\$ 5.0986	\$ 5.0388
Utilities	\$ 14.9000	\$ 15.0000	\$ 15.0000	\$ 15.0000	\$ 15.0000
Major Industrial	\$ 12.5000	\$ 12.5000	\$ 12.5000	\$ 12.5000	\$ 12.5000
Light Industrial	\$ 9.6000	\$ 9.9000	\$ 9.9000	\$ 9.9000	\$ 9.9000
Business & Other	\$ 9.6000	\$ 9.9000	\$ 9.9000	\$ 9.9000	\$ 9.9000
Seasonal Recreational	\$ 4.5000	\$ 4.5000	\$ 4.5000	\$ 4.5000	\$ 4.5000
Farm	\$ 6.8000	\$ 6.8000	\$ 6.8000	\$ 6.8000	\$ 6.8000
Tax Rates for Residential Class					
General	\$ 9.6174	\$ 10.3006	\$ 10.5330	\$ 10.0301	\$ 9.9004
Debt	\$ 0.1421	\$ 0.0443	\$ 0.0328	\$ 0.0752	\$ 0.0374
School District-Residential	\$ 4.0979	\$ 4.7320	\$ 5.0491	\$ 5.0986	\$ 5.0388
Regional Hospital District	\$ 0.6710	\$ 0.8094	\$ 0.8346	\$ 0.6222	\$ 0.7073
Municipal Finance Authority	\$ 0.0003	\$ 0.0003	\$ 0.0003	\$ 0.0003	\$ 0.0003
Regional District	\$ 0.4962	\$ 0.6846	\$ 0.7472	\$ 0.7435	\$ 0.7827
B.C. Assessment	\$ 0.0920	\$ 0.1057	\$ 0.1159	\$ 0.1245	\$ 0.1267
Total Residential Rate	\$ 15.1169	\$ 16.6769	\$ 17.3129	\$ 16.6944	\$ 16.5936

**CITY OF PORT ALBERNI
GENERAL COMPARATIVE STATISTICS
AT DECEMBER 31, 2005**

	2005	2004	2003	2002	2001
Current Tax Levy					
General	\$ 17,323,148	\$ 17,351,924	\$ 17,073,581	\$ 16,757,863	\$ 17,008,077
Debt	\$ 256,280	\$ 74,638	\$ 53,210	\$ 125,625	\$ 64,264
School District-Residential	\$ 2,957,046	\$ 3,083,895	\$ 3,153,407	\$ 3,191,263	\$ 3,196,876
School District-Non-Residential	\$ 2,714,769	\$ 2,611,927	\$ 2,610,373	\$ 2,564,244	\$ 2,564,603
Other Levies-Special Assessments	\$ 972,995	\$ 974,018	\$ 943,037	\$ 933,672	\$ 846,455
Regional Hospital District	\$ 928,387	\$ 1,035,208	\$ 1,043,401	\$ 782,212	\$ 893,264
Municipal Finance Authority	\$ 286	\$ 262	\$ 255	\$ 266	\$ 267
Regional District	\$ 686,552	\$ 875,558	\$ 934,114	\$ 934,741	\$ 988,512
Assessment Authority	\$ 157,345	\$ 158,647	\$ 170,742	\$ 187,747	\$ 194,108
Business Improvement Area	\$ 15,000	\$ 10,815	\$ 15,000	\$ 15,000	\$ 15,000
Total Levy	\$ 26,011,808	\$ 26,176,892	\$ 25,997,120	\$ 25,492,633	\$ 25,771,426
Per Capita Levy	\$ 1,466.03	\$ 1,475.34	\$ 1,465.20	\$ 1,436.77	\$ 1,452.48
Tax Collection					
Current Taxes Payments	\$ 22,613,255	\$ 22,617,771	\$ 22,601,254	\$ 22,123,121	\$ 22,805,777
Provincial Home Owner Grants	\$ 2,900,729	\$ 2,851,308	\$ 2,810,758	\$ 2,804,173	\$ 2,807,644
Total Current Taxes Collected	\$ 25,513,984	\$ 25,469,079	\$ 25,412,012	\$ 24,927,294	\$ 25,613,421
Percentage of Current Levy	98.09%	97.30%	97.75%	97.78%	99.39%
Arrears and Delinquent Collected	\$ 869,755	\$ 831,858	\$ 886,234	\$ 955,617	\$ 869,916
Percentage of Current Levy	3.34%	3.18%	3.41%	3.75%	3.38%
Total Taxes Collected	\$ 26,383,739	\$ 26,300,937	\$ 26,298,246	\$ 25,882,911	\$ 26,483,337
Percentage of Current Levy	101.43%	100.47%	101.16%	101.53%	102.76%
Unpaid Taxes					
Current	\$ 472,458	\$ 675,655	\$ 575,048	\$ 555,908	\$ 725,564
Arrears	\$ 201,521	\$ 198,943	\$ 244,047	\$ 330,948	\$ 266,472
Total Unpaid Taxes	\$ 673,979	\$ 874,598	\$ 819,095	\$ 886,856	\$ 992,036
Per Capita	\$ 37.99	\$ 49.29	\$ 46.16	\$ 49.98	\$ 55.91
Summary of Surplus and Reserves					
Funded Reserves	\$ 9,050,926	\$ 9,317,919	\$ 9,410,629	\$ 6,575,576	\$ 5,825,047
Appropriated Reserves	\$ 3,088,487	\$ 2,511,296	\$ 2,271,597	\$ 1,578,053	\$ 935,294
Operating Surplus	\$ 4,525,229	\$ 3,679,727	\$ 2,462,244	\$ 2,211,754	\$ 1,547,105

Statistics

CITY OF PORT ALBERNI GENERAL COMPARATIVE STATISTICS AT DECEMBER 31, 2005

	2005	2004	2003	2002	2001
Debenture Debt					
Water	\$ -	\$ -	\$ -	\$ -	\$ 893,652
Sewer	\$ 895,742	\$ 104,676	\$ 110,939	\$ 117,174	\$ 166,146
General	\$ 65,401	\$ 69,785	\$ 73,960	\$ 78,117	\$ 98,460
Gross Debenture Debt	\$ 961,143	\$ 174,461	\$ 184,899	\$ 195,291	\$ 1,158,258
Per Capita	\$ 54.17	\$ 9.83	\$ 10.42	\$ 11.01	\$ 65.28
Less: Sewer and Water Utilities Debt	\$ 895,742	\$ 104,676	\$ 110,939	\$ 117,174	\$ 1,059,798
Net Debt Excluding Utilities	\$ 65,401	\$ 69,785	\$ 73,960	\$ 78,117	\$ 98,460
Per Capita	\$ 3.69	\$ 3.93	\$ 4.17	\$ 4.40	\$ 5.55
Liability Servicing Limit⁽³⁾					
Liability Servicing Limit	\$ 5,790,177	\$ 5,704,980	\$ 5,447,569	\$ 48,024,503	\$ 48,024,503
Less Actual Debt Servicing Cost	\$ 109,368	\$ 149,196	\$ 190,019	\$ 1,571,372	\$ 1,571,372
Less Estimated Cost - Unissued Debt	\$ 343,191	\$ -	\$ -	\$ -	\$ -
Liability Servicing Capacity Available	\$ 5,337,618	\$ 5,555,784	\$ 5,257,550	\$ 46,453,131	\$ 46,453,131
Debt Payment as a percentage of non-capital expenditures					
Debt payments - gross	0.3%	0.6%	0.7%	0.2%	0.3%
General Revenue Fund Statistics					
Budget	\$ 30,279,852	\$ 30,083,423	\$ 29,728,057	\$ 29,835,604	\$ 30,297,029
Actual Revenues	\$ 31,133,095	\$ 31,032,525	\$ 30,425,373	\$ 29,655,668	\$ 30,683,731
Actual Expenditures	\$ 30,864,405	\$ 30,508,622	\$ 30,796,074	\$ 29,373,278	\$ 30,333,665
Surplus	\$ 268,690	\$ 523,903	\$ (370,701)	\$ 282,390	\$ 350,066
Expenditure per Capita	\$ 1,739.53	\$ 1,719.47	\$ 1,735.67	\$ 1,655.49	\$ 1,709.61
Capital Expenditures					
Financed from General Revenue	\$ 939,118	\$ 1,204,533	\$ 1,375,907	\$ 1,424,657	\$ 1,493,912
Other Sources of Revenue					
Provincial Unconditional Grants	\$ 435,209	\$ 385,084	\$ 157,954	\$ 163,707	\$ 51,710
B.C. Hydro Grant	\$ 487,130	\$ 475,547	\$ 452,596	\$ 481,777	\$ 480,364
Building Permits					
Number Issued	125	119	72	82	77
Construction Values	\$ 18,047,996	\$ 25,860,926	\$ 3,622,338	\$ 7,802,906	\$ 5,296,995

SOURCES:

(1) Statistics Canada Census 2001

(2) B.C. Assessment

(3) Changed from Borrowing Power calculation to Liability Servicing Limit calculation in 2003

**CITY OF PORT ALBERNI
DEMOGRAPHIC STATISTICS
BASED ON 2001 CENSUS FIGURES (Statistics Canada Source)**

Population Composition

<u>Age</u>	<u>2001</u>			<u>1996</u>		
	<u>Male</u>	<u>Female</u>	<u>Total</u>	<u>Male</u>	<u>Female</u>	<u>Total</u>
0 - 4 years	455	450	905	660	595	1,255
5 - 14 years	1270	1155	2,425	1,345	1,320	2,665
15 - 19 years	685	620	1,305	740	685	1,425
20 - 24 years	475	445	920	560	570	1,130
25 - 44 years	2195	2290	4,485	2,625	2,655	5,280
45 - 54 years	1380	1365	2,745	1,290	1,185	2,475
55 - 64 years	1010	1000	2,010	895	835	1,730
65 - 74 years	815	750	1,565	685	750	1,435
75+	540	830	1,370	388	685	1,073
Total	<u>8,825</u>	<u>8,905</u>	<u>17,730</u>	<u>9,188</u>	<u>9,280</u>	<u>18,468</u>

Legal Married Status

	<u>2001</u>		
	<u>Male</u>	<u>Female</u>	<u>Total</u>
Population 15 years and over	7100	7320	14420
Single	2300	1755	4055
Married	3625	3625	7250
Separated	235	315	550
Divorced	680	740	1420
Widowed	265	875	1140

Household Income

<u>Household Income</u>	<u>*2001</u>	<u>1996</u>
< \$ 10,000	N/A	330
\$ 10,000 - \$ 19,999	N/A	680
\$ 20,000 - \$ 29,999	N/A	685
\$ 30,000 - \$ 39,999	N/A	680
\$ 40,000 - \$ 49,999	N/A	575
\$ 50,000 - \$ 59,999	N/A	590
\$ 60,000 - \$ 69,999	N/A	475
\$ 70,000 - \$ 79,999	N/A	455
\$ 80,000 - \$ 89,999	N/A	265
\$ 90,000 - \$ 99,999	N/A	230
\$ 100,000 - +	N/A	410
Average Income		\$ 50,083
Median Income		\$ 46,441

*Note: 2001 Census information not released at statement date

**CITY OF PORT ALBERNI
DEMOGRAPHIC STATISTICS**

BASED ON 2001 CENSUS FIGURES (Statistics Canada Source)

Labour Force by Major Occupational Group

<u>Occupation</u>	<u>2001</u>			<u>1996</u>		
	<u>Male</u>	<u>Female</u>	<u>Total</u>	<u>Male</u>	<u>Female</u>	<u>Total</u>
Managerial, Administrative, and Related Occupations	320	210	530	355	205	560
Business & Finance	235	745	895	210	685	895
Medicine and Health	35	345	380	50	330	380
Natural & social sciences, religious and artistic	310	35	345	290	25	315
Education, Gov't Service	210	405	615	200	310	510
Art, Culture, Recreation	45	45	130	60	70	130
Sales	750	1,505	2,255	720	1,585	2,305
Trades, Transport, Equip. Operators	1,040	45	1,085	1,460	55	1,515
Primary Occupations	480	50	530	445	75	520
Processing Occupations	865	125	990	830	55	885
Total	<u>4,290</u>	<u>3,510</u>	<u>7,800</u>	<u>4,620</u>	<u>3,395</u>	<u>8,015</u>

Earnings

	<u>2001 Port Alberni</u>			<u>2001 British Columbia</u>		
	<u>Male</u>	<u>Female</u>	<u>Total</u>	<u>Male</u>	<u>Female</u>	<u>Total</u>
All persons with earnings	4,445	3,695	8,140	1,114,860	1,013,695	2,128,555
Average earnings	\$ 37,718	\$ 20,568	\$ 29,927	\$ 38,039	\$ 24,401	\$ 31,544
Worked full year, full time	2,085	1,245	3,330	597,030	411,805	1,008,835
Average earnings(full year,full time)	\$ 50,193	\$ 33,530	\$ 43,965	\$ 50,159	\$ 35,636	\$ 44,231

Labour Force Indicators

	<u>2001 Port Alberni</u>			<u>2001 British Columbia</u>		
	<u>Male</u>	<u>Female</u>	<u>Total</u>	<u>Male</u>	<u>Female</u>	<u>Total</u>
Participation rate	63.1%	50.4%	56.7%	70.7%	59.9%	65.2%
Employment rate	52.0%	44.4%	48.1%	64.3%	55.1%	59.6%
Unemployment rate	17.7%	12.0%	15.1%	9.0%	8.0%	8.5%

**CITY OF PORT ALBERNI
CAPITAL ASSETS ACQUIRED
LAST FIVE FISCAL YEARS COMPARISON**

CAPITAL ACQUISITIONS	2005	2004	2003	2002	2001
<i>General Government</i>	\$70,136	\$107,955	\$90,384	\$343,671	\$310,170
<i>Public Works</i>	1,875,141	1,986,443	1,264,899	868,921	1,503,643
<i>Parks and Recreation and Cultural</i>	648,514	269,930	263,876	527,755	3,174,580
<i>Protective Services</i>	24,211	23,354	53,637	75,156	35,264
<i>Environmental Development</i>	13,375	203,357	199,566	-	-
<i>Sanitary Sewer</i>	845,821	281,698	237,010	286,846	607,580
<i>Waterworks system</i>	275,548	439,814	395,889	325,821	208,197
	<u>\$3,752,746</u>	<u>\$3,312,551</u>	<u>\$2,505,261</u>	<u>\$2,428,170</u>	<u>\$5,839,434</u>

SOURCE OF FINANCING	2005	2004	2003	2002	2001
<i>Revenue Funds</i>	\$1,226,818	\$1,916,947	\$2,008,806	\$1,750,478	\$2,215,771
<i>Reserve Funds</i>	1,607,085	1,186,185	441,669	217,680	561,325
<i>Short Term Borrowing</i>	-	-	-	199,352	250,000
<i>Long Term Borrowing</i>	783,683	-	-	-	-
<i>Grants</i>	116,049	17,000	2,554	52,400	237,742
<i>Other</i>	19,111	192,419	52,232	208,260	2,574,596
	<u>\$3,752,746</u>	<u>\$3,312,551</u>	<u>\$2,505,261</u>	<u>\$2,428,170</u>	<u>\$5,839,434</u>

CITY OF PORT ALBERNI
MAJOR PROPERTY TAXPAYERS IN PORT ALBERNI
2005 TAXATION YEAR

	Registered Owner	Primary Property	Taxes Levied
1	Catalyst Paper Corporation Inc	Paper Mill	\$7,056,272
2	Cascadia Forest Products	Sawmills	2,109,040
3	Port Alberni Retail Development	Alberni Mall	216,059
4	BC Hydro & Power Authority	Building	198,874
5	Loblaw Properties	Extra Foods	190,266
6	BC Telephone/Telus	Poles, Lines, Building	153,690
7	Marlowe - Yeoman Ltd.	10th Avenue Plaza	152,960
8	Canada Safeway	Building	146,629
9	WalMart Canada Corp	Building	128,283
10	Terasen Gas	Gas Utility	119,865
11	517535 BC LTD	Zellers Port Alberni	116,157
12	Marco Investments Ltd	Building	115,250
13	Kelland Food Holdings	Building	105,671
14	Barclay Capital Development Inc	Land	78,544
15	North Port Plaza	Building	64,677
16	Dennis Jonsson	Automobile Dealer	61,712
17	Shell Canada Ltd	Building	61,378
18	Osler Developments	Coast Hospitality Inn	57,546
19	Weyerhaeuser	Land	56,764
20	CLSC Holdings Ltd.	Building	56,199

Statistics

**CITY OF PORT ALBERNI
GENERAL REVENUE FUND
LAST TEN FISCAL YEARS**

REVENUE										
FISCAL YEAR	<i>TAXES</i>	<i>GRANTS IN LIEU OF TAXES</i>	<i>SALE OF SERVICES</i>	<i>OTHER REV. FROM OWN SOURCES</i>	<i>GOVT UNCONDIT'AL TRANSFERS</i>	<i>GOVT CONDIT'IONAL TRANSFERS</i>	<i>COLLECTION</i>		<i>TRANSFERS FROM OWN RESERVES</i>	<i>TOTAL</i>
							<i>FOR OTHER GOVT AGENCIES</i>	<i>TRANSFERS FROM OWN RESERVES</i>		
2005	\$ 17,606,896	\$ 616,320	\$ 3,736,422	\$ 808,469	\$ 435,209	\$ 120,215	\$ 7,809,564	\$ -	\$ -	\$ 31,133,095
2004	\$ 17,713,466	\$ 622,158	\$ 3,409,229	\$ 952,610	\$ 385,084	\$ 81,708	\$ 7,868,270	\$ -	\$ -	\$ 31,032,525
2003	\$ 17,281,341	\$ 603,145	\$ 3,171,181	\$ 951,922	\$ 157,954	\$ 124,306	\$ 8,135,524	\$ -	\$ -	\$ 30,425,373
2002	\$ 17,025,472	\$ 631,380	\$ 3,111,802	\$ 779,926	\$ 163,707	\$ 61,443	\$ 7,881,938	\$ -	\$ -	\$ 29,655,668
2001	\$ 17,511,127	\$ 637,094	\$ 3,018,619	\$ 928,520	\$ 51,710	\$ -	\$ 7,835,269	\$ 701,392	\$ -	\$ 30,683,731
2000	\$ 16,043,392	\$ 621,964	\$ 2,863,349	\$ 1,242,848	\$ 91,230	\$ -	\$ 7,587,473	\$ 1,627,602	\$ -	\$ 30,077,858
1999	\$ 15,479,939	\$ 603,919	\$ 2,678,509	\$ 1,311,881	\$ 100,609	\$ 45,800	\$ 7,475,569	\$ 1,701,412	\$ -	\$ 29,397,638
1998	\$ 15,577,466	\$ 595,176	\$ 2,526,146	\$ 1,062,135	\$ 346,443	\$ 55,800	\$ 7,475,569	\$ 135,298	\$ -	\$ 27,774,033
1997	\$ 15,840,414	\$ 590,774	\$ 2,720,391	\$ 917,186	\$ 346,441	\$ 111,618	\$ 8,204,680	\$ 560,632	\$ -	\$ 29,292,136
1996	\$ 14,821,547	\$ 512,143	\$ 2,591,333	\$ 1,159,244	\$ 943,348	\$ 66,077	\$ 8,167,447	\$ 771,408	\$ -	\$ 29,032,547

EXPENDITURE										
FISCAL YEAR	<i>GENERAL GOVT SERVICES</i>	<i>PROTECTIVE SERVICES</i>	<i>TRANSPORT. SERVICES</i>	<i>ENVIRONMENTAL HEALTH SERVICES</i>	<i>PUBLIC HEALTH & WELFARE SERVICES</i>	<i>ENVIRONMENTAL DEVELOPMENT SERVICES</i>	<i>REC. AND CULTURAL SERVICES</i>	<i>FISCAL SERVICES</i>	<i>DEBT REPAYMT. TRANSFR TO OTHER</i>	
									<i>GOVT, CAPITAL & RESERVES</i>	<i>GOVT, CAPITAL & RESERVES</i>
2005	\$ 2,488,683	\$ 7,247,227	\$ 3,083,980	\$ 1,142,733	\$ 62,718	\$ 407,693	\$ 6,262,303	\$ 13,959	\$ -	\$ 10,155,109
2004	\$ 2,324,859	\$ 6,878,682	\$ 3,055,529	\$ 1,094,474	\$ 74,809	\$ 438,148	\$ 6,222,061	\$ 16,001	\$ -	\$ 10,404,059
2003	\$ 2,414,268	\$ 6,700,955	\$ 3,207,327	\$ 1,039,710	\$ 62,683	\$ 379,344	\$ 5,906,107	\$ 19,168	\$ -	\$ 11,066,510
2002	\$ 2,278,511	\$ 6,302,630	\$ 2,891,903	\$ 1,015,752	\$ 69,317	\$ 496,643	\$ 5,844,221	\$ 33,206	\$ -	\$ 10,441,095
2001	\$ 2,541,107	\$ 6,081,617	\$ 2,893,982	\$ 1,055,701	\$ 64,589	\$ 358,869	\$ 6,490,724	\$ 36,041	\$ -	\$ 10,811,035
2000	\$ 2,839,351	\$ 6,063,837	\$ 2,983,687	\$ 1,023,745	\$ 45,540	\$ 542,497	\$ 5,531,273	\$ 37,026	\$ -	\$ 10,407,347
1999	\$ 2,472,401	\$ 5,705,187	\$ 2,654,303	\$ 1,006,750	\$ 57,237	\$ 349,959	\$ 5,056,130	\$ 22,548	\$ -	\$ 11,029,366
1998	\$ 2,295,633	\$ 5,286,093	\$ 2,826,633	\$ 984,003	\$ 59,062	\$ 459,532	\$ 4,952,002	\$ 55,091	\$ -	\$ 9,668,214
1997	\$ 2,297,364	\$ 5,472,410	\$ 3,157,387	\$ 1,049,128	\$ 55,628	\$ 513,554	\$ 4,987,408	\$ 80,283	\$ -	\$ 10,979,472
1996	\$ 2,198,681	\$ 5,479,279	\$ 3,223,754	\$ 1,034,872	\$ 54,042	\$ 567,481	\$ 4,919,295	\$ 54,388	\$ -	\$ 10,986,863

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Statistics

**CITY OF PORT ALBERNI
WATER REVENUE FUND
LAST TEN FISCAL YEARS**

REVENUE

FISCAL YEAR	SALE	WATER	OTHER	INTEREST	GEN. REV.	SURPLUS	GOVT	TOTAL
	OF WATER	FRONTAGE TAX	SERVICE CHARGES		FUND TRANSFER	APPROPR. & RESERVE TRANSFERS		
2005	\$ 2,131,349	\$ -	\$ 48,245	\$ 26,151	\$ -	\$ -	\$ -	\$ 2,205,745
2004	\$ 2,142,943	\$ -	\$ 65,150	\$ 26,482	\$ -	\$ -	\$ -	\$ 2,234,575
2003	\$ 2,051,280	\$ -	\$ 23,731	\$ 34,421	\$ -	\$ -	\$ -	\$ 2,109,432
2002	\$ 2,052,607	\$ -	\$ 28,418	\$ 52,172	\$ -	\$ -	\$ -	\$ 2,133,197
2001	\$ 1,823,124	\$ -	\$ 34,177	\$ 45,945	\$ -	\$ -	\$ -	\$ 1,903,246
2000	\$ 1,771,043	\$ -	\$ 15,895	\$ -	\$ -	\$ 182,603	\$ 13,173	\$ 1,982,714
1999	\$ 1,824,397	\$ -	\$ 14,662	\$ 3,847	\$ -	\$ 490,533	\$ -	\$ 2,333,439
1998	\$ 1,781,237	\$ 750	\$ 35,769	\$ 9,937	\$ -	\$ 28,765	\$ -	\$ 1,856,458
1997	\$ 1,783,020	\$ 41,000	\$ 70,801	\$ 4,075	\$ -	\$ 830,510	\$ -	\$ 2,729,406
1996	\$ 1,601,730	\$ -	\$ 57,969	\$ 11,695	\$ -	\$ 48,088	\$ -	\$ 1,719,482

EXPENDITURE

FISCAL YEAR	ADMIN.	SERVICE	TRANSMISSION	PUMPING	MISC.	FISCAL	DEBT	CONTRIB. TO	EXCESS	
		OF SUPPLY	& DISTRIBUTION			SERVICES	REPAYMENT	CAPITAL & TRANSFERS TO RESERVES	REVENUE OVER EXPENDITURE	
2005	\$ 254,402	\$ 244,785	\$ 536,057	\$ 167,292	\$ 14,952	\$ -	\$ -	\$ 399,151	\$ 589,106	\$ 2,205,745
2004	\$ 274,939	\$ 162,610	\$ 487,453	\$ 155,926	\$ 12,499	\$ -	\$ -	\$ 430,716	\$ 710,432	\$ 2,234,575
2003	\$ 242,708	\$ 173,608	\$ 487,563	\$ 155,688	\$ 6,074	\$ -	\$ -	\$ 395,889	\$ 647,902	\$ 2,109,432
2002	\$ 258,904	\$ 169,622	\$ 483,867	\$ 155,635	\$ 7,596	\$ 173,770	\$ 137,329	\$ 325,821	\$ 420,653	\$ 2,133,197
2001	\$ 241,814	\$ 161,645	\$ 522,497	\$ 160,598	\$ 11,414	\$ 184,893	\$ 137,329	\$ 267,741	\$ 215,315	\$ 1,903,246
2000	\$ 245,927	\$ 189,220	\$ 525,624	\$ 171,881	\$ 3,268	\$ 333,640	\$ 137,329	\$ 375,825	\$ -	\$ 1,982,714
1999	\$ 230,639	\$ 199,864	\$ 557,554	\$ 155,684	\$ 5,941	\$ 341,808	\$ 137,329	\$ 704,620	\$ -	\$ 2,333,439
1998	\$ 216,092	\$ 179,785	\$ 406,790	\$ 175,641	\$ 11,838	\$ 341,808	\$ 137,329	\$ 387,175	\$ -	\$ 1,856,458
1997	\$ 199,914	\$ 194,101	\$ 464,439	\$ 178,254	\$ 16,841	\$ 334,262	\$ 88,702	\$ 1,252,893	\$ -	\$ 2,729,406
1996	\$ 186,986	\$ 176,027	\$ 455,710	\$ 189,871	\$ 6,620	\$ 335,541	\$ 88,702	\$ 219,540	\$ 60,485	\$ 1,719,482

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Statistics

**CITY OF PORT ALBERNI
SEWER REVENUE FUND
LAST TEN FISCAL YEARS**

REVENUE

FISCAL YEAR	<i>MISC. SERVICE</i>	<i>L.I.P. CHARGES</i>	<i>GOV'T GRANTS</i>	<i>INTEREST</i>	<i>GEN. REV. FUND</i>		<i>TRANSFER FROM RESERVES</i>	<i>TOTAL</i>
					<i>TRANSFER</i>			
2005	\$ 121,967	\$ -	\$ -	\$ 371	\$ 918,070	\$ -	\$ -	\$ 1,040,408
2004	\$ 58,505	\$ -	\$ -	\$ 120	\$ 784,632	\$ -	\$ -	\$ 843,257
2003	\$ 32,202	\$ -	\$ 10,000	\$ 98	\$ 828,012	\$ -	\$ -	\$ 870,312
2002	\$ 46,921	\$ -	\$ -	\$ 2,045	\$ 903,373	\$ -	\$ -	\$ 952,339
2001	\$ 34,136	\$ 56,134	\$ -	\$ 2,626	\$ 1,053,150	\$ 266,465	\$ -	\$ 1,412,511
2000	\$ 29,718	\$ 60,067	\$ 10,000	\$ 1,459	\$ 904,480	\$ 13,601	\$ -	\$ 1,019,325
1999	\$ 19,367	\$ 55,897	\$ -	\$ 1,342	\$ 1,106,427	\$ 369,724	\$ -	\$ 1,552,757
1998	\$ 15,273	\$ 58,807	\$ -	\$ 4,433	\$ 1,037,298	\$ 126,309	\$ -	\$ 1,242,120
1997	\$ 30,326	\$ 46,873	\$ 10,000	\$ 3,207	\$ 1,335,354	\$ 324,400	\$ -	\$ 1,750,160
1996	\$ 44,266	\$ 32,494	\$ -	\$ 5,902	\$ 1,344,288	\$ 68,316	\$ -	\$ 1,495,266

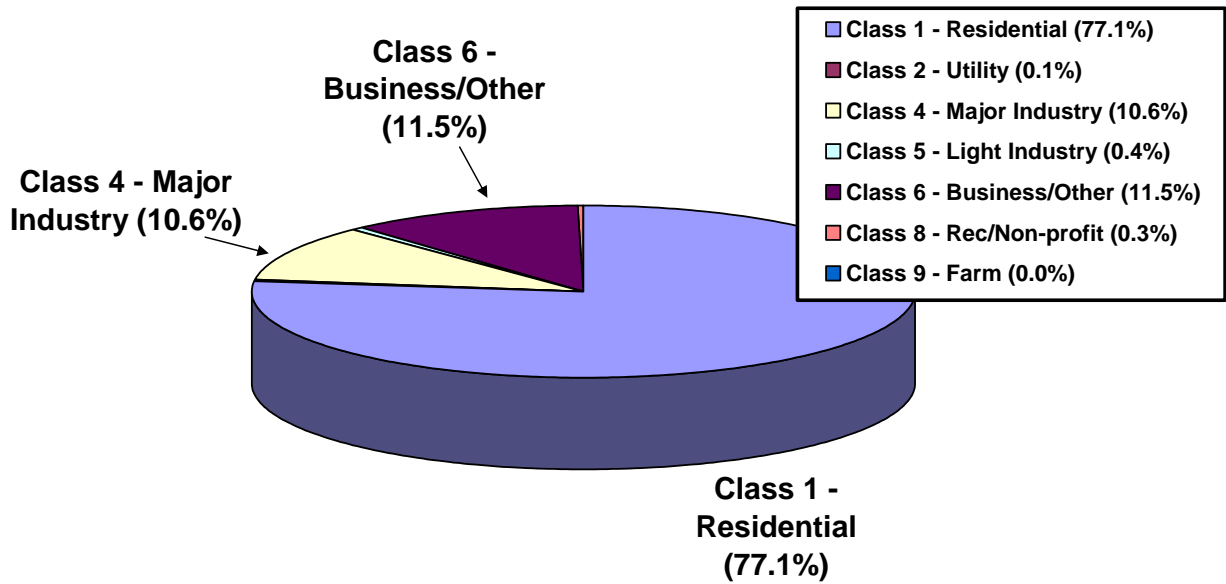
EXPENDITURE

FISCAL YEAR	<i>ADMIN.</i>	<i>COLLECTION</i>	<i>PUMP</i>		<i>TREATMENT</i>	<i>MISC.</i>	<i>FISCAL SERVICES</i>	<i>DEBT REPAYMENT</i>	<i>CONTRIB. TO CAPITAL & TRANSFERS TO RESERVES</i>	<i>TOTAL</i>
			<i>STATIONS</i>							
2005	\$ 261,552	\$ 303,074	\$ 142,910	\$ -	\$ 160,293	\$ 65,575	\$ 37,620	\$ 4,451	\$ 64,933	\$ 1,040,408
2004	\$ 217,109	\$ 296,642	\$ 184,695	\$ -	\$ 119,548	\$ 9,890	\$ 10,922	\$ 4,451	\$ -	\$ 843,257
2003	\$ 265,530	\$ 247,769	\$ 182,190	\$ -	\$ 156,218	\$ 3,232	\$ 10,922	\$ 4,451	\$ -	\$ 870,312
2002	\$ 289,037	\$ 283,115	\$ 145,432	\$ -	\$ 174,494	\$ 4,509	\$ 34,063	\$ 21,689	\$ -	\$ 952,339
2001	\$ 227,078	\$ 325,432	\$ 138,108	\$ -	\$ 136,971	\$ 4,387	\$ 42,557	\$ 21,689	\$ 516,289	\$ 1,412,511
2000	\$ 199,726	\$ 214,918	\$ 138,238	\$ -	\$ 126,604	\$ 7,522	\$ 42,557	\$ 21,689	\$ 268,071	\$ 1,019,325
1999	\$ 188,063	\$ 194,984	\$ 180,835	\$ -	\$ 112,115	\$ 2,531	\$ 41,623	\$ 21,689	\$ 810,917	\$ 1,552,757
1998	\$ 192,263	\$ 175,145	\$ 124,399	\$ -	\$ 81,803	\$ 4,601	\$ 94,049	\$ 54,005	\$ 515,855	\$ 1,242,120
1997	\$ 173,551	\$ 256,922	\$ 147,923	\$ -	\$ 88,517	\$ 12,372	\$ 99,770	\$ 136,788	\$ 834,317	\$ 1,750,160
1996	\$ 151,003	\$ 269,036	\$ 168,918	\$ -	\$ 93,314	\$ 5,487	\$ 88,567	\$ 218,536	\$ 500,405	\$ 1,495,266

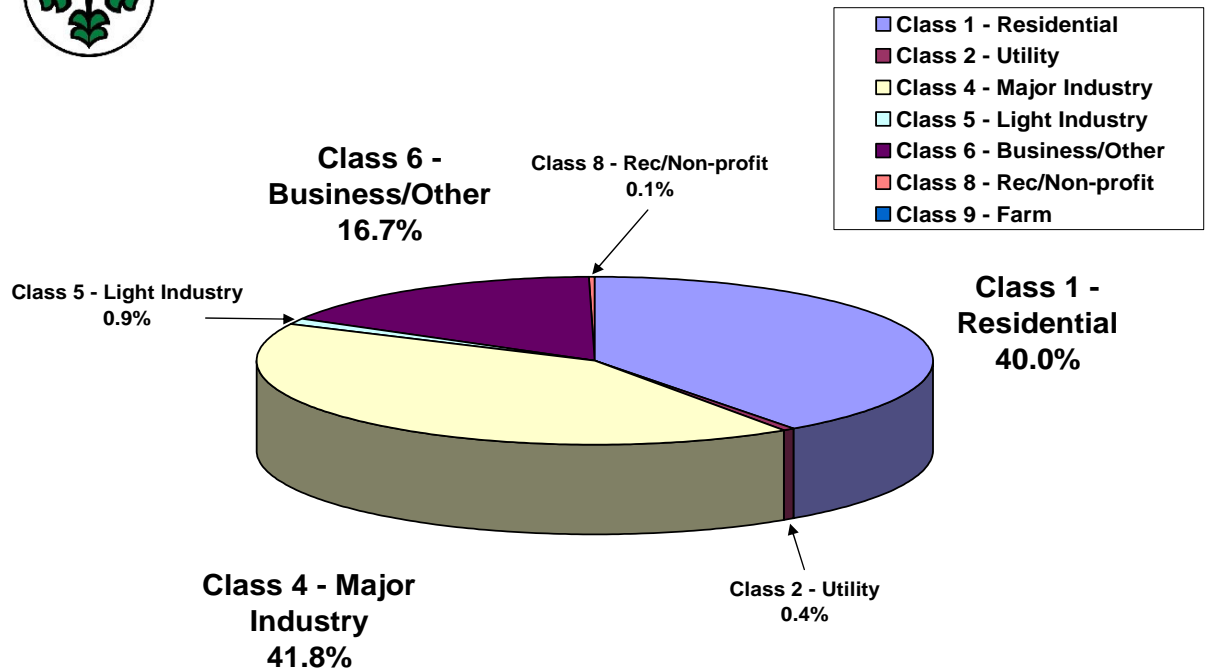
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2005 Assessed Values by Property Class

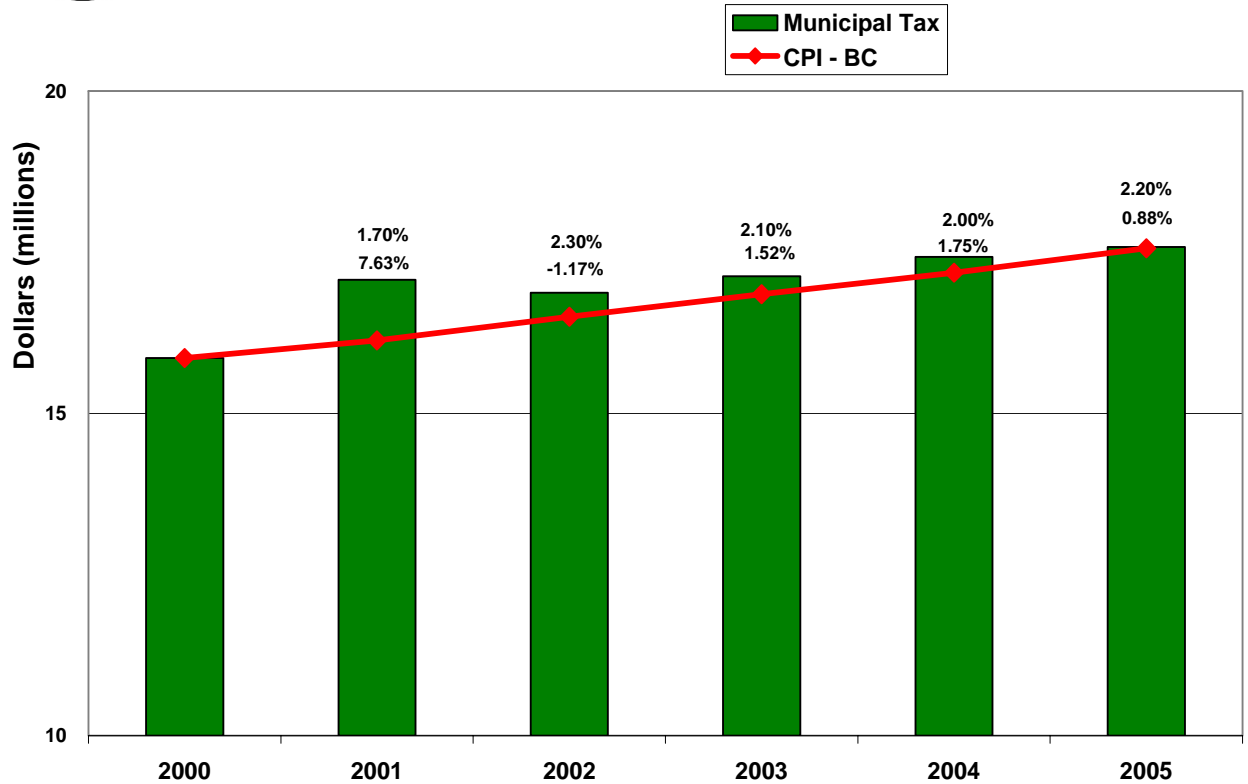


2005 Municipal Tax by Property Class

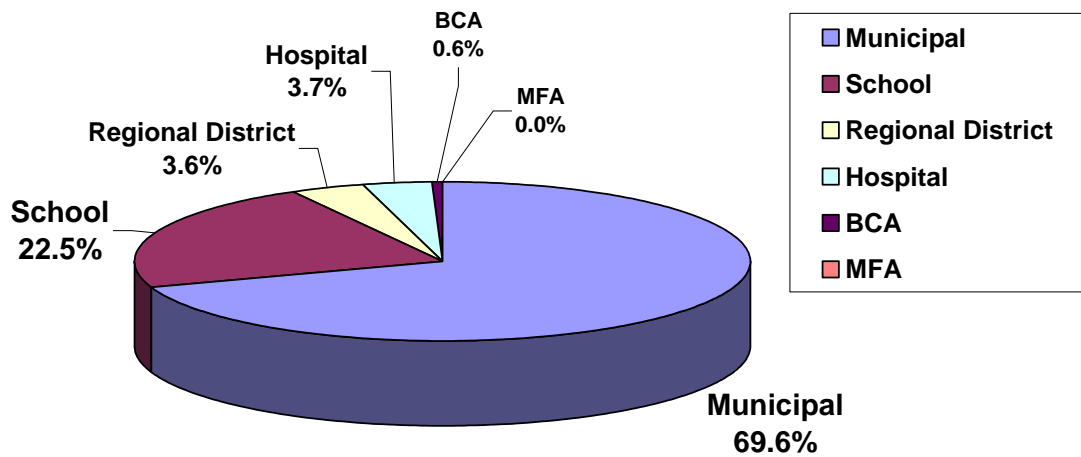




Property Tax Revenue / Consumer Price Index 2000 - 2005 Actual

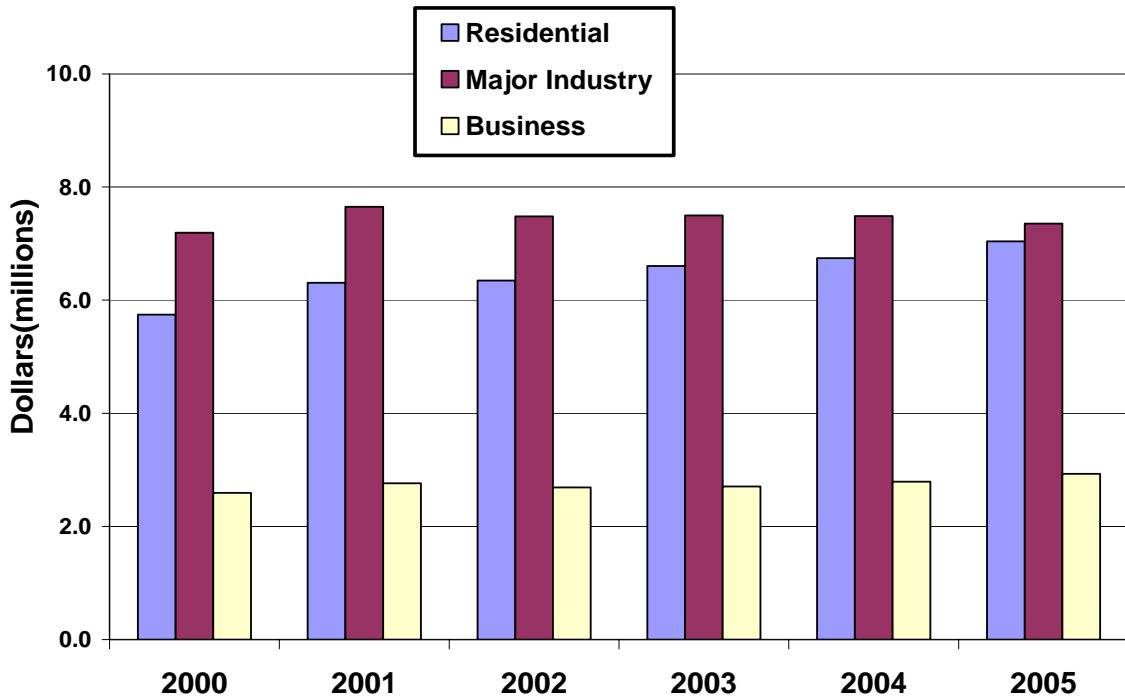


2005 Tax Levies including Collections for Other Agencies

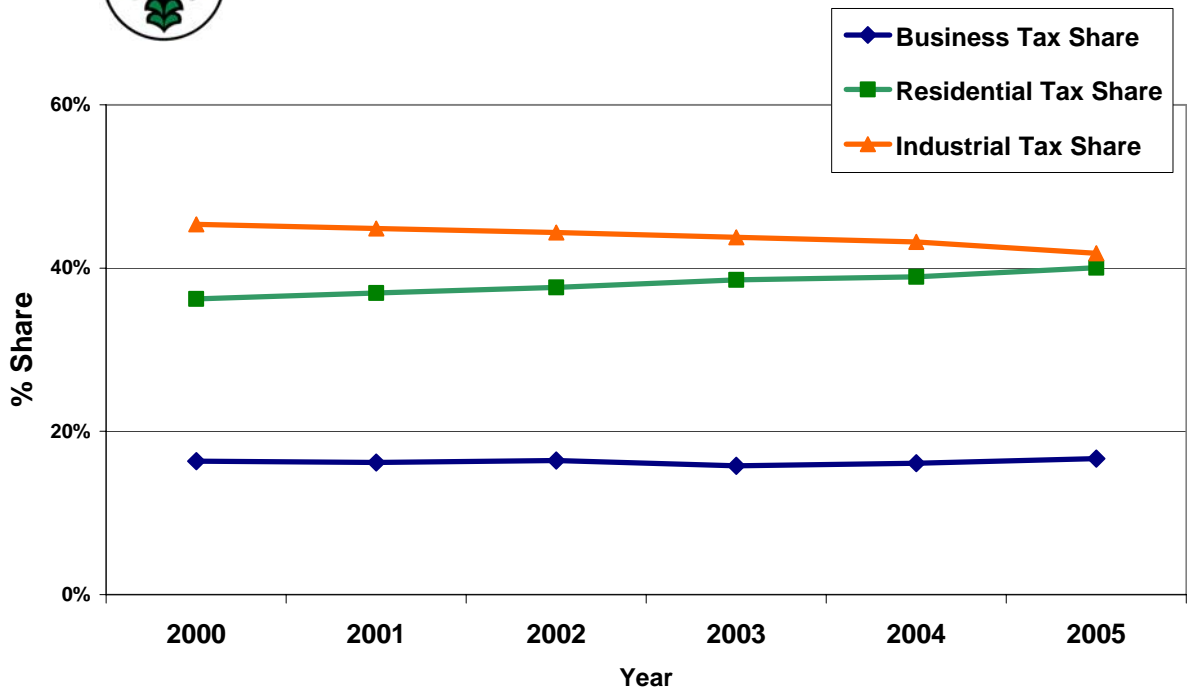




Property Taxes Major Categories 2000 - 2005

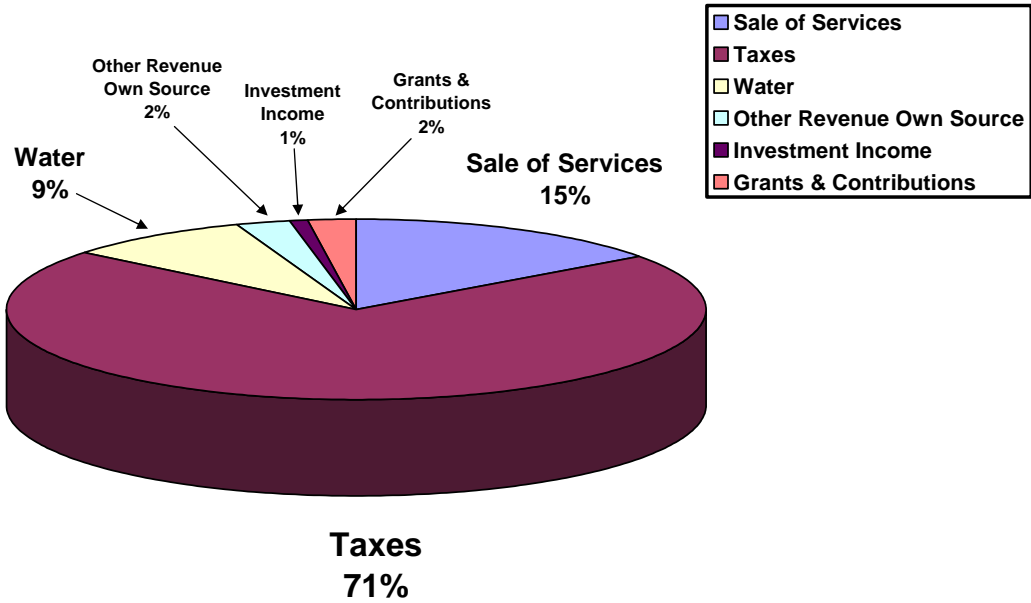


% Share of Tax Paid By Major Category

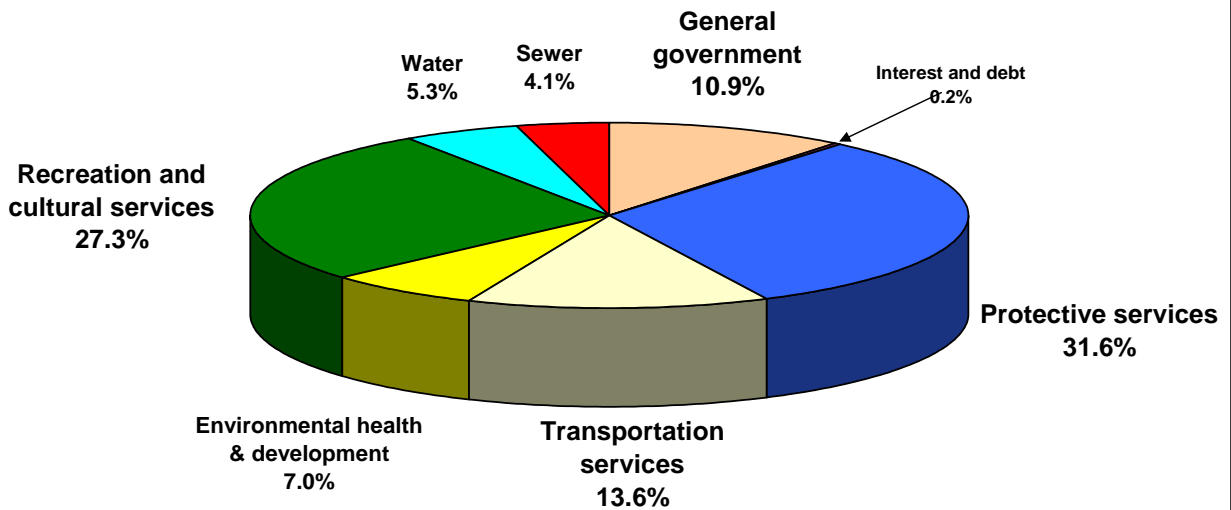




Distribution of 2005 Operating Revenues

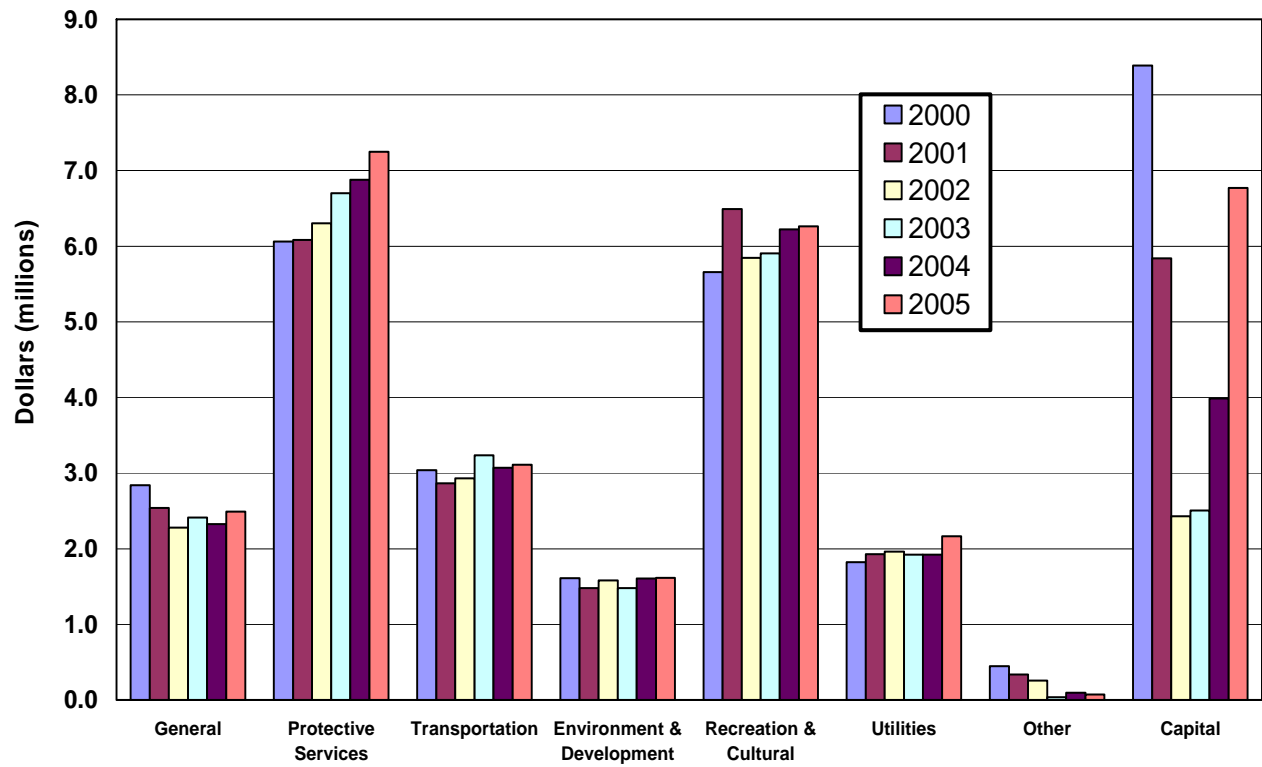


Distribution of 2005 Operating Expense



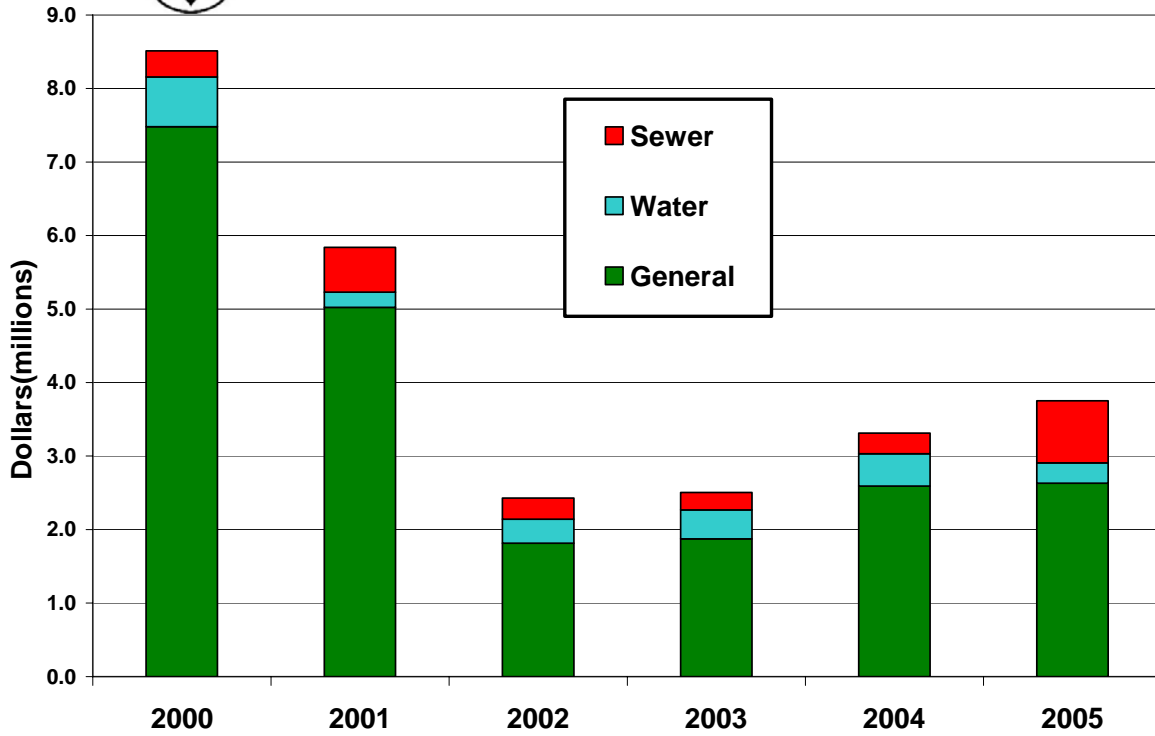


Expenditure by function 2000 - 2005

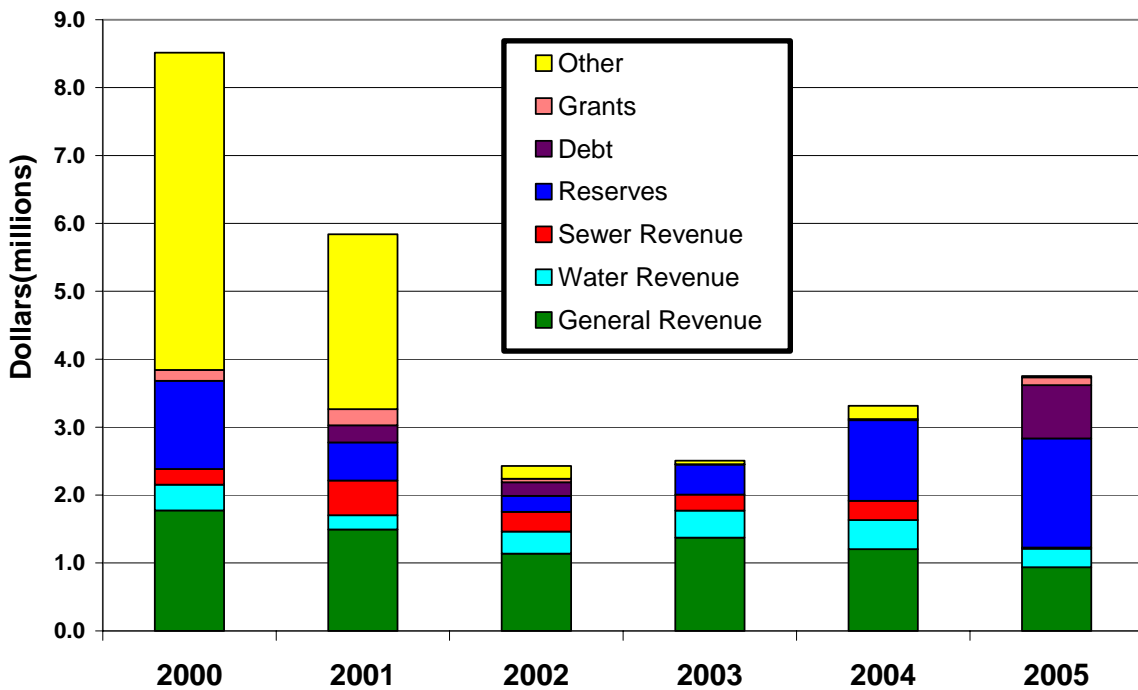




Capital Expenditures by Fund 2000 - 2005

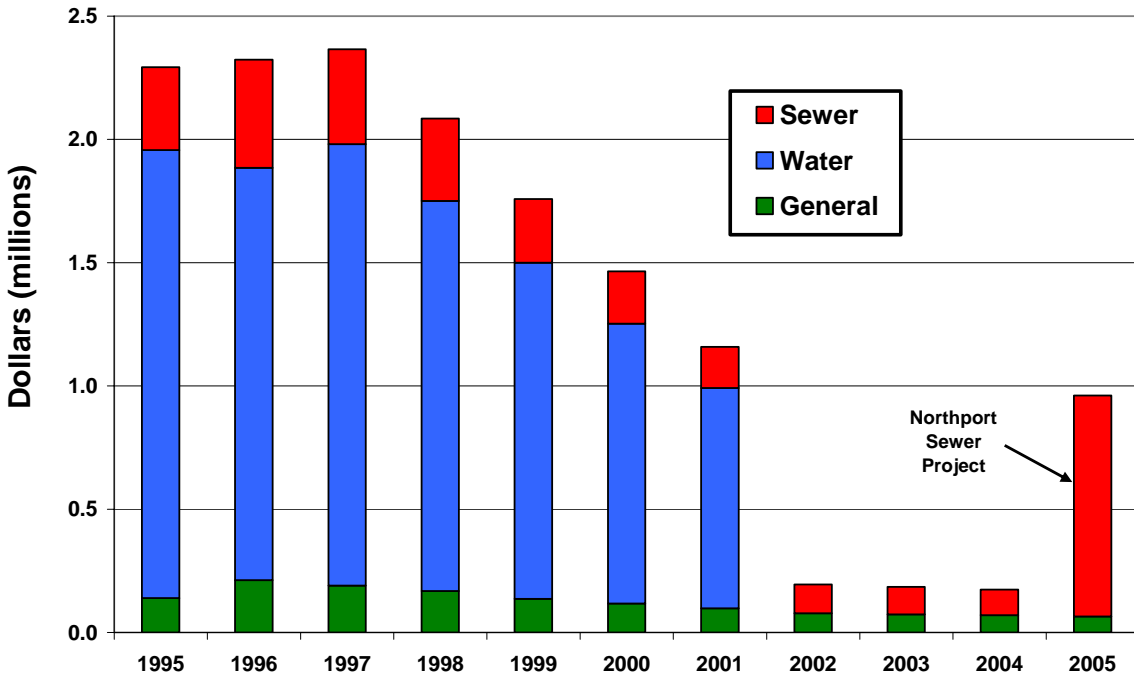


Capital Expenditures by Source 2000 - 2005

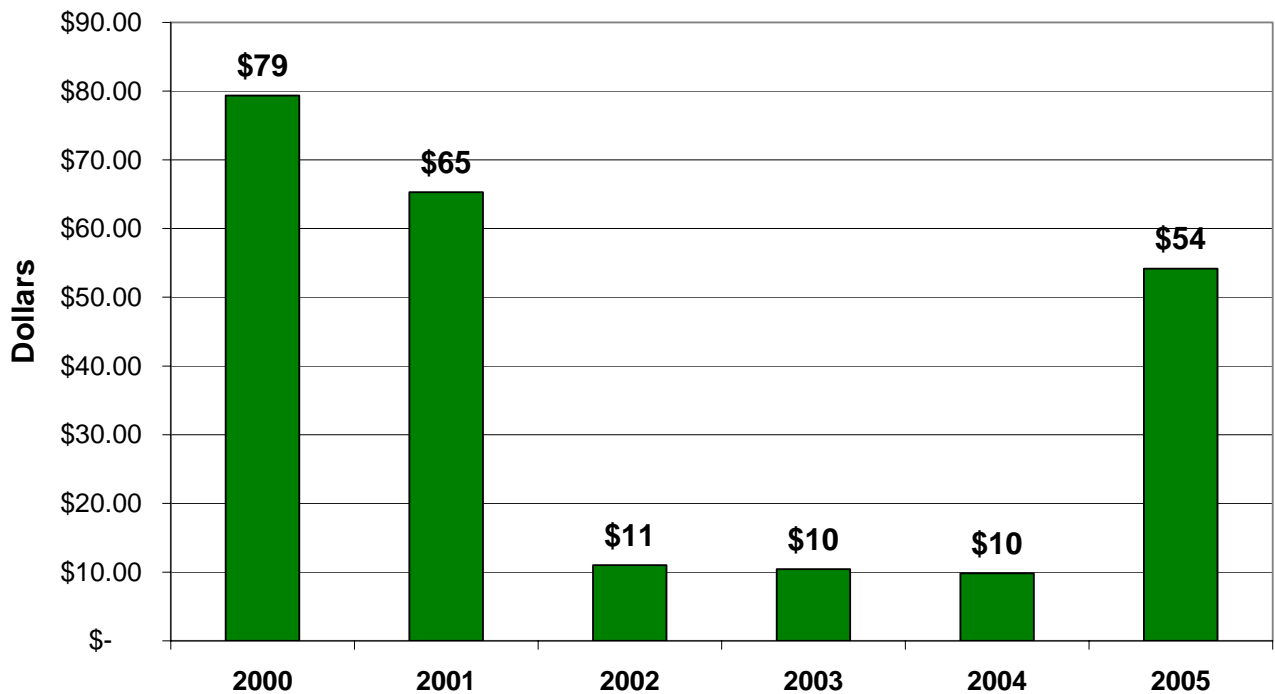




Outstanding Debt by Fund 1995-2005

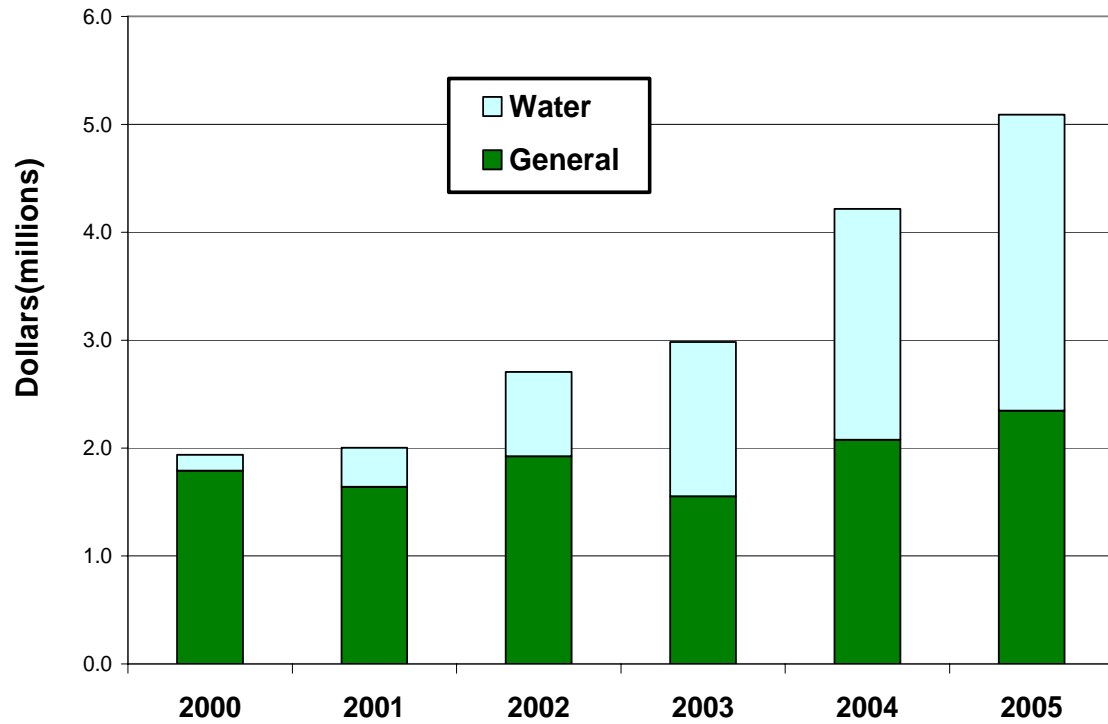


Debt Per Capita 2000 - 2005

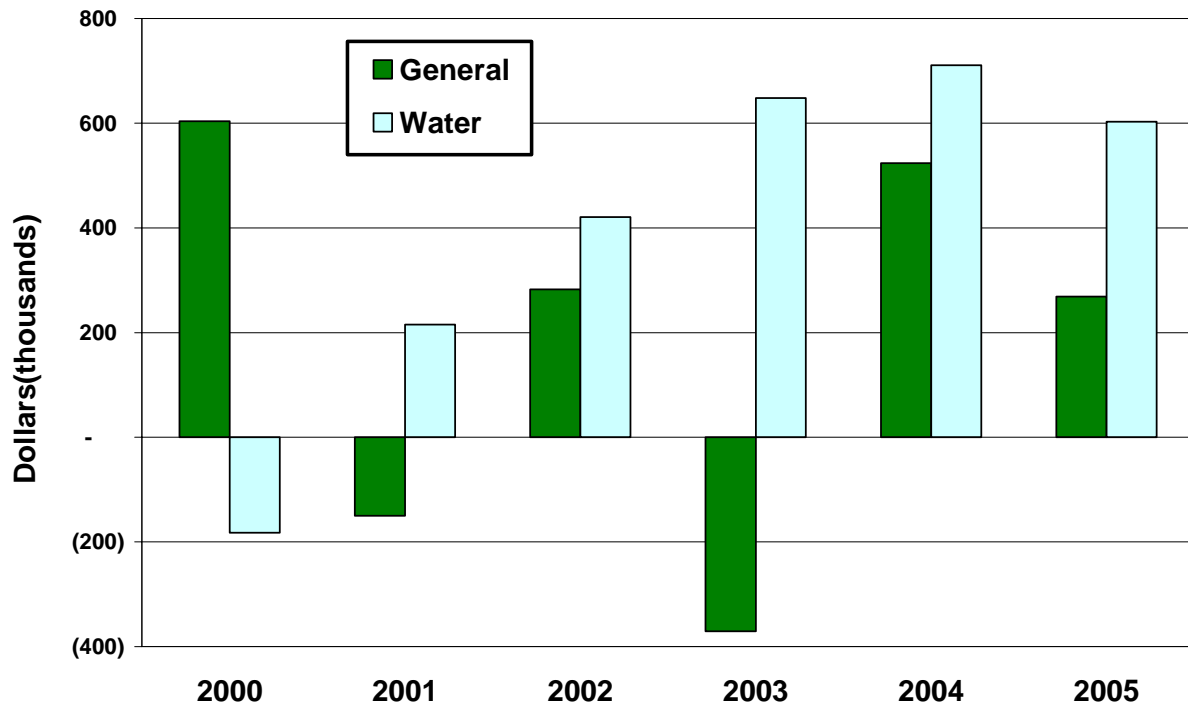




Accumulated Surplus

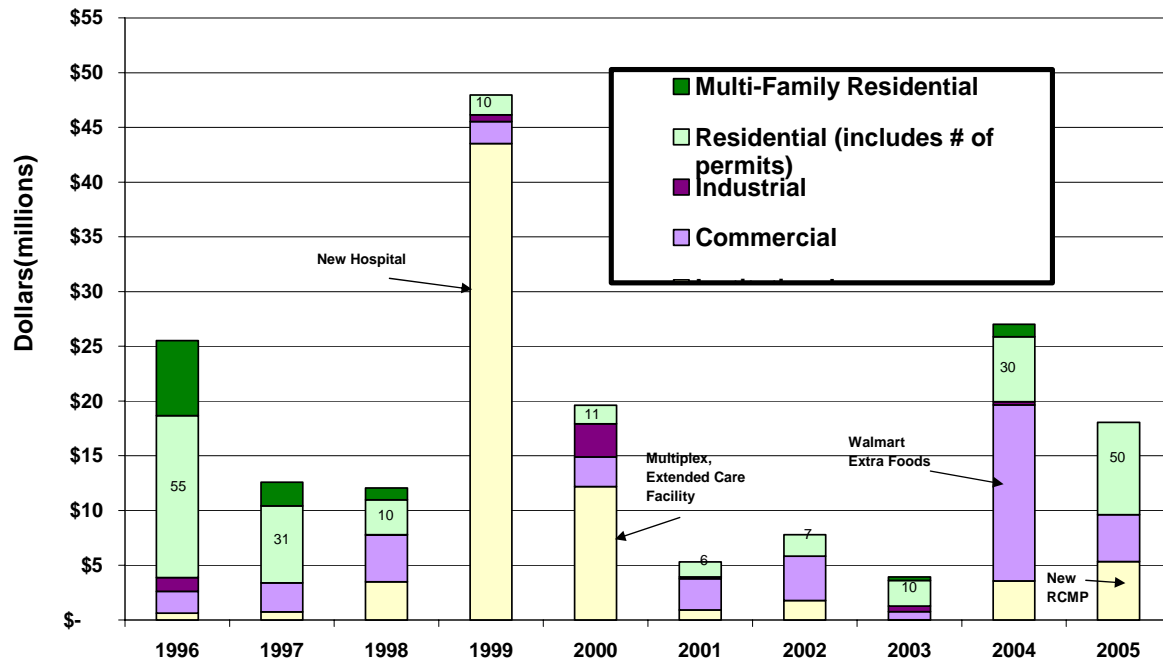


Surplus for the Years 2000-2005





Building Permit Values 1996 - 2005



CITY OF PORT ALBERNI VALUE OF CONSTRUCTION BY TYPE AND YEAR (including number of permits)

Year	Single Family		Multiple Family		Renos, Additions & Garages		Commercial Const		Institutional Const		Industrial Const		Total Value \$	Total Permits #
	\$	#	\$	#	\$	#	\$	#	\$	#	\$	#		
2005	\$ 7,581,220	50	\$ -	#	\$ 848,300	54	\$ 4,273,001	18	\$ 5,345,475	3	\$ -	#	\$ 18,047,996	125
2004	\$ 4,024,925	30	\$ 1,138,270	1	\$ 761,104	53	\$ 16,072,684	25	\$ 3,566,680	7	\$ 297,263	3	\$ 25,860,926	119
2003	\$ 1,302,100	10	\$ 300,000	1	\$ 752,605	43	\$ 747,133	15	\$ 20,500	2	\$ 500,000	1	\$ 3,622,338	72
2002	\$ 1,012,805	7	\$ -	#	\$ 955,565	36	\$ 4,040,340	30	\$ 1,794,196	9	\$ -	#	\$ 7,802,906	82
2001	\$ 931,000	6	\$ -	#	\$ 430,370	34	\$ 2,838,735	29	\$ 929,000	5	\$ 167,890	3	\$ 5,296,995	77
2000	\$ 1,268,000	11	\$ -	#	\$ 438,820	38	\$ 2,683,931	35	\$ 12,203,650	7	\$ 3,029,639	3	\$ 19,624,040	94
1999	\$ 1,164,900	10	\$ -	#	\$ 644,906	40	\$ 2,001,654	19	\$ 43,522,133	#	\$ 610,000	2	\$ 47,943,593	85
1998	\$ 1,420,000	10	\$ 1,069,000	1	\$ 712,500	51	\$ 4,254,000	17	\$ 3,502,218	6	\$ 32,300	1	\$ 10,990,018	86
1997	\$ 4,005,000	31	\$ 2,174,000	2	\$ 850,364	50	\$ 2,654,185	25	\$ 740,200	5	\$ -	#	\$ 10,423,749	113
1996	\$ 6,765,245	55	\$ 6,852,900	13	\$ 1,172,381	50	\$ 1,993,870	28	\$ 620,500	3	\$ 1,250,000	1	\$ 18,654,896	150
1995	\$ 4,004,416	30	\$ 1,667,600	4	\$ 1,033,353	69	\$ 3,709,554	42	\$ 2,274,445	9	\$ 7,800,000	2	\$ 20,489,368	156
1994	\$ 6,924,000	50	\$ 1,670,000	4	\$ 1,553,100	69	\$ 3,013,749	20	\$ 744,086	3	\$ 2,600,000	3	\$ 16,504,935	149
1993	\$ 5,446,500	47	\$ 1,056,000	4	\$ 794,450	60	\$ 2,971,747	34	\$ 6,293,000	9	\$ 170,000	2	\$ 16,731,697	156
1992	\$ 5,396,500	51	\$ 1,523,000	2	\$ 800,927	82	\$ 794,673	26	\$ 1,911,500	#	\$ 1,914,828	3	\$ 12,341,428	177