

# City of Port Alberni

2007

Comprehensive  
Annual

Financial Report

For the year ended December 31, 2007



**THE CITY  
OF PORT ALBERNI  
BRITISH COLUMBIA, CANADA**

**COMPREHENSIVE  
ANNUAL  
FINANCIAL REPORT  
2007**

FISCAL YEAR ENDED DECEMBER 31, 2007

This Document  
Prepared by the Finance Department  
on Recycled Paper

**CITY OF PORT ALBERNI  
INDEX TO COMPREHENSIVE ANNUAL FINANCIAL REPORT  
DECEMBER 31, 2007**

	PAGE
<b>INTRODUCTORY SECTION</b>	
Director of Finance's Letter .....	2
CAnFR Award .....	4
Directory of Officials .....	6
Municipal Council Assignments .....	8
Organization Chart of the City of Port Alberni .....	9
Map .....	10
Economic Condition and Outlook .....	11
Significant Local Events .....	12
Municipal Infrastructure .....	14
Summary of Services & Regional Relationships .....	18
Budget Process and Timing .....	21
Source and Use of Capital Funding .....	22
 <b>FINANCIAL SECTION</b>	
Index to Financial Statements .....	27
Auditors' Report .....	29
Consolidated Statement of Financial Position (Statement A) .....	31
Consolidated Statement of Financial Activities (Statement B) .....	33
Consolidated Statement of Changes in Financial Position (Statement C) .....	34
Consolidated Statement of Current Fund Operations (Statement D) .....	35
Consolidated Statement of Capital Fund Operations (Statement E) .....	36
Consolidated Statement of Reserve Fund Operations (Statement F) .....	37
Notes to Financial Statements .....	38
Capital Assets (Schedule 1) .....	46
Debenture Debt (Schedule 2) .....	47
Tax Levies and Grants in Lieu of Taxes (Schedule 3) .....	48
General Government Expenditures (Schedule 4) .....	49
Protective Services (Schedule 5) .....	50
Transportation Services (Schedule 6) .....	51
Recreation and Cultural Services (Schedule 7) .....	52
Sale of Services (Schedule 8) .....	53
Other Revenue from Own Sources (Schedule 9) .....	54
Sewer and Water Utilities (Schedule 10) .....	55
Reserves for Future Expenditures (Schedule 11) .....	56
Grants (Schedule 12) .....	57
 <b>STATISTICS SECTION</b>	
Miscellaneous Statistics .....	59
Assessment/Taxation Comparative Statistics .....	60
General Comparative Statistics .....	61
Demographic Statistics .....	63
Major Property Taxpayers in Port Alberni 2007 .....	65
Five Year Plan 2007 - 2011 .....	66
Consolidated Revenues by Source .....	67
Consolidated Expenditures by Function and Object .....	68
Capital Assets Acquired – Last Five Years .....	70
Debt Retirement Graph .....	71
Debt Per Capita Graph .....	72

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**INTRODUCTORY SECTION**

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# CITY OF PORT ALBERNI

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

Fax: (250) 723-1003

May 15, 2008

Mayor and Council  
City of Port Alberni

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, 2007 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, 2007. 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 2007 fiscal year with an increase in the consolidated fund balance of \$707,694.

A summary of the 2007 overall fund balance increases (decreases) are as follows:

Operating Fund	\$ 758,996
Capital Fund	(302,525)
Reserve Accounts	334,071
Reserve Fund Operations	<u>(82,848)</u>
	\$ 707,694

Financial management policies and procedures are in place to assist in the management of the City's financial affairs. The approved policies and procedures are designed to meet the requirements of legislated standards and accounting principles. Significant financial management policies include:

- Investments - Funds that are not currently being used are invested in accordance with approved policies which meet the requirements of the various pieces of legislation that govern municipal investments. The City invests these funds in shorter term investment instruments to accommodate major capital project funding.
- Utilities - The City's policy is to not use general taxation to fund the provision of water service or solid waste collection services. These services are funded through user fees which are charged to only those who benefit from the services. In 2007 the City included sewer services in this policy.

Investment earnings increased significantly from the year before and registered a total of \$800,322 in 2007. Total investment income for the year 2006 was \$733,935 compared to \$492,654 in 2005, \$394,571 in 2004, \$48,043 in 2003, and \$324,347 in 2002.

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
2007	\$582,000	\$1,164
2006	\$0	\$0
2005	\$152,000	\$211
2004	\$102,000	\$67
2003	\$0	\$0

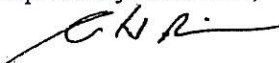
The City's 2007 long-term debt decreased from \$4,696,431 to \$4,497,715. The City's 2007 capital program of \$4,871,873 includes expenditures funded \$2,771,559 from current revenue, grants and donations, \$1,790,485 from Reserves, and Work In Progress of \$309,829 which was unfunded at year end.

The municipal statistics section of the report reveals that total taxes collected as a percentage of current levy at 98.2% for 2007, has slightly decreased over the level of performance of last year at 98.3%. Overall unpaid taxes have decreased by \$4.82 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 2007
- 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, 2006. 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 2006 Annual Financial Report was the fourteenth 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, 2006

A Canadian Award for Financial Reporting  
is presented by the Government of 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.



*Cherise S. Cox*  
President

*Jeffrey L. Esser*  
Executive Director



# Directory of Officials



**Port Alberni Mayor  
and City Council**

**Back row:** Councillor C. Mealey, Councillor C. Solda, Councillor J. McLeman, Councillor I. Patterson  
**Front row:** Councillor K. Whiteman, Mayor K. McRae, Councillor H. Chopra

**Appointed Officials**

City Manager .....	K. Watson
City Clerk/Deputy City Manager .....	R. Dyson
Director of Finance.....	A. Hopkins
City Engineer.....	G. Cicon
Director of Parks and Recreation .....	S. Kenny
Fire Chief .....	L. McGifford
Building Inspector .....	W. Bjornson
Manager of Information Services .....	W. Kalyn
Licence Inspector .....	J. Payne
City Planner.....	S. Smith
Area Assessor - B.C. Assessment .....	B. MacGougan
Solicitor .....	Beckingham & Co.
Officer Commanding RCMP Detachment .....	G. Wellar
Emergency Program Coordinator .....	R. Harper
Chair-V.I. Health Authority .....	J. Kreut
Auditors .....	Duncan Sabine Collyer Partners LLP
Bankers .....	Bank of Montreal

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## Directory of Officials (continued)

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### 2007/08 Advisory Planning Commission

*Chairman* K. Rolls  
*Vice Chair* B. Mellaart  
J. Penner  
B. Ronning  
B. Randles  
L. Ransom  
T. Snickers  
C. Mealey  
Cpl. Foster  
J. McLeman

### 2007/08 Community Heritage Commission

*Chairman* K. Rutherford D. Mayba  
D. Tranfield D. Lord  
S. Steven J. Carlson  
R. Player D. Dryden-Knoll  
B. Hamilton M. Dietrich  
I. Patterson M. Williamson  
G. Clutesi J. Creighton  
P. Cote R. Gund  
D. Coulson C. Schella

### 2007/08 Community Forest Advisory Committee

*Chairman* Mayor K. McRae  
J. McLeman  
D. Powell  
D. Bishop  
D. Dowling  
G. Swann  
N. Malbon  
P. Cote  
W. Lauder  
L. Sam



# CITY OF PORT ALBERNI

## MUNICIPAL COUNCIL ASSIGNMENTS – RESPONSIBILITIES FOR CITY SERVICES DECEMBER 31, 2007

### COMMUNITY SERVICES, ECONOMIC DEVELOPMENT & TOURISM:

Chair	Councillor K. Whiteman Councillor C. Mealey	Parks and Recreation, Youth, First Nations, Economic Development and Tourism.
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### GENERAL GOVERNMENT SERVICES:

Chair	Councillor H. Chopra Councillor C. Solda	Administration, Personnel, Finance, Land Sales/Purchases, Legislative (including bylaw enforcement).
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### HEALTH AND PROTECTIVE SERVICES:

Chair	Councillor C. Solda Councillor I. Patterson	Animal Control, Building Inspection, Fire, Police, Seniors, and Continuing Care.
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### HERITAGE AND CULTURE:

Chair	Councillor I. Patterson Councillor K. Whiteman	Museum, McLean Mill, Heritage, and Education.
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### TRANSPORTATION, UTILITIES AND FORESTRY ISSUES:

Chair	Councillor J. McLeman Councillor H. Chopra	Streets, Traffic, Transit, Water, Sewer, Cemetery, Garbage Collection and Forestry.
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### PLANNING, EDUCATION AND ENVIRONMENTAL SERVICES:

Chair	Councillor C. Mealey Councillor J. McLeman	Planning, Zoning, Environmental Issues and Library.
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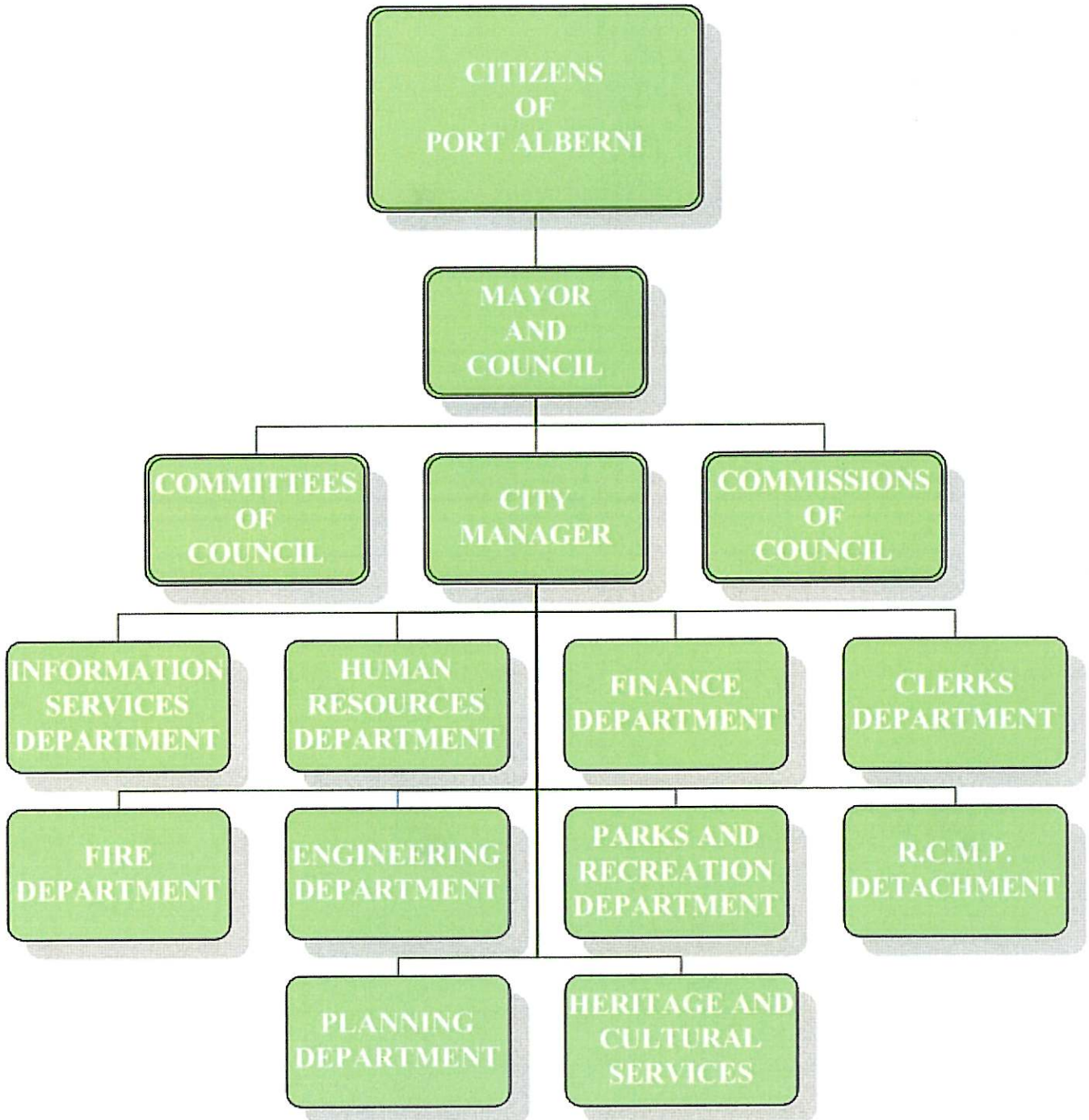
### PERSONNEL:

Chair	Mayor K. McRae Councillor H. Chopra Councillor C. Solda	Personnel
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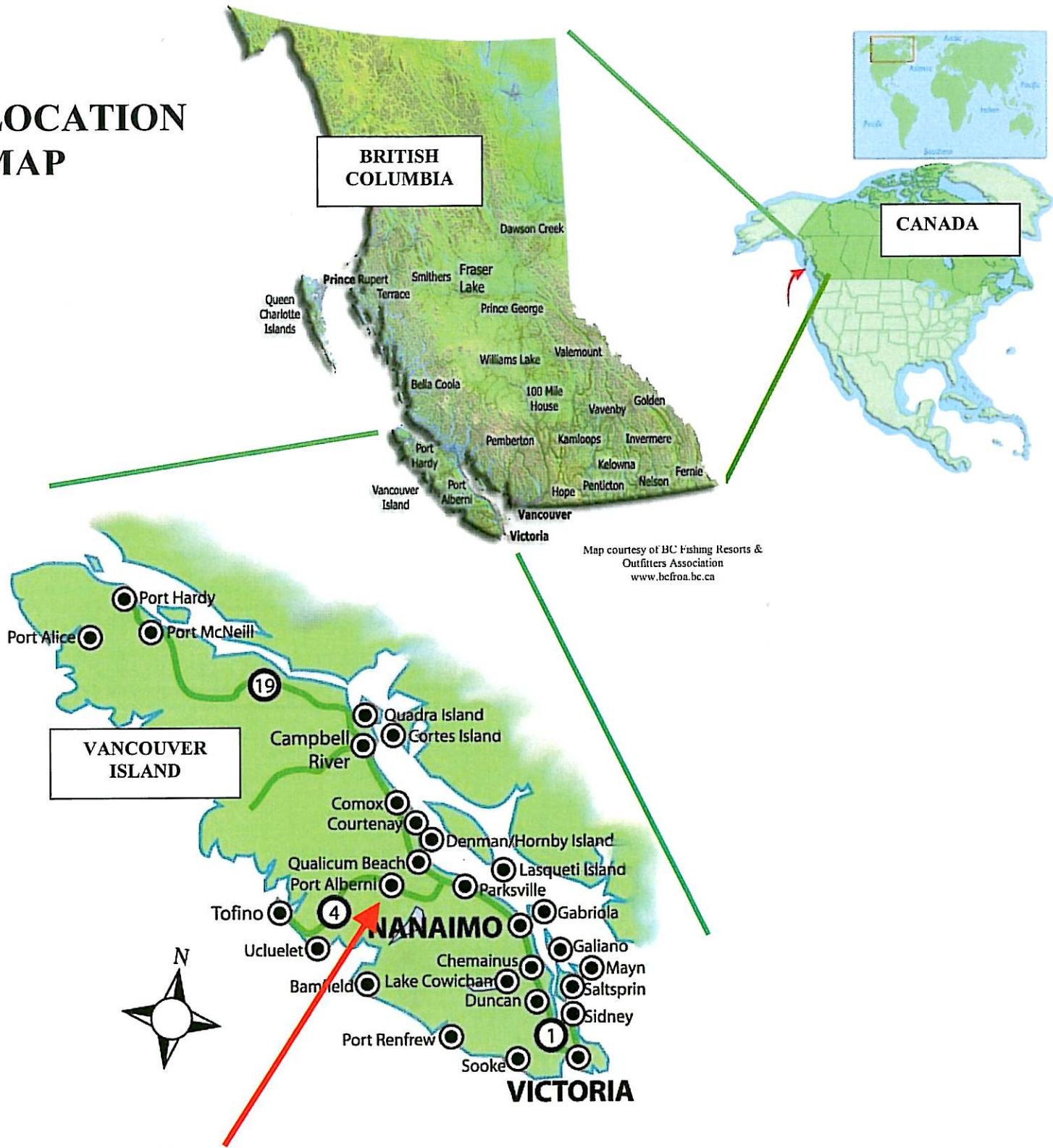
### AUDIT:

Chair	Councillor H. Chopra Councillor K. Whiteman Councillor J. McLeman	Audit
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CITY OF PORT ALBERNI  
ORGANIZATION CHART



# LOCATION MAP



Map courtesy of BC Fishing Resorts & Outfitters Association  
www.bcfra.bc.ca



**PORT ALBERNI**

## Economic Condition and Outlook

Port Alberni is an affordable waterfront community at the heart of the west coast of Vancouver Island. It is situated at the end of a 48 kilometre-long inlet, surrounded by mountains, lakes, rivers and streams. This location provides stunning views, terrific outdoor recreational opportunities and abundant quantities of high quality fresh water.

Port Alberni has a deep sea port, a new hospital, a new shopping mall, a well-developed array of recreational facilities, a growing suite of regionally-significant tourism attractions and a small airport.

While forestry and related manufacturing have long been the main-stay of the Port Alberni economy, diversification efforts are being directed into many different sectors.

In spite of considerable downsizing in the forest industry over the last few decades, the population in Port Alberni has remained relatively constant. A marked increase in commercial and residential development in the City over the last four years is being fueled by the fact that our community has some of the lowest property costs in British Columbia. This is attracting retirees and young families who see the opportunity to get into their own housing. The 2007 value of new residential construction (single family and multiple family units) was \$10,043,810. Though this is down from 2006, commercial construction values in 2007 were \$10,129,843 which is 225% over 2006 levels.

In Port Alberni the lumber and paper industries remain the largest employers and the largest taxpayers. These industries have a tremendously positive local impact. However, the B.C. Coastal Forest Industry continues to face serious economic challenges. The collapse of the US

housing market, the strong Canadian Dollar, increasing competition from emerging foreign producers, rising fuel prices and higher than average taxes have all played a role in challenging the local forestry industry. The unions, the City and the companies are working together to keep the local operations sustainable under these difficult conditions. Ground-breaking labour agreements around flexibility and municipal tax concessions have resulted in new investment by the Catalyst Paper Corporation and the re-opening of a paper machine here.

This year City Council approved accelerated tax reductions for the Major Industry class totaling \$2.1 million to be implemented over the next five years (2008-2012). These reductions will be achieved through a combination of expenditure reductions, increased revenues and a shift of the tax burden toward the residential sector. City Council also successfully lobbied the provincial government for tax reductions for the Major Industry class.

Maintaining the City's infrastructure and continuing to deliver quality services while providing property tax reductions to industry is one of many challenges being faced by the municipality in the next decade. This 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.

Other economic challenges include those brought by climate change, rising fuel prices, shifting demographics, dependence on a single-resource sector and environmental issues.

The City has brought a Climate Change Committee into being and will be receiving their first recommendations in mid-2008. Early reports from outside observers are that the work of that Committee will put Port Alberni at the forefront of municipal climate change initiatives.

A range of local community initiatives are addressing some of the other challenges. An economic development strategic plan for the Alberni Valley will also be released in mid-2008.

Port Alberni has a relatively stable financial position. Overall operating reserves have increased due to surpluses in both the General Revenue Fund and 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 2007 work totaling \$4.6 million was completed. Significant projects included the Echo Library renovations at a cost of \$1.48 million and improvements to the Alberni Valley Multiplex at a cost of \$469,000. Funding for these projects included \$1.07 million in government grants and \$874,000 in contributions from City reserves. There was no borrowing required for the 2007 capital projects and future budgets estimate that less than \$1 million will be required over the next four years. Port Alberni's debt per capita for 2007 is \$256.31 and is ranked at eighty-nine of the 131 BC municipalities with outstanding debt.

## Significant Local Events 2007

### Planning

The Planning Department processed 15 subdivision applications in 2007. The majority of the applications were small infill subdivisions. Preliminary layout approval was given for the following larger subdivisions:

- A 39-lot subdivision on Burde Street.
- A 10-lot subdivision on Josephine Street.
- An 11-lot subdivision on Grandview Road.
- A 6-lot subdivision on Argyle Street.

Final approval was given following larger subdivisions:

City Council adopted a new Official Community Plan in 2007. A joint Uptown and Waterfront Redevelopment Study between the Port Authority and the City of Port Alberni was completed in 2007. The study was focused on developing strategic recommendations and providing direction for the future of portions of the Waterfront and the Uptown Core. Implementation of the study will begin in 2008.

The construction of the new Pacific Rim Shopping Centre substantially completed in 2007 with a total square footage of approximately 80,000 square feet.

The major redevelopment of the Alberni Mall continued, including a newly constructed stand alone Boston Pizza building.

### Fire Department

In 2007, a majority of the fire loss in Port Alberni was attributed to residential structure fires and was estimated to be approximately 1.1 million dollars. Of the fires occurring in single and multi-family residential dwellings, the causes for a majority of them were determined as accidental in nature, with some being attributed to unsafe cooking and heating practices. Some of these residential fires occurred in the early morning hours during the normal sleep time periods. There were no fire related deaths in 2007 with only a few minor fire related injuries.

The City's overall number of emergency calls through the 911 fire dispatch center decreased by approximately 10% from the previous year, however the number of structure fires remained relatively constant, as did too the automobile rescue/extrication and medical first responder responses. The Fire Department

continued to provide both land based as well as marine (fireboat) firefighting services. The fire department continued to respond to incidents caused by the extreme and unusual weather events that carried on from 2006 in to 2007.

During 2007 there was more use of the bilateral mutual aid agreements, with the City fire department both receiving assistance from and responding to assist the neighbouring fire departments.

During 2007 the Fire Department continued to make advances in public education and fire safety initiatives. The number of business and multi-residential building inspections were increased by about 10% over 2006. A few projects were carried out to extend the life of fire department's infrastructure, including the construction of a new 45 foot radio antenna tower that allowed the transfer of the communication antennas from a non seismic building to a dedicated free standing steel tower, and repairing the weather damaged fire boat shed to provide added security for the fireboat.

### Parks & Recreation

Major winter storms late in 2006 caused severe damage to trees and facilities throughout the Alberni Valley. Property damage related to falling trees was low in comparison to the number of fallen trees. While only fifteen boulevard trees required removal, hundreds blew over in natural areas and cleanup and removal will extend well into 2007. The final net value of logs sold as a result of this storm damage was approximately \$150,000.

Upgrades to the upper lounge at the Alberni Valley Multiplex were completed in 2007 and included expanding the floor area by an additional 1000 square feet, new mechanical systems, acoustic panels, painting, lighting and flooring. The Provincial Government provided 50% of the project funding (\$330,000) from the Olympic/Paralympic Live Sites

Winter Wonderland at the Multiplex continued to be an extremely popular special event attracting an estimated 8,000 residents and visitors to the Valley. One of the highlights and moving moments of the event was a special figure skating show by the Mount Arrowsmith Skating Club for approximately 40 seniors from Fir Park and Echo Village.

Significant events for 2007 included the BC Bike Race which was attended by 180 international riders in the inaugural race. The course travels in back country between Victoria and Whistler and organizers hope to reach their target registration of 400 riders in the 2008 race. The Multiplex hosted the first ever Alberni Valley Junior Prep Hockey Camp during July and August. This camp was formally held in Courtenay and the new owners were delighted with the response and support from facility staff and look forward to their return in 2008. On the local sports fields there were two Provincial events, the BC U12- 14 Boys Soccer Championships and the Alberni Valley Minor Softball Association BC Softball Championships Celebrations commemorating the 40<sup>th</sup> anniversary of the amalgamation of Alberni and the Port of Alberni and the opening of Echo 67 Community Centre were held on Saturday, October 27. The amalgamation created a flurry of building activity including a new City Hall, RCMP building, City Works complex, and Fire Hall.

The highlight of the year was the opening of the renovated and expanded library in December 2007 with Provincial Government funding in the amount of \$867,000 and the balance from the City of Port Alberni. The new facility has doubled in size to 7,500 square feet and includes expanded internet stations, a children's corner, fireplace and lounge area and a significant increase in book inventory.

### Alberni Valley Museum

The Alberni Valley Museum works with the community to preserve and make accessible all aspects of the cultural heritage of Port Alberni. The Museum contributes to the diversification of the economy through heritage tourism via facilitating the work of volunteers and support for the resources in the Alberni Heritage Network.

Highlights:

- 2007 attendance - 28,287. This includes 1,154 children taking part in school programs.
- The AVM was the only venue in BC to host the exhibit "Le Rocket: The Legacy of Maurice Richard", from the Canadian Museum of Civilization.

## Significant Local Events 2007 (cont'd)

This unique collection brought high attendance and strong emotional response from local and out of town visitors.

- The exhibit "How We Are, How We Want to Be: 25 Years of Nuuchahnulth Faces, Places and Culture, Photographs by Bob 'Suds' Soderlund" provided a unique overview of recent cultural history as portrayed in the *Ha Shilth Sa* newspaper. Curated by 2 young First Nations women under the mentorship of Museum staff, this exhibit attracted a large First Nations audience. The exhibit will travel to other facilities on Vancouver Island during 2008.
- Summer exhibits on the common theme of 'electricity' linked the 3 attractions in the Heritage Network.
- The museum was successful in increasing attendance on the 2 days of minimum visitors (when the steam sawmill is not operating) by developing and delivering an innovative curatorial tour of the McLean Mill site.
- A significant portion of the collections backlog was installed in the permanent gallery.
- The museum roof was replaced, bringing great improvements to the facility.

Additional funding was secured through a number of initiatives: the BC Arts Council provided funding for 2007 operations and the 'Soderlund' exhibit; Historica funded the very successful regional Heritage Fair; funds were generated by retail sales, our popular Film Fest and door donations doubled in 2007; the UBCM Tourism fund was used to develop promotional material for the Heritage Network.

### McLean Mill National Historic Site

Overall attendance at the McLean Mill and Alberni Pacific Railway was 14,614.

2007 saw the introduction of a number of significant operational activities including; contracting out of the Steam Pot Cafe to Batstar Cafe & Picnic, locomotive cab rides, and guided Shadow Tours for the non-operational days. Two new 'special events' were initiated; the Golden Oldies Car Show and the Antique

Truck Show - both of which were well attended. Also, there were two large charters for the Mill and train; the BC Woodlot Associations AGM, and the Canadian Association of Railway Modellers' National Convention - Pacific Rails. Celebrity Cruises, which dock in Nanaimo, contracted the McLean Mill for 11 shore excursions providing additional revenue and exposure to our export ready product.

Volunteers have been, and continue to be, a significant component of the Mill's success. In 2007 volunteers donated an estimated 8,000 hours through a variety of activities and events including; train operation, building and equipment restoration, retail operation, catering, and assistance with the 24 days of Special Events. And finally, the McLean Mill and Alberni Pacific Railway, whenever possible, are made available to non-profit organizations. In 2007, 15 organizations and individuals made use of the facilities, received lumber donations, and/or complimentary passes.

### 2007 Works Program

Each year a number of capital projects are undertaken to maintain and improve the City's infrastructure. In 2007 street projects included South Crescent from 8<sup>th</sup> Avenue to 10<sup>th</sup> Avenue and Shaughnessy Street from Strathcona Street to Tebo Avenue. Three projects in South Port diverted storm water from our combined sewer system to help with flooding that has been occurring during severe weather events. Improvements were also made to our water distribution network, replacing mains and decreasing the number of dead end mains in the network. Three residential subdivisions were completed by developers adding to the City's street and utilities infrastructure: a six lot subdivision at the east end of Argyle, an 11 lot subdivision on Otter Place and a 38 lot subdivision north of Burde Street and east of Estevan Drive.

### 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 mandate of the RCMP is the enforcement of Federal, Provincial and Municipal law.

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, Tseshah 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 along three business lines or contracts. There are Municipal, Provincial and First Nations Policing components. The municipal policing service includes disciplines such as General Duty Investigations, Drug Enforcement Unit, Major Crimes, Police Dog Service, Forensic Identification section, Traffic Enforcement section, School Resource Officer and a Police based Victim Services Unit. Our Community Policing Program engages volunteers whom have donated more than 10,000 hours in support of policing initiatives.

Material assets include: 22 police vehicles marked and unmarked, a Police Boat for Marine Patrols of the Alberni Inlet and Sproat Lake, All Terrain Vehicles for Rural Patrols, and Community Policing Satellite Office located in uptown Port Alberni. In October 2007 the detachment marked its first year of occupancy of the new offices located on Morton Street. The new building was purpose built and will meet the needs of policing for decades to come. In May 2007 the detachment went "on line" with PRIME which is an evolution in our Information Management Environment. The highlight of the PRIME system is the integrated, real time collection and sharing of information with other Police services. In October 2007 the RCMP in Port Alberni launched a Crime Reduction Strategy as a major initiative.



## **Municipal Infrastructure**

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 or 10th 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 will help reduce

peak consumption periods and postpone 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 and Somass River as well as into several creeks within the City boundaries.

## **Municipal Infrastructure (Cont'd)**

### **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 drop-off depot for recyclables within the City located in the downtown area

### **Cemetery**

The City operates and maintains the Greenwood Cemetery. 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 administration and technical 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 concluded 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 Accommodation and Real Estate Services, a division of Shared Services BC.

### **Public Safety Building**

The new Public Safety Building located at 4444 Morton Street was completed in the fall of 2006. This new facility provides a safe, efficient and modern building which will adequately house our RCMP detachment for many years to come. This \$6 million project was financed through City reserve funds and borrowing.

### **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

## **Municipal Infrastructure (Cont'd)**

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 Replacement Fund.

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## CITY OF PORT ALBERNI

### 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

A regionalized library collection and distribution system that provides 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.

**Alberni Valley Tourism**

A destination tourism marketing organization to promote the Alberni Valley's attractions and events to potential visitors.

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

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**CITY OF PORT ALBERNI**  
**BUDGET PROCESS AND TIMING**

**BUDGET PROCESS FOR THE YEAR 2007**

Bill 88 passed in the fall of 2000 requires municipalities to prepare a 5 Year Financial Plan which is adopted annually by bylaw before May 15. The Plan may be amended at any time by by-law. 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 2007 budget activities began with a public consultation process on the 5 year plan in the form of round table discussions held at the Alberni Valley Multiplex in late February, 2007. In March, City Council reviewed the input received both during the round table and subsequent submissions. Beginning on March 13<sup>th</sup> through to the 15<sup>th</sup>, City staff presented a review of departmental budgets followed by an overview and discussion of tax rate scenarios. Council then provided direction for the 2007-2011 5 year plan. The 5 year plan Bylaw #4657 was adopted April 10, 2007.

The 5 year plan Bylaw #4657 was amended by Bylaw #4684 which was adopted December 20, 2007.



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

**GENERAL GOVERNMENT:**

Computer hardware and software	\$ 83,425	
Phone system buy-out	<u>14,554</u>	\$ 97,979

**FIRE PROTECTION:**

Replacement vehicle – Fire Chief	31,515	
Communication upgrades	19,926	
Small capital equipment/furnishings	3,249	
Replacement fire nozzles	19,885	
Scott mask voice amplifiers	2,633	
Hydraulic rescue tool	2,560	
Pressure vent fan	2,108	
Thermal Imaging Camera	<u>3,650</u>	85,526

**POLICE PROTECTION:**

New RCMP Detachment - completion	<u>100,621</u>	100,621
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**PUBLIC WORKS:**

Public works equipment	285,679	
Paving and road reconstruction:		
Redford St – 3 <sup>rd</sup> Ave to 5 <sup>th</sup> Ave	90,281	
Hilton Ave	53,304	
Bute St – 13 <sup>th</sup> Ave to 15 <sup>th</sup> Ave	55,414	
Bruce St – Anderson Ave to 15 <sup>th</sup> Ave	61,220	
10 <sup>th</sup> Ave – Scott St to Neill St	71,274	
South Cres – 8 <sup>th</sup> Ave to 9 <sup>th</sup> Ave	243,813	
Shaughnessy St – Strathcona St to Tebo Ave	126,453	
Storm Drain Construction:		
Dobie subdivision	14,954	
Other:		
Audible signals	5,995	
10 <sup>th</sup> Ave & Redford St signalization	186,607	
Sign plan implementation	17,708	
Sidewalk replacements – 10 <sup>th</sup> Ave	25,984	
Work-in-progress – Bus shelters	<u>30,000</u>	<u>1,268,686</u>

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

**CULTURAL SERVICES:**

Museum – small equipment	\$ 7,801	
McLean Mill – water system completion	3,591	
McLean Mill – mill development	<u>3,398</u>	\$ 14,790

**PARKS AND RECREATION:**

Facilities equipment	27,604	
Echo library renovations	1,260,017	
Museum lower roof	64,569	
Alberni Valley Multiplex upgrades	63,384	
Parks equipment replacement	132,643	
Harbour Quay light post replacement	<u>51,183</u>	1,599,400

**WATER SYSTEM:**

Equipment	11,257	
Distribution system	225,044	
Work-in-progress – Distribution system	<u>907,791</u>	1,144,092

**SEWER SYSTEM:**

Sewer system equipment	6,861	
Sewer system	551,874	
Work-in-progress – Sewer system	<u>2,045</u>	<u>560,779</u>

\$ 4,871,873

**SOURCE OF FUNDING**

Revenue Funds	\$ 1,618,388
Land Sale Reserve	696,230
Equipment Replacement Reserve Fund	520,282
Capital Reserves	573,973
Government Grants	1,071,450
Borrowing	-
Contributed by Others	<u>81,721</u>
	\$ 4,562,044
Unfunded Work-In-Progress	<u>309,829</u>
	<u>\$ 4,871,873</u>

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## **FINANCIAL SECTION**

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**CITY OF PORT ALBERNI  
INDEX TO FINANCIAL STATEMENTS  
DECEMBER 31, 2007**

**AUDITORS' REPORT**

**Statements**

**Consolidated Statements**

Consolidated Statement of Financial Position .....	A
Consolidated Statement of Financial Activities .....	B
Consolidated Statement of Changes in Financial Position.....	C
Consolidated Statement of Current Fund Operations.....	D
Consolidated Statement of Capital Fund Operations .....	E
Consolidated Statement of Reserve Fund Operations .....	F

**Notes to Financial Statements**

**Supporting Schedules**

**Schedules**

Capital Assets .....	1
Debenture Debt .....	2
Tax Levies and Grants in Lieu of Taxes .....	3
General Government Expenditures .....	4
Protective Services .....	5
Transportation Services .....	6
Recreation and Cultural Services .....	7
Sale of Services.....	8
Other Revenue from Own Sources.....	9
Sewer and Water Utilities .....	10
Reserves for Future Expenditures .....	11
Grants .....	12

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CERTIFIED GENERAL ACCOUNTANTS  
MANAGEMENT CONSULTANTS

WWW.DSCP.CA

5155 ARGYLE STREET  
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

 RAN-ONE | member  
building business value

We have audited the consolidated statement of financial position of the City of Port Alberni as at December 31, 2007 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, 2007 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.  
May 9, 2008

ROBERT J. DUNCAN\* CGA CAFM      DONALD H. JONES\* BCOM CGA CAFM

DEBRA NIXON BAccS CGA CAFM  
ASSOCIATE

\* DENOTES PROFESSIONAL CORPORATION



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# **CONSOLIDATED FINANCIAL STATEMENTS**

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**CITY OF PORT ALBERNI**  
**CONSOLIDATED STATEMENT OF FINANCIAL POSITION (STATEMENT A)**  
**FOR THE YEAR ENDED DECEMBER 31, 2007**  
**(with comparative figures for 2006)**

	<u>2007</u>	<u>2006</u>
<b>FINANCIAL ASSETS:</b>		
Cash and short term investments (Note 2)	\$ 18,460,419	\$ 19,050,886
Accounts receivable (Note 4)	2,379,383	2,186,418
Inventory for resale (Note 2)	<u>18,261</u>	<u>47,423</u>
	<u>20,858,063</u>	<u>21,284,727</u>
<b>FINANCIAL LIABILITIES:</b>		
Accounts payable and accrued liabilities (Note 6)	3,756,788	4,021,619
Deferred revenue (Note 7)	1,194,353	1,880,480
Refundable deposits	288,309	471,708
Debenture debt (Note 8, Schedule2)	<u>4,497,715</u>	<u>4,696,431</u>
	<u>9,737,165</u>	<u>11,070,238</u>
<b>NET FINANCIAL ASSETS AND LIABILITIES</b>	<u>11,120,898</u>	<u>10,214,489</u>
<b>PHYSICAL ASSETS:</b>		
Inventory of supplies (Note 2)	493,191	495,288
Prepaid expenses	5,258	12,706
Capital assets (Note 2, Schedule 1)	<u>139,863,005</u>	<u>134,991,132</u>
	<u>140,361,454</u>	<u>135,499,126</u>
<b>NET POSITION</b>	<u>\$ 151,482,352</u>	<u>\$ 145,713,615</u>
<b>MUNICIPAL CAPITAL:</b>		
Equity in physical assets (Note 10)	\$ 136,062,881	\$ 131,001,838
Capital fund	(1,466,808)	(1,164,283)
Operating fund	6,553,497	5,794,501
Reserve accounts (Schedule 11)	2,747,119	2,413,048
Reserve fund	<u>7,585,663</u>	<u>7,668,511</u>
<b>MUNICIPAL POSITION</b>	<u>\$ 151,482,352</u>	<u>\$ 145,713,615</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, 2007**  
(with comparative figures for 2006)

	2007 <u>Budget</u>	2007 <u>Actual</u>	2006 <u>Actual</u>
<b>REVENUE:</b>			
Taxes (Schedule 3)	\$ 18,015,235	\$ 17,994,649	\$ 18,768,388
Sales of services (Schedule 8)	6,936,995	7,841,485	6,667,782
Other revenue from own sources (Schedule 9)	545,637	892,521	804,185
Investment income	162,507	800,322	733,935
Grants (Schedule 12)	4,547,469	2,120,145	2,416,741
Parkland dedication deposits	-	20,382	33,782
Sale of property and equipment	-	386,936	764,396
	<u>30,207,843</u>	<u>30,056,440</u>	<u>30,189,209</u>
<b>EXPENDITURE:</b>			
General government (Schedule 4)	2,965,656	3,006,381	2,920,244
Protective services (Schedule 5)	8,017,895	7,707,451	11,864,510
Transportation services (Schedule 6)	4,435,430	4,710,511	4,441,956
Environmental health services	1,280,759	1,249,789	1,356,017
Environmental development	534,962	501,682	492,914
Recreation and cultural services (Schedule 7)	9,602,143	7,742,000	7,138,203
Interest	266,460	240,598	187,038
Debt reserve	28,180	2,266	1,845
Water utility (Schedule 10)	5,424,271	2,388,212	2,016,850
Sewer utility (Schedule 10)	2,360,310	1,552,827	1,423,585
Cost of sales and service	-	48,313	12,630
	<u>34,916,066</u>	<u>29,150,030</u>	<u>31,855,792</u>
<b>EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURE</b>	(4,708,223)	906,410	(1,666,583)
Debt financing	<u>73,608</u>	<u>(198,715)</u>	<u>3,710,289</u>
<b>CHANGE IN CONSOLIDATED FUND EQUITY</b>	(4,634,615)	707,695	2,043,706
Fund equity - beginning of year	<u>14,711,776</u>	<u>14,711,776</u>	<u>12,668,070</u>
<b>FUND EQUITY - END OF YEAR</b>	<u>\$ 10,077,161</u>	<u>\$ 15,419,471</u>	<u>\$ 14,711,776</u>

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

**CITY OF PORT ALBERNI**  
**CONSOLIDATED STATEMENT OF CHANGES IN FINANCIAL POSITION (STATEMENT C)**  
**FOR THE YEAR ENDED DECEMBER 31, 2007**  
 (with comparative figures for 2006)

---

	<u>2007</u> <u>Actual</u>	<u>2006</u> <u>Actual</u>
<b>CASH PROVIDED BY (USED FOR) OPERATIONS:</b>		
Excess (deficiency) of revenue over expenditures for the year	\$ 906,410	\$ (1,666,583)
Add: Capital asset purchases expensed	<u>4,871,873</u>	<u>8,088,371</u>
Cash provided by operations	5,778,283	6,421,788
Changes in working capital balances		
Accounts receivable	(192,965)	6,274
Inventory for resale	29,162	(30,060)
Accounts payable and accrued liabilities	(264,831)	(133,473)
Deferred revenue	(686,126)	235,228
Refundable deposits	<u>(183,401)</u>	<u>19,340</u>
	<u>4,480,122</u>	<u>6,519,097</u>
<b>CASH PROVIDED BY (USED FOR) FINANCING:</b>		
Proceeds from interim capital financing	-	(25,000)
Debenture debt proceeds/repayment	<u>(198,715)</u>	<u>3,735,290</u>
	<u>(198,716)</u>	<u>3,710,290</u>
Capital asset purchases	<u>(4,871,873)</u>	<u>(8,088,371)</u>
<b>(DECREASE) INCREASE IN CASH AND SHORT TERM INVESTMENTS</b>	<b>(590,467)</b>	<b>2,141,016</b>
Cash and short term investments - beginning of year	<u>19,050,886</u>	<u>16,920,904</u>
<b>CASH AND SHORT TERM INVESTMENTS - END OF YEAR</b>	<b>\$ <u>18,460,419</u></b>	<b>\$ <u>19,050,886</u></b>

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, 2007**  
 (with comparative figures for 2006)

	2007 <u>Budget</u>	2007 <u>Actual</u>	2006 <u>Actual</u>
<b>REVENUE:</b>			
Taxes (Schedule 3)	\$ 18,015,235	\$ 17,994,649	\$ 18,768,388
Sales of services	6,936,995	7,165,250	6,021,456
Other revenue from own sources	473,440	611,150	609,270
Investment income	162,507	389,494	372,187
Provincial grants	<u>533,137</u>	<u>776,701</u>	<u>621,603</u>
	<u>26,121,314</u>	<u>26,937,244</u>	<u>26,392,904</u>
<b>EXPENDITURE:</b>			
General government	2,813,156	2,908,401	2,747,649
Protective services	7,727,994	7,521,304	7,444,525
Transportation services	3,040,163	3,441,824	3,156,292
Environmental health services	1,280,759	1,249,790	1,356,017
Environmental development	534,962	501,682	492,914
Recreation and cultural services	6,334,860	6,127,811	6,225,095
Interest	266,460	240,598	187,038
Debt reserve	28,180	2,266	1,845
Water utility	1,238,250	1,244,120	1,127,160
Sewer utility	<u>905,816</u>	<u>992,047</u>	<u>949,524</u>
	<u>24,170,600</u>	<u>24,229,843</u>	<u>23,688,059</u>
<b>EXCESS OF REVENUE OVER EXPENDITURE</b>	1,950,714	2,707,401	2,704,845
Transfers to reserve accounts	651,477	(138,624)	260,097
Transfers to capital accounts	(3,468,904)	(1,618,388)	(1,596,816)
Debt repayment	<u>(191,392)</u>	<u>(191,392)</u>	<u>(98,855)</u>
<b>CHANGE IN FUND EQUITY</b>	(1,058,105)	758,997	1,269,271
Fund equity - beginning of year	<u>5,794,501</u>	<u>5,794,501</u>	<u>4,525,230</u>
<b>FUND EQUITY - END OF YEAR</b>	<u>\$ 4,736,396</u>	<u>\$ 6,553,498</u>	<u>\$ 5,794,501</u>

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

**CITY OF PORT ALBERNI**  
**CONSOLIDATED STATEMENT OF CAPITAL FUND OPERATIONS (STATEMENT E)**  
**FOR THE YEAR ENDED DECEMBER 31, 2007**  
 (with comparative figures for 2006)

	2007 <u>Budget</u>	2007 <u>Actual</u>	2006 <u>Actual</u>
<b>REVENUE:</b>			
Other revenue from own sources	\$ 72,197	\$ 105,644	\$ 172,668
Investment income	-	7,304	7,816
Provincial grants	<u>4,014,332</u>	<u>1,071,450</u>	<u>1,626,200</u>
	<u>4,086,529</u>	<u>1,184,398</u>	<u>1,806,684</u>
<b>EXPENDITURE:</b>			
General government	152,500	97,978	172,592
Protective services	289,901	186,147	4,419,985
Transportation services	1,395,267	1,268,687	1,285,665
Recreation and cultural services	3,267,283	1,614,190	913,108
Water utility	4,186,021	1,144,091	889,690
Sewer utility - capital	1,454,494	560,780	407,330
Cost of issuing debentures	<u>-</u>	<u>-</u>	<u>66,732</u>
	<u>10,745,466</u>	<u>4,871,873</u>	<u>8,155,102</u>
<b>EXCESS (DEFICIENCY) OF REVENUE OVER EXPENDITURE</b>	(6,658,937)	(3,687,475)	(6,348,418)
<b>DEBT REPAYMENT AND TRANSFERS BETWEEN FUNDS</b>			
Transfers from reserve accounts	2,925,033	1,773,885	3,526,256
Transfers from current funds	3,468,904	1,618,388	1,596,816
Debt financing/repayment	<u>265,000</u>	<u>(7,323)</u>	<u>3,809,144</u>
	<u>6,658,937</u>	<u>3,384,950</u>	<u>8,932,216</u>
<b>CHANGE IN FUND EQUITY</b>	-	(302,525)	2,583,798
Fund equity - beginning of year	<u>(1,164,283)</u>	<u>(1,164,283)</u>	<u>(3,748,081)</u>
<b>FUND EQUITY - END OF YEAR</b>	<u>\$ (1,164,283)</u>	<u>\$ (1,466,808)</u>	<u>\$ (1,164,283)</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, 2007**  
 (with comparative figures for 2006)

	<u>2007</u>	<u>2006</u>
	<u>Actual</u>	<u>Actual</u>
<b>REVENUE:</b>		
Services provided to other governments	\$ 676,235	\$ 646,326
Other revenue from own sources	-	56,351
Investment income	403,523	353,932
Grants	271,994	168,939
Parkland dedication deposits	20,382	33,782
Sale of property and equipment	<u>386,936</u>	<u>764,396</u>
	<u>1,759,070</u>	<u>2,023,726</u>
<b>EXPENDITURE:</b>		
Cost of land sales and service	<u>48,313</u>	<u>12,630</u>
<b>EXCESS OF REVENUE OVER EXPENDITURE</b>	<b>1,710,757</b>	<b>2,011,096</b>
Transfer to capital funds	<u>(1,793,605)</u>	<u>(3,547,176)</u>
<b>CHANGE IN FUND EQUITY</b>	<b>(82,848)</b>	<b>(1,536,080)</b>
Fund equity - beginning of year	<u>7,668,511</u>	<u>9,204,591</u>
<b>FUND EQUITY - END OF YEAR</b>	<b>\$ <u>7,585,663</u></b>	<b>\$ <u>7,668,511</u></b>

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, 2007**

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**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.

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CITY OF PORT ALBERNI  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2007

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**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.

### Revenue Recognition

- 1) **Taxation** - taxes are recognized as revenue in the year they are levied. Taxes may be adjusted by way of supplementary roll adjustments through the BC Assessments appeal process. Levies imposed by other taxing authorities are not included as Taxes for municipal purposes.
- 2) **Sales of services** - charges for water and sewer usage, solid waste collection and recreation programs and admission are recorded as Sales of services.
- 3) **Other revenue** - included in Other revenue are permit and licence fees as well as fines and penalty charges.
- 4) **Investment income** - the Municipality invests in pooled funds of the Municipal Finance Authority of BC. Earnings of these funds are allocated to the members from time to time based on the market value of the pool. The Municipality recognizes only its share of the realized earnings of the pool. This revenue is recorded as investment income and the amount is added to the cost of the units held. To the extent that financial instruments have no stated rate of return investment income is recognized as it is received.
- 5) **Grants** - are recognized as revenues in the period that the events giving rise to the transfer occur.
- 6) **Sale of property and equipment** - proceeds from the sale of tangible property and equipment are recognized as revenue at the time of the sale.

**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.

**CITY OF PORT ALBERNI  
 NOTES TO FINANCIAL STATEMENTS  
 FOR THE YEAR ENDED DECEMBER 31, 2007**

**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:

	2006				2007
	Balance	Interest	Receipts	Expenditures	Balance
Cemetery Trust	\$ <u>118,967</u>	\$ <u>6,894</u>	\$ <u>5,165</u>	\$ <u>-</u>	\$ <u>131,026</u>

**4. Accounts Receivable**

	<u>2007</u>	<u>2006</u>
Property taxes	\$ 549,949	\$ 631,813
Federal government	-	1,464
General	<u>1,829,434</u>	<u>1,553,141</u>
	<u>\$ 2,379,383</u>	<u>\$ 2,186,418</u>

**CITY OF PORT ALBERNI**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2007**

**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, 2007 the total investment of the Debt Reserve Fund was comprised of:

	<u>2007</u>	<u>2006</u>
General Revenue	127,874	126,291
Sewer Revenue	<u>90,230</u>	<u>89,546</u>
	<u>218,104</u>	<u>215,837</u>

**6. Accounts Payable and Accrued Liabilities**

	<u>2007</u>	<u>2006</u>
Due to senior governments	\$ 11,908	\$ 36,550
Other local governments	34,224	12,078
Trade accounts	1,948,665	2,305,816
Salaries and wages	616,115	536,483
Accrued debenture interest - sewer revenue	14,368	14,368
Accrued employee benefits	<u>1,131,507</u>	<u>1,116,325</u>
	<u>\$ 3,756,787</u>	<u>\$ 4,021,620</u>

Accrued employee benefits are future liabilities of the City to its employees for benefits earned but not taken as at December 31, 2007 and consist of the following:

	<u>2007</u>	<u>2006</u>
Vacation	\$ 679,894	\$ 664,712
Retirement Benefits	<u>451,613</u>	<u>451,613</u>
	<u>\$ 1,131,507</u>	<u>\$ 1,116,325</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

**CITY OF PORT ALBERNI  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2007**

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 \$401,000.

**7. Deferred Revenue**

	<u>2007</u>	<u>2006</u>
Property taxes	\$ 520,650	\$ 397,315
Capital grants	13,699	921,853
Other	280,128	243,881
Federal Gas Tax agreement	<u>379,876</u>	<u>317,431</u>
	<u>\$ 1,194,353</u>	<u>\$ 1,880,480</u>

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

	<u>2007</u>	<u>2006</u>
Opening balance of unspent funds	\$ 317,431	\$ 237,459
Add: Amounts received during the year	316,332	237,291
Interest earned	18,107	11,620
Less: Amount spent	<u>271,994</u>	<u>168,939</u>
Closing balance of unspent funds	<u>\$ 379,876</u>	<u>\$ 317,431</u>

**8. 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, 2007 are as follows:

	Principal	Interest	Total
2008	\$ 191,392	\$ 224,856	\$ 416,248
2009	191,392	224,856	416,248
2010	191,392	224,856	416,248
2011	191,392	224,856	416,248
2012	191,392	224,856	416,248

**CITY OF PORT ALBERNI**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED DECEMBER 31, 2007**

**9. Government Grants and Transfers**

	<u>2007</u>	<u>2006</u>
<b>Operating Grants</b>		
<b>General Fund</b>		
Provincial Revenue Sharing	\$ 535,400	\$ 462,152
Alberni Valley Museum	68,982	75,249
McLean Mill National Historic Site	34,204	35,662
Bear Smart	6,549	3,851
Traffic Study	1,000	-
Community Response Crystal Meth Task Force	6,060	835
Emergency Planning	8,333	13,404
Rick Hansen - Man In Motion Grants	4,664	-
Community Health Grant	18,792	-
Community Tourism Grant	92,717	30,450
<b>Sewer Fund</b>		
Liquid Waste Management Plan	19,721	20,920
<b>Capital Grants</b>		
Echo Centre Library Upgrade	856,667	-
Alberni Valley Multiplex Upgrades	214,783	-
North Port Sewer Abatement	-	1,626,200
Sewer Main Upgrades	252,273	148,018
<b>Total Government Grants and Transfers</b>	<u>\$ 2,120,145</u>	<u>\$ 2,416,741</u>

**10. 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>2007</u>	<u>2006</u>
Equity in physical assets - beginning of year	\$ 131,001,838	\$ 126,602,820
Add: Capital expenditures	4,871,873	8,088,371
(Increase)decrease in long-term debt	198,715	(3,735,290)
Interim capital financing	-	25,000
Increase(decrease) in inventory and prepaid	<u>(9,545)</u>	<u>20,937</u>
Equity in physical assets - end of year	<u>\$ 136,062,881</u>	<u>\$ 131,001,838</u>

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CITY OF PORT ALBERNI  
NOTES TO FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2007

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**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 144,000 active members and approximately 51,000 retired members. Active members include approximately 35,000 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, 2006 indicated a surplus of \$438 million for basic pension benefits. The next valuation will be as at December 31, 2009 with results available in 2010. The actuary does not attribute portions of the surplus to individual employers.

Employer contributions to the Plan for 2007 were \$824,231 (\$793,954 for 2006) and are included in consolidated operating expenditures. Employee contributions for 2007 were \$664,966 (\$652,532 for 2006).

**12. Tangible Capital Assets**

Tangible capital assets represent a significant investment for local governments. Effective the fiscal year beginning January 1, 2009 local governments will be required to provide financial information regarding the stock and use of the local government's assets. This is a significant change in reporting for the city which will require an investment in resources to be ready for compliance with the new reporting standard. To date, the City has drafted a Tangible Capital Asset Policy and has begun the process to inventory the City's assets. The focus for 2008 will be to finalize the inventory of existing assets and determine the historical cost.

**13. Comparative Figures**

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

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## **SUPPORTING SCHEDULES**

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**CITY OF PORT ALBERNI**  
**CAPITAL ASSETS (SCHEDULE 1)**  
**AT DECEMBER 31, 2007**

	Engineering Structures	Buildings	Machinery & Equipment	Land	2007 Total	2006 Total
<b>General Capital Fund</b>						
General government	\$ -	\$ 849,176	\$ 3,305,939	\$ 77,510	\$ 4,232,625	\$ 4,134,646
Protective Services	-	-	-	-	-	-
Fire department	-	500,658	2,453,707	34,039	2,988,404	2,902,878
Police department	-	6,995,063	230,014	4,153	7,229,230	7,128,609
Pound and pest control	4,448	50,533	16,406	-	71,387	71,386
Transportation Services						
Workshop and yard	-	353,637	6,869,783	67,175	7,290,595	7,004,916
Bridges	130,390	-	-	-	130,390	130,390
Drains, ditches and dykes	6,932,541	-	-	-	6,932,541	6,917,587
Streets, roads, and sidewalks	34,132,229	-	-	-	34,132,229	33,237,870
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	1,006,032	-	-	-	1,006,032	962,340
Environmental Health						
Garbage collection	-	-	1,502,205	1	1,502,206	1,502,206
Public Health						
Health centre	-	310,863	-	4,438	315,301	315,301
Other Services						
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
Recreation and Cultural Services						
Arena and curling rink	33,922	9,129,402	238,890	92,524	9,494,738	9,009,491
Swimming pools	20,228	770,060	209,840	41,944	1,042,072	1,042,072
Glenwood centre	-	225,182	69,121	9,945	304,248	292,587
Gyro youth centre	129,995	45,646	19,669	-	195,310	195,309
Echo '67 community centre	-	744,453	373,144	-	1,117,597	1,117,597
Library - museum	-	2,735,819	131,185	116,760	2,983,764	1,427,290
McLean mill	6,848,759	152,136	60,041	-	7,060,936	7,053,947
Parks and playgrounds	5,890,926	1,326,187	1,896,989	1,260,811	10,374,913	10,242,270
Industrial Mall	-	766,375	-	-	766,375	766,375
Alberni Harbour Quay	1,204,547	1,265,131	18,160	75,035	2,562,873	2,511,691
	<u>57,070,335</u>	<u>26,220,321</u>	<u>17,398,959</u>	<u>2,060,057</u>	<u>102,749,672</u>	<u>98,982,664</u>
<b>Sewer Capital Fund</b>						
Collection system	15,383,186	58,028	668,724	125	16,110,063	15,551,328
<b>Water Capital Fund</b>						
Distribution system	10,174,933	-	-	-	10,174,933	9,949,890
Source of supply	8,426,878	128,237	735,081	10,257	9,300,453	9,289,195
	<u>18,601,811</u>	<u>128,237</u>	<u>735,081</u>	<u>10,257</u>	<u>19,475,386</u>	<u>19,239,085</u>
<b>Work-in-progress</b>	-	-	-	-	1,527,884	1,218,055
	<u>\$ 91,055,332</u>	<u>\$ 26,406,586</u>	<u>\$ 18,802,764</u>	<u>\$ 2,070,439</u>	<u>\$ 139,863,005</u>	<u>\$ 134,991,132</u>

**CITY OF PORT ALBERNI  
DEBENTURE DEBT - SCHEDULE 2  
ALL FUNDS AT DECEMBER 31, 2007 - SHOWING REQUIREMENTS FOR PRINCIPAL AND INTEREST FOR 2008**

Security Issuing Bylaw	Purpose	Original Issue	Amount Outstanding Dec.31, 2007	Term In Years	Annual Interest Rate	Maturity Date	2008 Requirements Interest	2008 Requirements Principal	Sinking Fund Addition	Debt Reserve Cash Balance
4280	L.I. General	98,120	\$ 55,963	20	4.43%	25/09/2016	4,347	2,967	2,108	\$ 1,917
4575		<u>3,375,064</u>	<u>\$ 3,294,022</u>	25	4.65%	19/04/2031	<u>157,278</u>	<u>81,042</u>	<u>3,242</u>	<u>\$ 36,404</u>
		<u>\$ 3,473,184</u>	<u>\$ 3,349,985</u>				<u>\$ 161,625</u>	<u>\$ 84,009</u>	<u>\$ 5,350</u>	<u>\$ 38,321</u>
4280	L.I. Sewer	147,180	\$ 83,944	20	4.43%	25/09/2016	6,520	4,451	3,162	\$ 2,875
4559		797,642	\$ 662,112	10	4.55%	06/04/2015	36,293	66,436	5,421	\$ 8,950
4601		<u>438,170</u>	<u>\$ 401,674</u>	10	4.65%	19/04/2016	<u>20,419</u>	<u>36,496</u>	<u>1,460</u>	<u>\$ 4,726</u>
		<u>\$ 1,382,992</u>	<u>\$ 1,147,730</u>				<u>\$ 63,232</u>	<u>\$ 107,383</u>	<u>\$ 10,043</u>	<u>\$ 16,551</u>
		<u>\$ 4,856,176</u>	<u>\$ 4,497,715</u>				<u>\$ 224,856</u>	<u>\$ 191,392</u>	<u>\$ 15,392</u>	<u>\$ 54,872</u>

**CITY OF PORT ALBERNI**  
**TAX LEVIES and GRANTS IN LIEU OF TAXES (SCHEDULE 3)**  
**FOR THE YEAR ENDED DECEMBER 31, 2007**  
 (with comparative figures for 2006)

	2007 <u>Budget</u>	2007 <u>Actual</u>	2006 <u>Actual</u>
<b>MUNICIPAL PURPOSES:</b>			
Tax Levies:			
General purpose	\$ 17,038,650	<b>\$17,036,887</b>	\$ 17,747,494
Local improvement - streets and drains	186	<b>186</b>	186
Local improvement - sewer	32,708	<b>32,708</b>	32,708
Off-street parking	1,363	<b>1,376</b>	1,363
Utility	118,815	<b>118,815</b>	109,333
Business improvement area	-	-	5,104
Parcel Tax	<u>230,948</u>	<u><b>231,006</b></u>	<u>230,907</u>
	17,422,670	<b>17,420,978</b>	18,127,095
Grants in lieu of taxes	<u>592,565</u>	<u><b>573,672</b></u>	<u>641,293</u>
Total Municipal Taxes	<u>18,015,235</u>	<u><b>17,994,650</b></u>	<u>18,768,388</u>
<b>COLLECTIONS FOR OTHER GOVERNMENTS:</b>			
Tax Levies:			
School	5,996,621	<b>6,179,654</b>	5,998,699
Regional hospital	954,690	<b>955,864</b>	954,598
Regional District of Alberni Clayoquot	981,554	<b>905,409</b>	981,521
B.C. Assessment	167,821	<b>171,928</b>	167,699
Municipal Finance Authority	<u>351</u>	<u><b>435</b></u>	<u>351</u>
Total Collections For Other Governments	<u>8,101,037</u>	<u><b>8,213,290</b></u>	<u>8,102,868</u>
Total Taxes Collected	<u>\$ 26,116,272</u>	<u><b>\$ 26,207,940</b></u>	<u>\$ 26,871,256</u>

**Financial Statements**

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**CITY OF PORT ALBERNI  
GENERAL GOVERNMENT EXPENDITURES (SCHEDULE 4)  
FOR THE YEAR ENDED DECEMBER 31, 2007  
(with comparative figures for 2006)**

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	2007 <u>Budget</u>	2007 <u>Actual</u>	2006 <u>Actual</u>
Legislative	\$ 141,309	\$ 142,996	\$ 135,267
City manager's office	213,901	216,262	211,844
Municipal clerk's office	334,314	334,707	354,102
Legal and bylaw prosecution services	49,000	44,012	53,960
Financial management	784,061	654,269	678,602
Administration vehicle	9,200	9,402	6,111
External audit	12,628	16,083	12,319
Purchasing	206,765	208,173	196,116
Buildings	97,382	97,225	117,608
Information services	409,986	426,864	374,913
Appraisals	20,000	-	2,917
Consulting services personnel	127,028	179,363	92,728
Election expenses	300	610	203
Travel, training and conventions	177,218	164,117	186,168
Damage claims	40,800	19,236	11,711
Donations and grants	20,000	98,423	61,803
Office equipment supplies and printing	273,312	288,007	280,492
Public liability insurance	123,182	120,539	117,316
Other general services	-	115,345	79,233
General government - capital assets	152,500	97,979	172,592
Administration recoveries	<u>(227,230)</u>	<u>(227,230)</u>	<u>(225,762)</u>
	<u>\$ 2,965,656</u>	<u>\$ 3,006,382</u>	<u>\$ 2,920,243</u>

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**CITY OF PORT ALBERNI**  
**PROTECTIVE SERVICES (SCHEDULE 5)**  
**FOR THE YEAR ENDED DECEMBER 31, 2007**  
**(with comparative figures for 2006)**

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	2007 <u>Budget</u>	2007 <u>Actual</u>	2006 <u>Actual</u>
Police protection	\$ 5,048,665	\$ 4,908,101	\$ 4,766,559
Fire protection	2,444,516	2,361,712	2,430,150
Emergency measures	2,625	8,983	13,725
Building and plumbing inspections	118,589	127,043	118,778
Animal pound operations	113,599	115,465	115,314
Protective services - capital assets	<u>289,901</u>	<u>186,147</u>	<u>4,419,985</u>
	<u>\$ 8,017,895</u>	<u>\$ 7,707,451</u>	<u>\$ 11,864,511</u>

**Financial Statements**

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**CITY OF PORT ALBERNI  
TRANSPORTATION SERVICES (SCHEDULE 6)  
FOR THE YEAR ENDED DECEMBER 31, 2007  
(with comparative figures for 2006)**

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	2007 <u>Budget</u>	2007 <u>Actual</u>	2006 <u>Actual</u>
<b>COMMON SERVICES:</b>			
Engineering administration	\$ 510,487	\$ 539,035	\$ 547,109
Engineering consulting services	109,398	115,392	112,385
Public works supervision	338,000	328,486	326,292
Equipment and supplies	54,201	40,061	48,369
Building and yard maintenance	181,000	186,964	149,359
Equipment maintenance	<u>737,401</u>	<u>699,807</u>	<u>699,438</u>
	<u>1,930,487</u>	<u>1,909,745</u>	<u>1,882,952</u>
<b>ROADS AND STREET MAINTENANCE:</b>			
Roadway surfaces maintenance	926,232	996,095	993,154
Snow and ice removal	163,600	184,157	229,405
Parking	15,402	18,326	12,922
Gravel	229,500	210,487	182,120
Ditch and dyke maintenance	130,000	214,971	140,886
Storm sewers	<u>219,595</u>	<u>223,754</u>	<u>163,270</u>
	<u>1,684,329</u>	<u>1,847,790</u>	<u>1,721,757</u>
<b>Bridges and retaining walls</b>	23,500	11,257	4,752
<b>Street lighting</b>	234,400	238,375	222,548
<b>Traffic control</b>	234,640	221,295	208,092
<b>Public transit</b>	485,000	576,882	512,798
<b>Other</b>	109,633	163,911	164,139
<b>Transportation services - capital assets</b>	1,395,267	1,268,687	1,285,665
<b>Recoveries</b>	<u>(1,661,826)</u>	<u>(1,527,431)</u>	<u>(1,560,747)</u>
	<u>\$ 4,435,430</u>	<u>\$ 4,710,511</u>	<u>\$ 4,441,956</u>

**CITY OF PORT ALBERNI**  
**RECREATION AND CULTURAL SERVICES (SCHEDULE 7)**  
**FOR THE YEAR ENDED DECEMBER 31, 2007**  
(with comparative figures for 2006)

	2007	2007	2007	2007	2007	2007	2006
	Budget	Actual	Budget	Actual	Budget	Actual	Actual
	Revenue	Revenue	Expenditure	Expenditure	Operating	Operating	Operating
					Deficit	Deficit	Deficit
<b>RECREATION SERVICES:</b>							
Administration	\$ -	\$ -	\$ 516,965	\$ 483,937	\$ (516,965)	\$ (483,937)	\$ (505,385)
Leisure Centre	179,600	161,507	321,800	304,340	(142,200)	(142,833)	(129,249)
Swimming pool	350,900	319,186	430,992	379,147	(80,092)	(59,961)	(68,671)
Arena	730,600	650,897	864,454	901,427	(133,854)	(250,530)	(234,015)
Parks, playgrounds and other	91,088	106,859	1,293,773	1,307,208	(1,202,685)	(1,200,348)	(1,225,154)
Programs	204,500	526,080	1,191,848	1,198,765	(987,348)	(672,685)	(774,537)
Capital assets	-	-	3,225,701	1,599,400	(3,225,701)	(1,599,400)	(777,268)
	<u>1,556,688</u>	<u>1,764,529</u>	<u>7,845,533</u>	<u>6,174,224</u>	<u>(6,288,845)</u>	<u>(4,409,694)</u>	<u>(3,714,279)</u>
<b>CULTURAL SERVICES:</b>							
Museum services	29,300	28,631	537,274	537,899	(507,974)	(509,268)	(502,963)
McLean Mill	350,940	206,200	682,540	519,873	(331,600)	(313,673)	(343,234)
Regional library	-	-	495,214	495,214	(495,214)	(495,214)	(481,584)
Capital assets	-	-	41,582	14,790	(41,582)	(14,790)	(135,841)
	<u>380,240</u>	<u>234,831</u>	<u>1,756,610</u>	<u>1,567,776</u>	<u>(1,376,370)</u>	<u>(1,332,945)</u>	<u>(1,463,622)</u>
	<u>\$ 1,936,928</u>	<u>\$ 1,999,360</u>	<u>\$ 9,602,143</u>	<u>\$ 7,742,000</u>	<u>\$ (7,665,215)</u>	<u>\$ (5,742,639)</u>	<u>\$ (5,177,901)</u>

**Financial Statements**

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**CITY OF PORT ALBERNI  
SALE OF SERVICES (SCHEDULE 8)  
FOR THE YEAR ENDED DECEMBER 31, 2007  
(with comparative figures for 2006)**

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	2007 <u>Budget</u>	2007 <u>Actual</u>	2006 <u>Actual</u>
<b>GENERAL REVENUE:</b>			
General Services	\$ 1,633,516	\$ 1,850,072	\$ 1,668,421
Arena	730,600	650,898	674,549
Leisure Centre	179,600	161,507	168,662
Parks, playgrounds and other	91,088	106,859	116,202
Pool	350,900	319,186	320,882
Programs	204,500	526,080	442,174
Museum	29,300	28,631	29,894
McLean Mill	<u>350,940</u>	<u>206,200</u>	<u>207,938</u>
	<u>3,570,444</u>	<u>3,849,433</u>	<u>3,628,722</u>
<b>MISCELLANEOUS REVENUE:</b>			
Miscellaneous receipts/sales	-	676,235	646,326
<b>SERVICES PROVIDED TO OTHER GOVERNMENTS:</b>			
Services provided to other governments	120,000	112,672	124,317
<b>SEWER REVENUE:</b>			
Connections and sundry charges	41,100	84,230	74,963
Sales of sewer	<u>1,100,000</u>	<u>1,036,721</u>	<u>-</u>
	<u>1,141,100</u>	<u>1,120,951</u>	<u>74,963</u>
<b>WATER REVENUE:</b>			
Sale of water	2,070,151	2,002,089	2,138,895
Connections and sundry charges	<u>35,300</u>	<u>80,105</u>	<u>54,559</u>
	<u>2,105,451</u>	<u>2,082,194</u>	<u>2,193,454</u>
	<u>\$ 6,936,995</u>	<u>\$ 7,841,485</u>	<u>\$ 6,667,782</u>



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**CITY OF PORT ALBERNI**  
**OTHER REVENUE FROM OWN SOURCES (SCHEDULE 9)**  
**FOR THE YEAR ENDED DECEMBER 31, 2007**  
**(with comparative figures for 2006)**

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	2007 <u>Budget</u>	2007 <u>Actual</u>	2006 <u>Actual</u>
Licences and permits	\$ 184,975	\$ 246,844	\$ 236,573
Fines and costs	8,000	8,423	9,019
Land and building rentals	74,765	84,637	71,430
Tax penalties	108,000	115,313	116,472
Miscellaneous revenue	97,700	155,933	175,777
Other revenue from own sources - capital fund	72,197	281,371	138,563
Other revenue from own sources - reserve funds	<u>-</u>	<u>-</u>	<u>56,351</u>
	<u>\$ 545,637</u>	<u>\$ 892,521</u>	<u>\$ 804,185</u>

**CITY OF PORT ALBERNI**  
**SEWER AND WATER UTILITIES (SCHEDULE 10)**  
**FOR THE YEAR ENDED DECEMBER 31, 2007**  
**(with comparative figures for 2006)**

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	2007 <u>Budget</u>	2007 <u>Actual</u>	2006 <u>Actual</u>
<b>SEWER UTILITIES:</b>			
Administration	\$ 266,166	\$ 297,241	\$ 256,429
Sewage treatment and disposal	149,900	180,411	178,450
Sewage collection system	317,420	325,791	323,350
Sewage pump stations	169,830	175,605	160,569
Other operating costs	2,500	12,999	30,725
Sewer utility - capital	1,454,494	560,780	407,330
Cost of issuing debt	<u>-</u>	<u>-</u>	<u>66,732</u>
	<u>\$ 2,360,310</u>	<u>\$ 1,552,827</u>	<u>\$ 1,423,585</u>
<b>WATER UTILITIES:</b>			
Administration	\$ 286,500	\$ 265,850	\$ 233,538
Service of supply	211,250	150,024	118,987
Pumping	185,500	177,106	153,904
Transmission and distribution	545,000	626,372	592,633
Other operating costs	10,000	24,769	28,098
Water utility - capital fund	<u>4,186,021</u>	<u>1,144,091</u>	<u>889,690</u>
	<u>\$ 5,424,271</u>	<u>\$ 2,388,212</u>	<u>\$ 2,016,850</u>

**CITY OF PORT ALBERNI**  
**RESERVES FOR FUTURE EXPENDITURES (SCHEDULE 11)**  
**FOR THE YEAR ENDED DECEMBER 31, 2007**

	<u>Balance</u> <u>Dec 31, 2006</u>	<u>Additions</u>	<u>Transfers &amp;</u> <u>Expenditures</u>	<u>Balance</u> <u>Dec 31, 2007</u>
<u>General Revenue Fund</u>				
Projects and purchases	\$ 455,818	\$ (61,446)	\$ 10,000	\$ 384,372
Loss on taxation	366,000	-	-	366,000
Museum purchases	14,480	638	-	15,118
Parks and Recreation building	461,047	295,907	-	756,954
<u>Sewer Revenue Fund</u>				
Projects and purchases	23,994	(23,994)	-	-
<u>Water Revenue Fund</u>				
Water revenue fund reserve	274,467	(17,183)	-	257,284
<u>Capital Works</u>				
Capital Reserve	<u>817,243</u>	<u>150,148</u>	<u>-</u>	<u>967,391</u>
	<u>\$ 2,413,049</u>	<u>\$ 344,070</u>	<u>\$ 10,000</u>	<u>\$ 2,747,119</u>

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**CITY OF PORT ALBERNI**  
**GRANTS (SCHEDULE 12)**  
**FOR THE YEAR ENDED DECEMBER 31, 2007**  
**(with comparative figures for 2006)**

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	2007 <u>Budget</u>	2007 <u>Actual</u>	2006 <u>Actual</u>
Grants - capital fund	\$ 4,014,332	\$ 1,071,450	\$ 1,626,200
Unconditional transfers - government - general rev	442,137	535,400	462,151
Grants - Other conditional transfers	-	410,109	217,479
Grants - Museum	60,000	68,982	75,249
Grants - McLean Mill	<u>31,000</u>	<u>34,204</u>	<u>35,662</u>
	<u>\$ 4,547,469</u>	<u>\$ 2,120,145</u>	<u>\$ 2,416,741</u>

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## **STATISTICS SECTION**

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**CITY OF PORT ALBERNI  
MISCELLANEOUS STATISTICS  
AT DECEMBER 31, 2007**

Date of Incorporation	1912
Form of Government	City/Council/Manager
Number of employees (excluding police and fire)	
Classified	100
Exempt	20
Area in Hectares	2,150
City of Port Alberni Facilities and Services:	
Kilometers of streets	154
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	22
Number of calls received - Fire/Rescue/First Responder	1,148
Number of inspections conducted	1,058
Police Protection:	
Number of stations	1
Number of police personnel and officers	34
Number of law violations:	
Physical arrests	2,102
Number of reported criminal incidents	6,369
Sewerage System:	
Kilometers of sanitary sewers and storm sewer	261
Number of treatment plants	1
Number of service connections	6,421
Daily average treatment of cubic meters	20,304
Water System:	
Kilometers of water mains	170
Number of service connections	6,716
Number of fire hydrants	709
Daily average consumption in cubic meters	12,437
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, 2007**

	2007	2006	2005	2004	2003
Population(based on last census) <sup>(1)</sup>	17548	17548	17743	17743	17743
<b>Assessed valuations for General Purposes<sup>(2)</sup></b>					
<b>Land</b>					
Residential	\$ 488,407,600	\$ 301,869,600	\$ 255,339,400	\$ 233,181,301	\$ 230,463,000
Commercial	\$ 57,806,842	\$ 49,967,179	\$ 48,605,127	\$ 45,259,097	\$ 42,556,659
Industrial	\$ 8,059,900	\$ 7,692,200	\$ 7,692,200	\$ 7,820,300	\$ 7,958,300
Other	\$ 3,202,911	\$ 2,922,346	\$ 2,980,935	\$ 1,962,145	\$ 1,896,635
	\$ 557,477,253	\$ 362,451,325	\$ 314,617,662	\$ 288,222,843	\$ 282,874,594
<b>Improvements</b>					
Residential	\$ 707,666,900	\$ 626,642,400	\$ 466,211,100	\$ 418,767,701	\$ 394,450,400
Commercial	\$ 82,316,008	\$ 66,672,721	\$ 58,602,073	\$ 56,157,453	\$ 54,659,791
Industrial	\$ 99,538,600	\$ 95,837,800	\$ 91,966,700	\$ 87,932,200	\$ 90,877,900
Other	\$ 5,443,450	\$ 4,878,095	\$ 4,678,330	\$ 2,219,315	\$ 2,558,845
	\$ 894,964,958	\$ 794,031,016	\$ 621,458,203	\$ 565,076,669	\$ 542,546,936
<b>Total</b>	\$ 1,452,442,211	\$ 1,156,482,341	\$ 936,075,865	\$ 853,299,512	\$ 825,421,530
<b>General &amp; Debt Tax Rates</b>					
Residential	\$ 5.9345	\$ 7.8668	\$ 9.7595	\$ 10.3449	\$ 10.5658
Utilities	\$ 52.3553	\$ 66.3174	\$ 68.3167	\$ 71.3801	\$ 72.2703
Major Industrial	\$ 64.8900	\$ 70.5655	\$ 73.7820	\$ 78.2077	\$ 75.8626
Light Industrial	\$ 38.6842	\$ 42.9529	\$ 41.8455	\$ 43.2418	\$ 42.1576
Business & Other	\$ 20.9586	\$ 26.5112	\$ 27.3267	\$ 28.5520	\$ 28.9504
Seasonal Recreational	\$ 5.9345	\$ 7.8668	\$ 9.7595	\$ 10.3449	\$ 10.5658
Farm	\$ 5.9345	\$ 7.8668	\$ 9.7595	\$ 10.3449	\$ 10.5658
<b>School Tax Rates</b>					
Residential	\$ 2.7638	\$ 3.4488	\$ 4.0979	\$ 4.7320	\$ 5.0491
Utilities	\$ 14.7000	\$ 14.9000	\$ 14.9000	\$ 15.0000	\$ 15.0000
Major Industrial	\$ 12.5000	\$ 12.5000	\$ 12.5000	\$ 12.5000	\$ 12.5000
Light Industrial	\$ 7.9000	\$ 9.2000	\$ 9.6000	\$ 9.9000	\$ 9.9000
Business & Other	\$ 7.9000	\$ 9.2000	\$ 9.6000	\$ 9.9000	\$ 9.9000
Seasonal Recreational	\$ 3.9000	\$ 4.2000	\$ 4.5000	\$ 4.5000	\$ 4.5000
Farm	\$ 6.8000	\$ 6.8000	\$ 6.8000	\$ 6.8000	\$ 6.8000
<b>Tax Rates for Residential Class</b>					
General	\$ 5.8491	\$ 7.6317	\$ 9.6174	\$ 10.3006	\$ 10.5330
Debt	\$ 0.0854	\$ 0.2351	\$ 0.1421	\$ 0.0443	\$ 0.0328
School District-Residential	\$ 2.7638	\$ 3.4488	\$ 4.0979	\$ 4.7320	\$ 5.0491
Regional Hospital District	\$ 0.4858	\$ 0.5866	\$ 0.6710	\$ 0.8094	\$ 0.8346
Municipal Finance Authority	\$ 0.0003	\$ 0.0003	\$ 0.0003	\$ 0.0003	\$ 0.0003
Regional District	\$ 0.3428	\$ 0.4612	\$ 0.4962	\$ 0.6846	\$ 0.7472
B.C. Assessment	\$ 0.0677	\$ 0.0816	\$ 0.0920	\$ 0.1057	\$ 0.1159
<b>Total Residential Rate</b>	\$ 9.5949	\$ 12.4453	\$ 15.1169	\$ 16.6769	\$ 17.3129

**CITY OF PORT ALBERNI  
GENERAL COMPARATIVE STATISTICS  
AT DECEMBER 31, 2007**

	2007	2006	2005	2004	2003
<b>Current Tax Levy</b>					
General	\$ 17,021,215	\$ 17,440,276	\$ 17,323,148	\$ 17,351,924	\$ 17,073,581
Debt	\$ 248,383	\$ 537,232	\$ 256,280	\$ 74,638	\$ 53,210
School District-Residential	\$ 3,305,722	\$ 3,204,147	\$ 2,957,046	\$ 3,083,895	\$ 3,153,407
School District-Non-Residential	\$ 2,874,544	\$ 2,794,552	\$ 2,714,769	\$ 2,611,927	\$ 2,610,373
Other Levies-Special Assessments	\$ 974,427	\$ 960,448	\$ 957,995	\$ 959,018	\$ 943,037
Regional Hospital District	\$ 955,864	\$ 955,047	\$ 928,387	\$ 1,035,208	\$ 1,043,401
Municipal Finance Authority	\$ 436	\$ 351	\$ 286	\$ 262	\$ 255
Regional District	\$ 674,412	\$ 750,888	\$ 686,552	\$ 875,558	\$ 934,114
Assessment Authority	\$ 171,931	\$ 167,869	\$ 157,345	\$ 158,647	\$ 170,742
Business Improvement Area	\$ -	\$ 5,104	\$ 15,000	\$ 10,815	\$ 15,000
<b>Total Levy</b>	<b>\$ 26,226,934</b>	<b>\$ 26,815,914</b>	<b>\$ 25,996,808</b>	<b>\$ 26,161,892</b>	<b>\$ 25,997,120</b>
<b>Per Capita Levy</b>	<b>\$ 1,494.58</b>	<b>\$ 1,528.15</b>	<b>\$ 1,465.19</b>	<b>\$ 1,474.49</b>	<b>\$ 1,465.20</b>
<b>Tax Collection</b>					
Current Taxes Payments	\$ 22,272,213	\$ 22,891,726	\$ 22,613,255	\$ 22,617,771	\$ 22,601,254
Provincial Home Owner Grants	\$ 3,481,594	\$ 3,463,021	\$ 2,900,729	\$ 2,851,308	\$ 2,810,758
<b>Total Current Taxes Collected</b>	<b>\$ 25,753,807</b>	<b>\$ 26,354,747</b>	<b>\$ 25,513,984</b>	<b>\$ 25,469,079</b>	<b>\$ 25,412,012</b>
Percentage of Current Levy	98.20%	98.28%	98.14%	97.35%	97.75%
Arrears and Delinquent Collected	\$ 605,084	\$ 679,443	\$ 869,755	\$ 831,858	\$ 886,234
Percentage of Current Levy	2.31%	2.53%	3.35%	3.18%	3.41%
<b>Total Taxes Collected</b>	<b>\$ 26,358,891</b>	<b>\$ 27,034,190</b>	<b>\$ 26,383,739</b>	<b>\$ 26,300,937</b>	<b>\$ 26,298,246</b>
Percentage of Current Levy	100.50%	100.81%	101.49%	100.53%	101.16%
<b>Unpaid Taxes</b>					
Current	\$ 339,226	\$ 452,009	\$ 472,458	\$ 675,655	\$ 575,048
Arrears	\$ 207,943	\$ 179,804	\$ 201,521	\$ 198,943	\$ 244,047
<b>Total Unpaid Taxes</b>	<b>\$ 547,169</b>	<b>\$ 631,813</b>	<b>\$ 673,979</b>	<b>\$ 874,598</b>	<b>\$ 819,095</b>
<b>Per Capita</b>	<b>\$ 31.18</b>	<b>\$ 36.00</b>	<b>\$ 37.99</b>	<b>\$ 49.29</b>	<b>\$ 46.16</b>
<b>Summary of Surplus and Reserves</b>					
Funded Reserves	\$ 7,585,663	\$ 7,668,511	\$ 8,813,467	\$ 9,317,919	\$ 9,410,629
Appropriated Reserves	\$ 2,747,119	\$ 2,413,048	\$ 3,088,487	\$ 2,511,296	\$ 2,271,597
Operating Surplus	\$ 6,553,497	\$ 5,794,501	\$ 4,525,229	\$ 3,679,727	\$ 2,462,244



Statistics

**CITY OF PORT ALBERNI  
GENERAL COMPARATIVE STATISTICS  
AT DECEMBER 31, 2007**

	2007	2006	2005	2004	2003
<b>Debenture Debt</b>					
Water	\$ -	\$ -	\$ -	\$ -	\$ -
Sewer	\$ 1,147,730	\$ 1,260,571	\$ 895,742	\$ 104,676	\$ 110,939
General	\$ 3,349,985	\$ 3,435,862	\$ 65,401	\$ 69,785	\$ 73,960
Gross Debenture Debt	\$ 4,497,715	\$ 4,696,433	\$ 961,143	\$ 174,461	\$ 184,899
Per Capita	\$ 256.31	\$ 267.63	\$ 54.17	\$ 9.83	\$ 10.42
Less: Sewer and Water Utilities Debt	\$ 1,147,730	\$ 1,260,571	\$ 895,742	\$ 104,676	\$ 110,939
Net Debt Excluding Utilities	\$ 3,349,985	\$ 3,435,862	\$ 65,401	\$ 69,785	\$ 73,960
Per Capita	\$ 190.90	\$ 195.80	\$ 3.69	\$ 3.93	\$ 4.17
<b>Liability Servicing Limit</b>					
Liability Servicing Limit	\$ 6,368,673	\$ 6,087,612	\$ 5,790,177	\$ 5,704,980	\$ 5,447,569
Less Actual Debt Servicing Cost	\$ 461,256	\$ 287,738	\$ 109,368	\$ 149,196	\$ 190,019
Less Estimated Cost - Unissued Debt	\$ 27,000	\$ -	\$ 343,191	\$ -	\$ -
Liability Servicing Capacity Available	\$ 5,880,417	\$ 5,799,874	\$ 5,337,618	\$ 5,555,784	\$ 5,257,550
<b>Debt Payment as a percentage of non-capital expenditures</b>					
Debt payments - gross	0.8%	0.4%	0.3%	0.6%	0.7%
<b>General Revenue Fund Statistics</b>					
Budget	\$ 30,905,185	\$ 30,870,843	\$ 30,279,852	\$ 30,083,423	\$ 29,728,057
Actual Revenues	\$ 31,917,877	\$ 32,204,016	\$ 31,133,095	\$ 31,032,525	\$ 30,425,373
Actual Expenditures	\$ 31,750,186	\$ 31,606,442	\$ 30,864,405	\$ 30,508,622	\$ 30,796,074
Surplus	\$ 167,691	\$ 597,574	\$ 268,690	\$ 523,903	\$ (370,701)
Expenditure per Capita	\$ 1,809.33	\$ 1,801.14	\$ 1,739.53	\$ 1,719.47	\$ 1,735.67
<b>Capital Expenditures</b>					
Financed from General Revenue	\$ 1,281,351	\$ 1,191,782	\$ 939,118	\$ 1,204,533	\$ 1,375,907
<b>Other Sources of Revenue</b>					
Provincial Unconditional Grants	\$ 535,400	\$ 462,152	\$ 435,209	\$ 385,084	\$ 157,954
B.C. Hydro Grant	\$ 461,364	\$ 503,779	\$ 487,130	\$ 475,547	\$ 452,596
<b>Building Permits</b>					
Number Issued	174	168	125	119	72
Construction Values	\$ 23,980,489	\$ 20,310,239	\$ 18,044,996	\$ 25,863,594	\$ 3,622,338

**SOURCES:**

- (1) Statistics Canada Census 2006
- (2) B.C. Assessment

**CITY OF PORT ALBERNI  
DEMOGRAPHIC STATISTICS  
BASED ON 2006 CENSUS FIGURES (Statistics Canada Source)**

**Population Composition**

<u>Age</u>	<u>2006</u>			<u>2001</u>		
	<u>Male</u>	<u>Female</u>	<u>Total</u>	<u>Male</u>	<u>Female</u>	<u>Total</u>
0 - 4 years	470	400	870	455	450	905
5 - 14 years	1065	1015	2,080	1270	1155	2,425
15 - 19 years	585	545	1,130	685	620	1,305
20 - 24 years	460	440	900	475	445	920
25 - 44 years	1880	2000	3,880	2195	2290	4,485
45 - 54 years	1425	1465	2,890	1380	1365	2,745
55 - 64 years	1335	1220	2,555	1010	1000	2,010
65 - 74 years	845	880	1,725	815	750	1,565
75+	650	885	1,535	540	830	1,370
<b>Total</b>	<u>8,715</u>	<u>8,850</u>	<u>17,565</u>	<u>8,825</u>	<u>8,905</u>	<u>17,730</u>

**Legal Married Status**

	<u>2006</u>		
	<u>Male</u>	<u>Female</u>	<u>Total</u>
Population 15 years and over	7170	7430	14600
Single	2380	1850	4230
Married	3550	3535	7085
Separated	235	290	525
Divorced	730	820	1550
Widowed	265	945	1210

**Mobility Status - Place of Residence**

	<u>1 Year Ago</u>			<u>5 Years Ago</u>		
	<u>Male</u>	<u>Female</u>	<u>Total</u>	<u>Male</u>	<u>Female</u>	<u>Total</u>
Lived in same municipality	8,130	8,080	16,210	6,650	6,775	13,425
Lived in same province, but moved to municipality	305	395	700	1,155	1,195	2,350
Lived in a different province	95	110	205	275	295	570
Lived in a different country	10	10	20	45	30	75
	<u>8,540</u>	<u>8,595</u>	<u>17,135</u>	<u>8,125</u>	<u>8,295</u>	<u>16,420</u>

**CITY OF PORT ALBERNI  
DEMOGRAPHIC STATISTICS  
BASED ON 2006 CENSUS FIGURES (Statistics Canada Source)**

**Labour Force by Major Occupational Group**

<u>Occupation</u>	<u>2006</u>			<u>2001</u>		
	<u>Male</u>	<u>Female</u>	<u>Total</u>	<u>Male</u>	<u>Female</u>	<u>Total</u>
Managerial, Administrative, and Related Occupations	375	255	630	320	210	530
Business & Finance	180	605	785	235	745	980
Medicine and Health	90	355	445	35	345	380
Natural & social sciences, religious and artistic	300	35	335	310	35	345
Education, Gov't Service	135	510	645	220	405	625
Art, Culture, Recreation	130	105	235	45	45	90
Sales	765	1,420	2,185	750	1,505	2,255
Trades, Transport, Equip. Operators	1,495	50	1,545	1,040	45	1,085
Primary Occupations	395	60	455	480	50	530
Processing Occupations	600	100	700	865	125	990
<b>Total</b>	<b>4,465</b>	<b>3,495</b>	<b>7,960</b>	<b>4,300</b>	<b>3,510</b>	<b>7,810</b>

**Earnings**

	<u>2005 Port Alberni</u>			<u>2005 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	5,000	4,135	9,135	1,235,450	1,157,350	2,392,800
Median earnings	\$ 29,494	\$ 13,763	\$ 20,926	\$ 32,375	\$ 20,458	\$ 25,722
Worked full year, full time	# 2,205	1,325	3,530	652,200	461,165	1,113,365
Median earnings(full year,full time)	\$ 49,679	\$ 32,808	\$ 40,107	\$ 48,070	\$ 36,739	\$ 42,230

**Labour Force Indicators**

	<u>2006 Port Alberni</u>			<u>2006 British Columbia</u>		
	<u>Male</u>	<u>Female</u>	<u>Total</u>	<u>Male</u>	<u>Female</u>	<u>Total</u>
Participation rate	63.4%	49.3%	56.3%	70.7%	60.7%	65.6%
Employment rate	58.7%	45.3%	51.9%	66.7%	56.9%	61.6%
Unemployment rate	7.4%	7.9%	7.7%	5.8%	6.3%	6.0%

**CITY OF PORT ALBERNI  
MAJOR PROPERTY TAXPAYERS IN PORT ALBERNI  
2007 TAXATION YEAR**

	<b>Registered Owner</b>	<b>Primary Property</b>	<b>Taxes Levied</b>
1	Catalyst Paper Corp	Paper Mill	\$6,873,279
2	Western Forest Products	Sawmills	1,973,041
3	WalMart Canada Corp	Building	402,780
4	Loblaw Properties	Extra Foods	222,457
5	PR Pomeroy Restoration Company	Pacific Rim Shopping Centre	200,524
6	BC Hydro	Building	187,448
7	Port Alberni Retail Development	Alberni Mall	163,221
8	Marlowe - Yeoman Ltd.	10th Avenue Plaza	150,693
9	BC Telephone/Telus	Poles, Lines, Building	147,338
10	Canada Safeway	Building	130,658
11	Terasen Gas	Gas Utility	116,095
12	Marco Investments Ltd	Building	102,087
13	517535 BC LTD	Zellers Port Alberni	97,027
14	Kelland Food Holdings	Building	91,841
15	CLSC Holdings Ltd.	Building	56,359
16	Osler Developments	Hospitality Inn	54,238
17	North Port Plaza	Building	53,698
18	GDP Investments Ltd	Best Western Barclay Hotel	52,641
19	Dennis Jonsson	Automobile Dealer	51,303
20	DW Johnson Holdings Ltd	Building	47,362

Statistics

**CITY OF PORT ALBERNI  
FIVE YEAR PLAN  
2007-2011**

<b>REVENUES</b>	2007	2008	2009	2010	2011
Taxes					
Property Taxes	\$ 17,269,598	\$ 17,476,880	\$ 17,778,655	\$18,089,577	\$ 18,388,202
Parcel Taxes	230,948	230,948	230,948	230,948	230,948
Other Taxes	153,072	149,284	151,612	153,986	156,408
Grants in Lieu of Taxes	592,565	592,565	592,565	592,565	592,565
Fees and Charges					
Sales of Service	3,662,044	3,863,185	3,986,360	4,077,178	4,213,737
Sales of Service/Utilities	3,246,551	3,311,482	3,377,712	3,445,670	3,514,170
Service to other Government	120,000	120,000	120,000	120,000	120,000
User Fees/Fines	192,975	203,733	208,145	212,114	215,140
Other Revenue					
Rentals	74,765	38,777	38,777	38,777	38,777
Interest/Penalties	339,427	347,781	348,657	349,542	350,438
Grants/Other Governments	4,456,469	740,103	769,104	519,104	519,104
Other	72,197	29,900	29,900	29,900	29,900
	<b>\$ 30,410,611</b>	<b>\$ 27,104,638</b>	<b>\$ 27,632,435</b>	<b>\$27,859,361</b>	<b>\$ 28,369,389</b>

<b>EXPENDITURES</b>	2007	2008	2009	2010	2011
Debt Interest	266,460	269,226	266,887	264,436	261,869
Capital Expenditure	10,745,466	2,289,960	2,239,613	2,615,976	2,676,149
Other Municipal Purposes					
General Municipal	2,813,156	2,790,984	2,823,522	2,848,520	2,958,960
Police Services	5,048,665	5,223,142	5,376,431	5,629,256	5,841,136
Fire Services	2,444,516	2,470,956	2,500,875	2,531,793	2,563,729
Other Protective Services	234,813	237,963	240,580	243,254	245,986
Transportation Services	3,040,163	3,016,147	3,078,775	3,142,369	3,204,700
Environmental Health and Development	1,815,721	1,816,210	1,833,069	1,874,957	1,903,773
Parks and Recreation	4,619,832	4,701,678	4,773,157	4,817,946	4,877,276
Cultural	1,715,028	1,728,338	1,752,485	1,775,037	1,766,098
Water	1,238,250	1,258,244	1,283,411	1,309,078	1,335,262
Sewer	905,816	931,836	944,053	962,983	982,293
Contingency	170,000	162,538	167,272	175,000	180,000
	<b>\$ 35,057,886</b>	<b>\$ 26,897,222</b>	<b>\$ 27,280,130</b>	<b>\$28,190,605</b>	<b>\$ 28,797,231</b>

<b>OTHER</b>	2007	2008	2009	2010	2011
Borrowing Proceeds	265,000	-	-	-	-
Debt Principal	(191,392)	(244,392)	(244,392)	(244,392)	(244,392)
Transfer to Other Governments - Repayment	(230,948)	(230,948)	(230,948)	(230,948)	(230,948)
Transfer from Equipment Replacement Reserve	627,001	198,561	137,311	146,000	765,000
Transfer from other reserves	1,081,834	-	-	-	-
Transfer from Land Sale Reserve	-	-	-	-	-
Transfer from Cemetery Trust	1,261,198	156,084	157,160	784,786	354,912
Transfer from (to) Surplus	1,834,582	(86,721)	(171,436)	(124,202)	(216,730)
	<b>\$ 4,647,275</b>	<b>\$ (207,416)</b>	<b>\$ (352,305)</b>	<b>\$ 331,244</b>	<b>\$ 427,842</b>

**BALANCED BUDGET**      **\$ - \$ - \$ - \$ - \$ -**

Statistics

**CITY OF PORT ALBERNI  
CONSOLIDATED REVENUE  
BY SOURCE**

	2007	2006	2005	2004	2003
Taxes					
Property Taxes	\$ 17,036,887	\$ 17,747,494	\$ 17,214,247	\$ 17,323,789	\$ 16,903,555
Parcel Taxes	231,006	230,907	230,851	239,235	221,302
Other Taxes	153,084	148,694	161,798	150,442	156,484
Grants in Lieu of Taxes	573,672	641,293	616,320	622,158	603,145
Fees and Charges					
Sales of Service	3,849,433	3,628,722	3,562,575	3,320,461	3,112,061
Sales of Service/Utilities	3,203,145	2,268,417	2,301,561	2,266,598	2,107,213
Service to other Government	112,672	124,317	173,848	88,769	60,959
User Fees/Fines	255,267	245,592	214,858	217,257	180,277
Other Revenue					
Rentals	84,637	71,430	108,057	152,447	184,844
Interest/Penalties	800,322	779,252	492,654	394,571	418,043
Grants/Other Governments	2,120,145	2,416,741	922,607	483,792	292,976
Other	1,228,852	1,077,138	951,181	1,310,080	1,372,821
Parkland dedication deposits	20,382	33,782	-	-	-
Sale of property and equipment	386,936	764,396	184,765	361,449	2,532,766
	<u>\$ 30,056,440</u>	<u>\$ 30,178,175</u>	<u>\$ 27,135,322</u>	<u>\$ 26,931,048</u>	<u>\$ 28,146,446</u>

**CITY OF PORT ALBERNI  
CONSOLIDATED EXPENDITURES  
BY FUNCTION AND OBJECT**

	General Government	Protective Services	Transportation Services	Environmental Health Services	Environmental Development	Recreation and Cultural Services
Salaries, wages and benefits	\$ 1,950,461	\$ 3,242,147	\$ 2,335,292	\$ 523,025	\$ 250,675	\$ 3,359,097
Contract and professional services	146,763	188,050	1,194,672	508,425	163,648	1,176,634
RCMP contract	-	3,675,691	-	-	-	-
Equipment and supplies	698,220	303,246	1,145,288	220,834	28,856	970,906
Utilities	113,481	87,695	251,430	(3,625)	20,693	484,818
Insurance and claims	128,933	24,474	42,573	1,130	2,123	129,620
Grants in aid	97,774	-	-	-	84,000	6,735
Cost recoveries	(227,230)	-	(1,527,431)	-	-	-
Capital assets	97,979	186,147	1,268,687	-	-	1,614,190
	3,006,381	7,707,450	4,710,511	1,249,789	549,995	7,742,000
Debt interest and fiscal services	15,742	158,781	4,426	-	-	-
	<u>\$ 3,022,123</u>	<u>\$ 7,866,231</u>	<u>\$ 4,714,937</u>	<u>\$ 1,249,789</u>	<u>\$ 549,995</u>	<u>\$ 7,742,000</u>

**CONSOLIDATED EXPENDITURES  
BY FUNCTION AND OBJECT continued**

Water Utility	Sewer Utility	Actual 2007	Actual 2006	Actual 2005	Actual 2004	Actual 2003
\$ 674,329	\$ 406,121	\$ 12,741,147	\$ 12,401,771	\$ 12,073,606	\$ 11,840,596	\$ 11,824,725
77,090	113,545	3,568,827	3,370,633	3,137,982	3,136,650	2,813,855
-	-	3,675,691	3,521,447	3,479,214	3,119,857	3,190,173
412,868	338,456	4,118,674	4,467,769	4,341,754	4,264,084	4,150,205
48,389	123,143	1,126,024	1,107,048	1,277,246	1,025,977	1,032,971
31,445	10,782	371,080	369,441	413,972	383,769	359,349
-	-	188,509	145,335	105,009	127,342	83,492
-	-	(1,754,661)	(1,871,636)	(1,936,243)	(1,800,851)	(1,790,595)
1,144,092	560,780	4,871,875	8,088,370	6,771,521	3,988,615	2,604,459
2,388,213	1,552,827	28,907,166	31,600,178	29,664,061	26,086,039	24,268,634
-	63,915	242,864	255,614	65,907	27,044	30,190
<b>\$ 2,388,213</b>	<b>\$ 1,616,742</b>	<b>\$ 29,150,030</b>	<b>\$ 31,855,792</b>	<b>\$ 29,729,968</b>	<b>\$ 26,113,083</b>	<b>\$ 24,298,824</b>

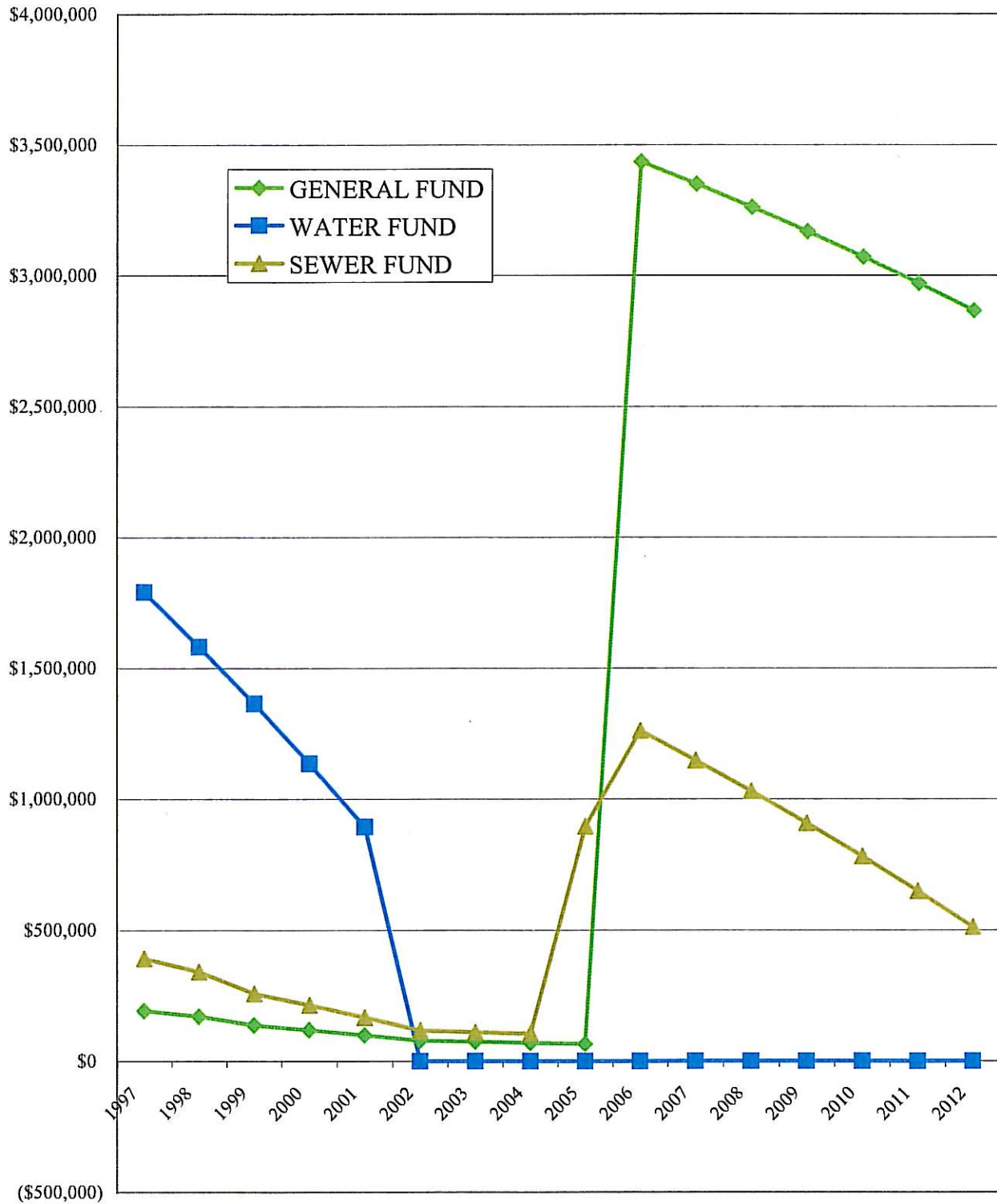


**CITY OF PORT ALBERNI**  
**CAPITAL ASSETS ACQUIRED**  
**LAST FIVE FISCAL YEARS COMPARISON**

<b>CAPITAL ACQUISITIONS</b>	<b>2007</b>	<b>2006</b>	<b>2005</b>	<b>2004</b>	<b>2003</b>
General Government	\$97,979	\$172,592	\$70,136	\$107,955	\$90,384
Public Works	1,238,686	1,285,663	1,875,141	1,986,443	1,264,899
Parks and Recreation and Cultural	2,244,196	370,425	648,514	269,930	263,876
Protective Services	186,147	6,001,467	24,211	23,354	53,637
Environmental Development	-	-	13,375	203,357	199,566
Sanitary Sewer	558,735	2,532,564	845,821	281,698	237,010
Waterworks system	236,301	301,642	275,548	439,814	395,889
	<u>\$4,562,044</u>	<u>\$10,664,353</u>	<u>\$3,752,746</u>	<u>\$3,312,551</u>	<u>\$2,505,261</u>

<b>SOURCE OF FINANCING</b>	<b>2007</b>	<b>2006</b>	<b>2005</b>	<b>2004</b>	<b>2003</b>
Revenue Funds	\$1,618,388	\$1,596,816	\$1,226,818	\$1,916,947	\$2,008,806
Reserve Funds	1,790,485	3,526,256	1,607,085	1,186,185	441,669
Short Term Borrowing	-	-	-	-	-
Long Term Borrowing	-	3,746,502	783,683	-	-
Grants	1,071,450	1,626,200	116,049	17,000	2,554
Other	81,721	168,578	19,111	192,419	52,232
	<u>\$4,562,044</u>	<u>\$10,664,352</u>	<u>\$3,752,746</u>	<u>\$3,312,551</u>	<u>\$2,505,261</u>

## CITY OF PORT ALBERNI-DEBT RETIREMENT

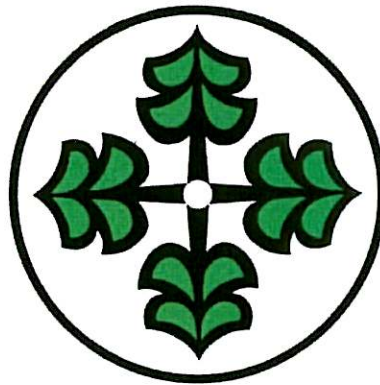


## CITY OF PORT ALBERNI - DEBT PER CAPITA



**City of Port Alberni  
4850 Argyle Street  
Port Alberni, BC  
Canada V9Y 1V8**

**Phone: 250-723-2146  
Fax: 250-723-1003**



**[www.portalberni.ca](http://www.portalberni.ca)**