

City of Port Alberni British Columbia

Comprehensive Annual Financial Report

For the year ended December 31, 2015



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

**COMPREHENSIVE
ANNUAL
FINANCIAL REPORT
2015**

FISCAL YEAR ENDED DECEMBER 31, 2015

This Document
Prepared by the Finance Department

Cover photo credit: Roland Smith

CITY OF PORT ALBERNI
INDEX TO COMPREHENSIVE ANNUAL FINANCIAL REPORT
DECEMBER 31, 2015

	PAGE
INTRODUCTORY SECTION	
Letter from the Director of Finance	1
GFOA Award	3
Directory of Officials	5
Municipal Council Responsibilities	7
Organization Chart	8
Map	9
Vision, Mission, Values	10
Economic Condition and Outlook	11
Significant Local Events	12
Municipal Infrastructure	13
Summary of Services & Regional Relationships	17
Budget Process and Timing	20
Sources and Uses of Capital Funding	21
FINANCIAL SECTION	
Index to Financial Statements	26
Auditors' Report	27
Consolidated Statement of Financial Position (Statement A)	32
Consolidated Statement of Operations (Statement B)	34
Consolidated Statement of Change in Net Financial Assets (Statement C)	35
Consolidated Statement of Cash Flows (Statement D)	36
Notes to Financial Statements	37
Tangible Capital Assets (Schedule 1)	54
Segmented Information (Schedule 2)	55
Debenture Debt (Schedule 3)	57
Tax Levies and Grants in Lieu of Taxes (Schedule 4)	58
General Government Expenses (Schedule 5)	59
Protective Services (Schedule 6)	60
Transportation Services (Schedule 7)	61
Recreation and Cultural Services (Schedule 8)	62
Sale of Services (Schedule 9)	63
Other Revenue from Own Sources (Schedule 10)	64
Sewer and Water Utilities (Schedule 11)	65
STATISTICS SECTION	
Miscellaneous Statistics	68
Assessment/Taxation Comparative Statistics	69
General Comparative Statistics	70
Demographic Statistics	72
Major Property Taxpayers in Port Alberni 2015	74
Five Year Plan 2015 - 2019	75
Consolidated Revenue – Last Five Years	76
Consolidated Expenses – Last Five Years	77
Capital Assets Acquired – Last Five Years	78
Surplus and Net Financial Assets – Last Five Years	79
Debt Retirement Graph	80
Debt Per Capita Graph	81

INTRODUCTORY SECTION

June 27, 2016
Mayor and Council
City of Port Alberni

In accordance with section 167 of the Community Charter, I herewith submit the Financial Report for the City of Port Alberni for the year ended December 31, 2015 as audited by R. Anderson & Associates.

The purpose of this Comprehensive Annual Financial Report is to present the financial operations results and the financial position of the City for the fiscal period December 31, 2015. 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 notes and schedules, and the independent external auditors' report. These statements and schedules show comparative amounts for the current and prior years, and the current year's approved budget.
- Statistics Section
 - Presents relevant current and historical statistical and financial information.

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 Canadian public sector accounting standards. 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.

Port Alberni City Council is responsible for ensuring that City Administration fulfills its responsibilities for financial reporting, internal control and risk management. To assist City Council with these responsibilities, Council appointed three Councillors to the Audit Committee. The committee meets with management on a quarterly basis to review financial reports and any concerns with the financial reporting process. Municipal governments are entrusted with providing services within approved budget amounts in an environment of transparency, accountability and responsibility. The Audit Committee provides a focal point for communication between Council, the external auditor and management, and facilitates an impartial, objective and independent review of management practices.

The audit firm of R. Anderson & Associates is appointed by the Council of the City of Port Alberni, and is responsible to report directly to you with their audit opinion.

The City of Port Alberni completed the 2015 fiscal year with an increase in the consolidated accumulated surplus of \$4,012,911.

A summary of the 2015 overall accumulated surplus increases (decreases) are as follows:

Operating Funds	\$ (688,423)
Capital Funds	3,582,586
Statutory Reserve Funds	345,229
Unrestricted Reserve Funds	<u>773,519</u>
	\$ 4,012,911

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 Canadian public sector accounting standards. 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 short term investment instruments to accommodate major capital project funding requirements.
- Utilities - The City's policy is to not use general taxation to fund the provision of water service, sewer service or solid waste collection services. These services are funded through user fees.

Investment earnings increased from \$286,558 in 2014 to \$309,796 in 2015. Total investment income was \$266,622 in 2013, \$254,999 in 2012, and \$243,196 in 2011.

The City's 2015 long-term debt increased from \$8,611,376 to \$11,147,582; and interim capital financing decreased from \$2,225,000 to nil. The City's 2015 capital program of \$3,753,588 includes capital items funded \$1,614,329 from current operations revenue; \$1,030,245 from grants and donations; and \$609,361 from Reserves.

Consolidated revenues increased by \$3,165,962 from \$34,182,981 in 2014 to \$37,348,943 in 2015. This increase is attributed mostly to: increase in grant funding of approximately \$1.6 million; increase in property tax levy of \$500,000; and increase in in-kind developer contributions of \$900,000. The increase in grant funding is a result of moving deferred Community Works Gas Tax funds into revenue on completion of gas tax funded capital projects. In-kind developer contributions also increased with the completion of capital construction. Water and sewer utility fees revenue increased as scheduled in accordance with the Water and Sewer Rates Review adopted in 2013. Increases in expenses are due to new debt interest in water, and amortization in both utilities. Consolidated expenses increased by \$667,372, from \$32,668,680 in 2014 to \$33,336,032 in 2015. This net increase is attributed to a combination of increases and decreases city-wide.

The municipal statistics section of the report indicates that total current taxes collected as a percentage of current levies is 97.2% for 2015 (96.6% in 2014).

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 2015
Municipal Infrastructure
Summary of Services and Regional Relationships
Budget Process and Timing
Source and Use of Capital Funding

Respectfully submitted,



Cathy Rothwell
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, 2014. 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.

2014 marks the twenty-second year the City has received the award.



Government Finance Officers Association

**Canadian Award
for
Financial Reporting**

Presented to

**City of Port Alberni
British Columbia**

For its Annual
Financial Report
for the Year Ended

December 31, 2014

Executive Director/CEO

Directory of Officials

Port Alberni

Mayor and City Council 2015



Back row: Councillor J. McLeman, Mayor M. Ruttan, Councillors D. Washington, R. Paulson
Front row: Councillors C. Alemany, S. Minions, D. Sauvé

Declaration and Identification of Disqualified Council Members:

In accordance with Section 98(2)(e) of the Community Charter, there were no declarations of disqualification made under Section 111 of the Community Charter in 2014

Appointed Officials

City Manager	K. Watson
City Clerk	D. Hartwell
Director of Finance.....	C. Rothwell
City Engineer.....	G. Cicon
Director of Parks, Recreation and Heritage.....	S. Kenny
Director of Corporate/Community Services.....	T. Kingston
Fire Chief.....	T. Pley
Building Inspector	R. Gaudreault
Manager of Information Technology.....	J. Pelech
City Planner.....	S. Smith
Licence Inspector/Bylaw Enforcement Officer.....	T. Hautzinger
Area Assessor - B.C. Assessment	B. MacGougan
Solicitor	Young, Anderson
RCMP Officer In Charge	M. Richards
Emergency Planning Coordinator	R. Shanks
Chair – Island Health Authority	D. Hubbard
Auditors	R. Anderson & Associates
Bankers	BMO Bank of Montreal

Directory of Officials (continued)

2015/16 Advisory Planning Commission

C. Alemany (Council Liaison)
V. Barnett
H. Crowther
S. Dhaliwal
J. Douglas
J. Johnson
M. Millin
D. Paddock (RCMP Liaison)
L. Ransom
J. Tatoosh
R. Thoen (Fire Dept. Liaison)

2015/16 AV Heritage Commission

D. Bill	P. McDougall
J. Carlson	B. Simpson
P. Cote	D. Taberner
P. Craig	D. Washington
J. Dick	D. Whitworth
G. Flostrand	M. Williamson
N. Malbon	
L. Manson	



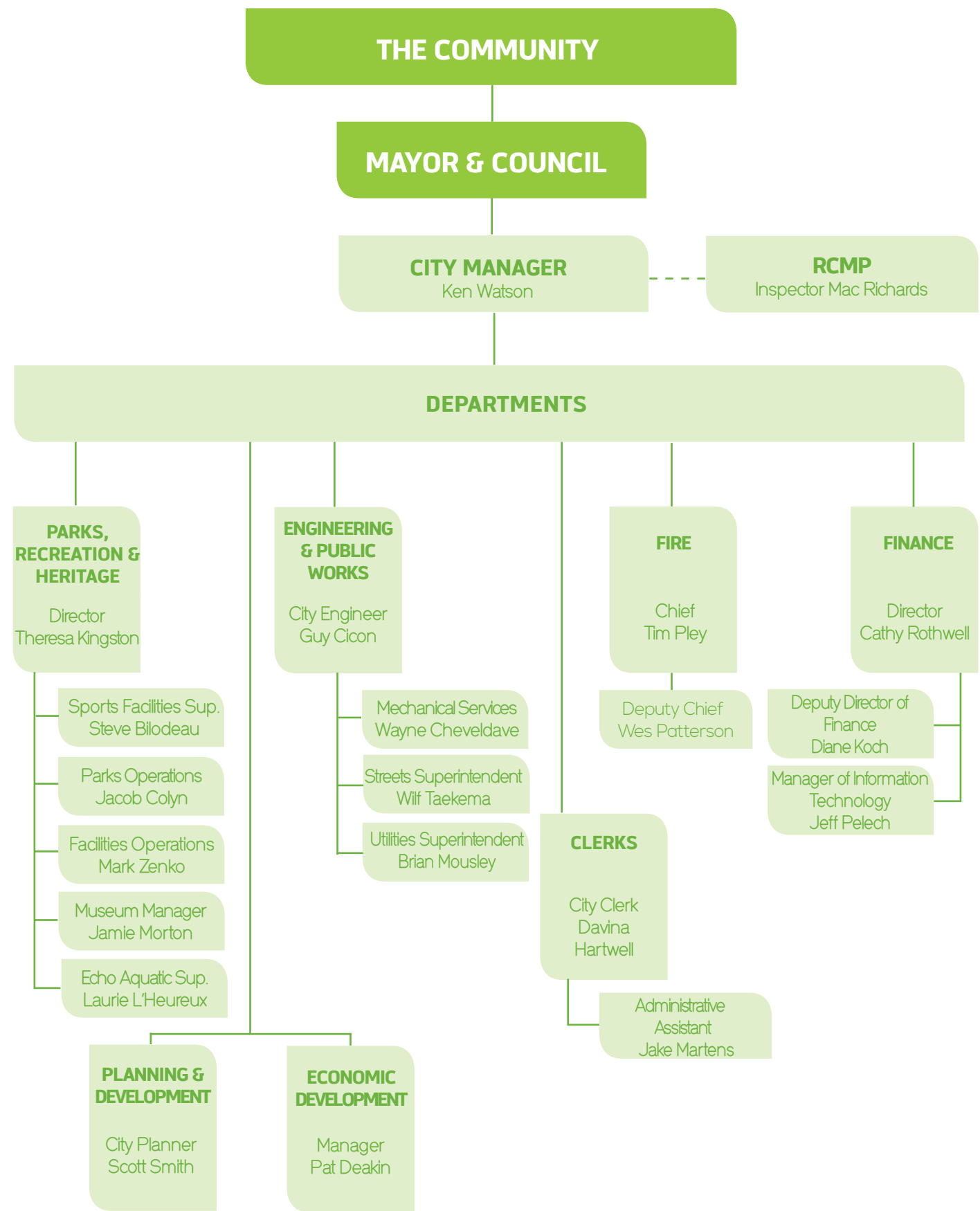
Photo credit: Charmead Schella

CITY OF PORT ALBERNI

MUNICIPAL COUNCIL RESPONSIBILITIES FOR CITY SERVICES DECEMBER 31, 2015

Mayor Mike Ruttan <ul style="list-style-type: none">- Director, Alberni Clayoquot Regional District- Member, North Island-Sunshine Coast Regional Advisory Committee- Director, Upnit Power Corporation- Chair, Personnel Committee- Court of Revision
Councillor Chris Alemany <ul style="list-style-type: none">- Liaison, Advisory Planning Commission- Air Quality Council- Member, Audit Committee- Member, ACRD Transportation Committee- Liaison, Community Stakeholders Initiative on Homelessness- Member, Food Security & Climate Change Committee
Councillor Jack McLeman <ul style="list-style-type: none">- Director, Alberni Clayoquot Regional District- Member, AV Community Forest Legacy Committee- Liaison, AV Community Forest Corporation- Member, Personnel Committee- Member, McLean Mill Advisory Committee
Councillor Sharie Minions <ul style="list-style-type: none">- Trustee, Vancouver Island Regional Library Board- Member, Personnel Committee- Liaison, Alberni Valley Chamber of Commerce- Liaison, West Coast Native Healthcare Society- Court of Revision- Member, Youth Advisory Committee
Councillor Ron Paulson <ul style="list-style-type: none">- Liaison, Advisory Traffic Committee- Liaison, School District 70/North Island College- Member, Community Investment Program/Permissive Tax Exemption Committee- Member, AV Community Forest Legacy Committee- Member, Youth Advisory Committee
Councillor Denis Sauvé <ul style="list-style-type: none">- Liaison, Port Alberni International Twinning Society- Liaison, Continuing Care Societies- Court of Revision- Member, Audit Committee- Emergency Planning Committee- Member, Seniors Advisory Committee
Councillor Dan Washington <ul style="list-style-type: none">- Chair, Audit Committee- Liaison, Alberni Valley Heritage Commission- Liaison, West Island Woodlands Advisory Group

ORGANIZATIONAL CHART



Where we are



VISION

MISSION

VALUES

Vision

The City of Port Alberni is a vibrant waterfront community at the heart of the west coast that is:

- Sustainable and environmentally responsible;
- Safe, caring, and healthy;
- Economically robust and diverse;
- Welcoming, accessible, and attractive;
- Actively creating its future.

Mission

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

- Providing or facilitating the delivery of high quality core municipal services and programs;
- Fiscal responsibility;
- Planning and encouraging development to ensure a thriving economy and a strong tax base;
- Maintaining infrastructure to support public health, growth, and economic diversification;
- Providing leadership and building internal/external partnerships of benefit to the City.

Values

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

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



Photo credit Erica Watson

Economic Condition and Outlook

Port Alberni is situated at the heart of the west coast of Vancouver Island in a broad valley at the end of a 48 kilometre ocean inlet. Three large lakes are within 20 minutes of the City's center. This location provides stunning views of majestic mountains, the inlet and a river estuary, many exciting outdoor recreational opportunities and abundant quantities of high quality fresh water.

Port Alberni has a deep sea port, a hospital, shopping malls, two post-secondary institutions, nine schools, many parks, a well-developed array of recreational facilities, significant tourism attractions, and a small airport.

While forestry and related manufacturing have long been the mainstays of the Port Alberni economy, diversification efforts are being directed into tourism, marine industry, deep sea port activities, the arts, agriculture, clean energy technologies, and investments in lifestyle amenities.

In spite of considerable downsizing in the forest and fishing industries over the last few decades, the population in Port Alberni has remained relatively constant, at approximately 17,500. Commercial and residential development in the City has been fueled by the fact that our community has exceptional quality of life and some of the lowest property costs in British Columbia. This is attracting investors, retirees, and young families wanting to own their own homes.

In Port Alberni, Western Forest Products, Island Health, School District 70, and Catalyst Paper are the major employers. The lumber and paper industries are the primary

individual taxpayers. These industries have a tremendously positive local impact.

In 2012 the City completed its commitment program of accelerated tax reductions for the Major Industry class totaling \$2.1 million over the five years (2008-2012). For the years 2013 through 2017, the City has committed to no tax increase for the Major Industry class as per the sewage lagoon purchase agreement reached with Catalyst in 2013. The City continues to work with Catalyst Paper Corporation and Western Forest Products Ltd., the two largest industrial operators in our community, to try and find ways of keeping their operations sustainable under challenging economic conditions.

Port Alberni, like many Canadian local governments, faces significant financial challenges in funding necessary upgrades to aging infrastructure. In 2015, capital works projects totaling \$1.7 million were completed. Significant projects included road upgrades on 9th Avenue and Dunbar Street; storm drain construction on 9th Avenue, Kingsway outfall extension to Argyle, Haslam Road, Dunbar Street, and 4th Avenue; water construction at Kingsway and Argyle, 4th Avenue, and chamber replacements at Neill Street and 4th Avenue; and sewer construction on 3rd and 9th Avenues. Work continues on the next phases of water construction on Neill Street, 6th Avenue, 21st Avenue, and supply upgrades at Bainbridge; and sewer construction on the Coal Creek outfall, and sewage treatment at the Catalyst lagoon. Funding for the completed projects included \$1.1 million in government grants; and \$365,000 in contributions from City reserves.

Capital construction plans over the next five years include necessary major projects for roads and water supply, aquatic facilities, and sewer treatment upgrades. Funding estimates require that \$14 million be raised from borrowing.

Total long term debenture debt per capita in 2015 has increased to \$628 from \$485 in 2014.

Significant Local Events 2015

Planning

The Planning Department processed 119 building permits with an aggregate value of \$13.5 million in 2015. New construction commenced on the Uchucklesaht First Nation mixed use commercial, cultural and residential building on Argyle Street; the Stewardship Centre at Harbour Quay; and day care facilities at the Port Alberni Friendship Centre on 4th Avenue. Renovations commenced on Huu-ay-aht First Nation's office space on Adelaide Street; the exterior of Riverside Motel on Roger Street; and a small expansion at LB Woodchoppers on 3rd Avenue. Construction completed on a boat maintenance and storage facility on 2nd Avenue and Dunbar Street as well as a commercial card lock station on the same property; a liquor, beer and wine store on lower 3rd Avenue; a Church of the Nazarene on Victoria Drive; and a fourplex residential building on Melrose Avenue. A substantial Revitalization Tax Exemption program was developed for all commercial areas to provide incentive for investment into commercial properties.

Fire Department

During 2015, Port Alberni Fire Department responded to 1,186 calls for service (1,272 in 2014). The department conducted 1,000 fire inspections in 2014 (1,046 in 2014) throughout the year, and monitored a number of third party inspections during the same time period. In 2015, Port Alberni continued to improve over 2014 levels

of fire protection service and is rated by Fire Underwriters as a "1" on the Dwelling Protection Grade scale and a "4" on the Public Fire Protection Classification scale. The scale ratings are maintained in part by continuing to provide fire suppression minimum on duty staffing of 4, maintaining the City's fleet of rated fire apparatus, and continuing to commit one full time employee to fire prevention.

In 2012, the Fire Department advanced Council's strategic initiative of developing a regional approach to the delivery of fire protection services. The 2012 Automatic Mutual Aid Agreement with Sproat Lake and Beaver Creek Fire Departments continues to result in a high level of coordinated service in 2015. Other highlights include scheduled replacement/upgrade of equipment.

Parks, Recreation & Heritage

Project highlights for 2015 include: trail development and fish enhancement in Roger Creek ravine in partnership with West Coast Aquatic; Gyro Recreation Park upgrades of a new playground structure with funding from Tire Stewardship BC, installation of a pickle ball court with funding from New Horizon for Seniors, and resurfacing of the tennis courts. Local artists participated in the Pool Mural project at the Aquatic Centre; a dust control system was installed at the Industrial Heritage Centre with funding from the Sunshine Club; construction was completed on washroom facilities and storage at Harbour Quay; and in cooperation with the Port Authority, a new entry sign greets people at the entrance of Harbour Quay.

Parks, Recreation & Heritage continues to work towards its mission by developing and maintaining efficient operations of parks and facilities; ensuring full and equitable access to a wide range of leisure opportunities; promoting an appreciation of the environment; facilitating partnerships with the volunteer, public and private sector; and providing leadership and personal development opportunities promoting positive community values.

Alberni Valley Museum

The Alberni Valley Museum mission is to conserve, strengthen and share the unique heritage of the Alberni Valley. The Museum partners with the community in acquiring, documenting and preserving artifacts and photographs, making collections accessible, developing exhibits and school and public programs, facilitating the work of volunteers and supporting economic diversification through heritage tourism.

Attendance in 2015: 18,410 (17,453 in 2014); and 818 children participated in the museum's educational programs. McLean Mill attendance decreased to 10,860 in 2015 from 11,388 in 2014. The gift shop generated sales of approximately \$9,000 in 2015 (\$11,000 in 2014). The BC Arts Council awarded \$65,000 for funding of operations.

Exhibits and community events in 2015 were very successful and well received by visitors. Highlights include We Are All One, based on paintings created by children at the Alberni Indian Residential School; Sampson-Matthews Project – Art for the Nation; and Pirates: From

Treasure Island to Vancouver Island.

The 13th annual Heritage Fair, a major museum educational initiative for grades 4 to 9, was supported financially by the Lions Club, Quality Foods, the Alberni Valley Times, the Hughes Family, and the BC Heritage Fairs Society.

Public Works

Each year a number of capital projects are undertaken to maintain and improve the City's infrastructure. In 2015 major street projects included 9th Avenue, Dunbar Street, and Argyle Street.

Construction of storm/sanitary sewers throughout the City included 4th and 9th Avenues, Kingsway outfall extension, Haslam Street, and Dunbar Street. Replacement of mains and decreasing the number of dead end mains is ongoing. Water construction on Argyle Street and 4th Avenue was completed. Work was substantially completed on the water supply upgrades at Bainbridge. Construction of major sewer infrastructure continues.

One pickup, a pup trailer, and a street sweeper truck were replaced as scheduled, funded from the Equipment Replacement Reserve Fund (ERRF).

Policing

The City of Port Alberni and adjoining rural areas are policed by the RCMP under contract from the Province of British Columbia and the Federal Government. 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 Uchucklesah First Nations, as well as Sproat Lake and Great Central Lake. The total area population served by Port Alberni Detachment is approximately 30,000 full-time residents, plus increases due to summer tourism. Port Alberni Detachment provides policing services along three business lines or contracts – Municipal, Provincial and Aboriginal Policing. The municipal policing service includes disciplines such as General Duty Investigations, Drug Enforcement, Major or Serious Crimes, Police Dog Service, Forensic Identification, Traffic Enforcement, Community Policing, Youth Officer, Violence in Relationship Officer, and police based Victim Services. Our Community Policing Program engages volunteers who have donated thousands of hours in support of policing initiatives.

In 2015, the detachment continued to focus on its Crime Reduction Strategy, which began in late 2006. The strategy is multi-faceted with the goal of reducing crime and victimization in the community. 2015 saw a 6% reduction in person's violent crimes, where Vancouver Island as a whole saw a 5% increase. Reducing crime is a community effort and the RCMP are supported in this by a number of external partner agencies and organizations such as Corrections, Court Services, Citizens on Patrol, Block Watch, Island Health and First Nations.

Some of the highlights for 2015 include: continued focus on youth and youth at risk, and a number of initiatives aimed at increasing road

safety and community engagement. Partnerships were developed with Mental Health & Addictions, the Assertive Community Response Team, and West Coast General Hospital.

The RCMP managed public safety at our three popular annual events, the Salmon Festival, Thunder in the Valley, and the Fall Fair. The detachment continues to be committed to higher visibility through periodic foot and bike patrols in the downtown core and on site at community special events.

There were 11,820 files opened for offences in 2015, up slightly from 11,716 in 2014. The number of prisoners incarcerated in detachment cells in 2015 was 1,470, down from 1,742 in 2014.

Port Alberni RCMP's 2016/2017 Annual Performance Plan will focus on property crime, traffic safety, crime reduction/offender management, continued partnership with First Nations, and youth programs such as DARE, Survival Kids, and Cultural Share.

Municipal Infrastructure

The City of Port Alberni provides a wide range of services to the public.

Roads & Transportation

The City's road network consists of approximately 175 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 prioritize 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 10 bridges, in the City of varying age and type. Five are vehicular traffic bridges and five are pedestrian bridges. Most of the vehicular traffic bridges date from the 1950's. Construction to replace the Gertrude Bridge over Kitsukis Creek commenced in 2015, and rehabilitation of Josephine Street Bridge and Victoria Quay Bridge over Roger Creek is scheduled for 2016.

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 feeds a tributary to China Creek. Growth of the City is limited by an inadequate volume in our China Creek and Bainbridge sources. The City and Regional District are jointly investigating development of new regional sources. The state of the waterworks infrastructure is good, and considerable investment has

been made in the last 10 years to upgrade facilities. A major upgrade to the supply main trestles from the China Creek supply began in 2006. Phase 1 of this project was completed in 2008. Phase 2 began in 2009 and was completed in 2011. Capital projects substantially completed in 2015 include the Bainbridge water treatment plant with ultra violet water disinfection treatment. Compliance with Island Health Authority regulations requires that the City upgrade treatment methods.

The condition of the City's 170 km of water mains is generally good, with some deterioration due to age. The condition of asbestos cement mains is being monitored for structural problems.

Storm and Sewer

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 mostly 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 pump stations to an aeration lagoon located on the south side of the Somass River. The present treatment facility produces effluent that often fails permit parameters. Bio solids removal from the lagoon was undertaken in 2004. A major upgrade to the Argyle Street Pump station was completed in 2009.

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.

In 2013, the City acquired the sewage lagoon from Catalyst Paper, one of the first steps to upgrades planned in 2013 through 2017. Sewage treatment plant upgrades will continue for 2014 through 2018, funded through borrowing and federal grants. Plans include wetland restoration for the old lagoon when the Catalyst lagoon is operational.

Solid Waste

The City operates a residential collection service, and ceased operations of its commercial container collection service in July 2015. Solid waste is taken to the Alberni Valley Landfill operated by the Alberni-Clayoquot Regional District.

Curbside collection of recyclables is provided by Multi-Material BC (MMBC). The Alberni-Clayoquot Regional District operates a central depot on 3rd Avenue.

Cemetery

The City operates and maintains the Greenwood Cemetery, with a

section dedicated as a Field of Honour.

City Hall

The Port Alberni City Hall located at 4850 Argyle was constructed in 1958. Renovations to the roof, heating and lighting systems were completed in 2013. A cedar façade renovation was budgeted in 2015 with local business donations and completed in 2016.

City Hall houses the City Council Chambers and Committee Rooms, as well as the General Administrative Offices on the main floor. The Engineering, Planning, and Economic Development Departments' 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 was done in 2000.

Public Safety Building

The Public Safety Building at 4444 Morton Street was completed in the fall of 2006. This facility provides a safe and efficient building which houses our RCMP detachment. This \$6 million project was financed through City reserve funds and borrowing. Upgrades in 2014 included a closed circuit video system.

Works Yard

The Works Yard is at 4150 - 6th Avenue and was constructed in 1966. This facility houses the public works operations, parks operations, stores, purchasing, and inventory. Approximately 54 employees are dispatched from the various shops including water, sewer, streets, parks, facilities, and mechanical. A fleet of about 100 vehicles and 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, or 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 facility provides a 25 metre pool, a shallow pool, a tot's pool, a whirlpool, 2 saunas and a fitness studio. Besides public swimming and swim lesson programs, the Aquatic Centre is home to the Tsunami Swim Club. Renovations to the roof, heating and lighting system were completed in 2013.

Community Arena

Construction of 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 fund raising. 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 1,500 stadium style seats in the Weyerhaeuser Arena.

The main features of the Alberni Valley Multiplex include:

- Two regulation size ice surfaces;
- Seating for 1,500 on the main ice arena;
- Four dressing rooms for each ice surface, 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;
- Heated viewing and food services lounge that overlooks both ice surfaces;
- A sizeable deck off the upper lounge which gives a spectacular view of the Alberni Valley and some of the adjacent playfields.

The facility is equipped with a sound system with acoustic panels in the ceiling of both ice rinks and over ice flooring panels. Energy Audit Upgrades were completed in 2014 with funding from Gas Tax

grants. An office for the Alberni Valley Bulldogs was added in 2015 with funding from the Alberni Valley Community Forest Legacy Committee.

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 annual community special events. Those events range from exhibitions and dog shows, to Fall Fair exhibits. Energy Audit Upgrades were completed in 2014 with funding from Gas Tax grants.

Gyro Youth Centre

Surrounded by parkland, the Centre houses an activity area for teens, seniors, and other groups. It is equipped with a small kitchen. Tennis courts, a lacrosse box, a spray park, and a children's playground are adjacent to the Centre. A number of upgrades were made to the tennis courts and playground in 2015.

Bob Dailey Stadium

Opened for the City of Port Alberni's hosting of the 1992 B.C. Summer Games, this stadium is the one of the jewels 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. A grandstand with a seating capacity of 650 overlooks the track and the field, with Mount Arrowsmith providing a spectacular backdrop to the setting. The track was resurfaced in 2013 with funding from Land Sale Reserve. The addition of outdoor exercise equipment is planned for 2016.

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.

Klitsa Park Baseball Fields

Klitsa Park Baseball Fields were completed in 2010. It features two junior baseball fields and a playground area.

Alberni Harbour Quay

The "Quay" is Port Alberni's well used and popular park-marketplace by the sea. This facility is managed by the Parks, Recreation & Heritage Department. The area includes shops, charter services, seasonal booths and retail marketplace, generating rental revenue for the City. The area includes a park with a picnic area, lawn, Shipwreck

Playground, spray pool and the Clock Tower. The centrepiece of the site is the Babe Gunn "Life Cycle of the Pacific Salmon" stone sculpture in a central fountain.

The Harbour Quay Spirit Square project was completed in 2010, as well as improvements to the Farmers' Market. The project included an extension of the wharf and a boardwalk, providing much more space for waterfront viewing. The improvements to the former "Market Square" included a covered area that will accommodate additional vendors, street lighting, and an entrance canopy.

The "Quay" annually plays host to a number of community events such as the *Our Town Finale*, the *Farmer's Market*, the *Austin Healey Rendezvous*, and various "Show and Shines."

Municipal Computer System

The municipality operates with various municipal software for finance, planning, utilities, elections, parks and recreation program registration, and data management. Implementation of new financial software (Microsoft Dynamics GP) was completed in 2014. Migration to paperless billing is planned for 2016.

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 under Provincial Government jurisdiction.
- Drainage
- Sanitary Sewer Collection System
- Solid Waste 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

Government services that are not the 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)
- Recycling Pickup
- Landfill (Alberni-Clayoquot Regional District)
- Municipal Pension Plan (Provincial Plan)
- Debt Marketing (Municipal Finance Authority)
- Flood Control (Provincial Government)
- Library 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 recycling services. Debt placement on behalf of the City of Port Alberni through the Municipal Finance Authority

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 provide the local facilities.

City of Port Alberni obtains services from the following 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 City 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 services 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 property tax notices and acts as a collection agent for all property taxes.

- (A) The following organizations' property tax levies are listed on the City's Property Tax Notice; however the City 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 listed on the City's Property Tax Notice, however the City 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

This page left blank intentionally

CITY OF PORT ALBERNI

BUDGET PROCESS

BUDGET PROCESS FOR THE YEAR 2015

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

The year 2015 budget activities began with a public consultation process on the 5 year plan in the form of a public discussion held at Echo Centre in early 2015. In the months following the discussion City Council reviewed the input received both during the discussion and subsequent submissions. In February and March 2015 Council received presentations from City staff on departmental budgets and reports on reserves and debt levels. Council then provided direction for the 2015-2019 five year plan. The five year plan 2015-2019 Bylaw #4870 was adopted April 20, 2015.

**CITY OF PORT ALBERNI
SOURCES AND USES OF CAPITAL FUNDING**

USES OF FUNDING

FIRE PROTECTION:

Tsunami Warning System		\$ 164,308
------------------------	--	------------

PUBLIC WORKS:

Transportation:

Pickup truck	33,237	
Tandem dump pup trailer	38,062	
Cab guard for Linkbelt excavator	5,214	
Compactor	7,436	
Street sweeper	<u>258,738</u>	342,687

Paving and Road Reconstruction:

9 th Ave – China Creek to Montrose	170,324	
Dunbar St sidewalks and paving	<u>172,209</u>	342,533

Traffic Upgrades:

Stamp Ave & Roger St traffic controller upgrade		21,866
---	--	--------

Storm Drain Construction:

9 th Ave – China Creek to Montrose	82,165	
Kingsway outfall extension to Argyle	299,576	
Haslam Rd – Tebo to Bishop	96,443	
4 th Ave & Neill St	78,524	
Dunbar St	<u>137,792</u>	694,500

Other:

Works Yard fuel system upgrade	24,006	
City Hall parking lot repaving	<u>20,021</u>	44,027

PARKS, RECREATION & CULTURE:

Industrial Heritage Centre – Dust control system	22,628	
McLean Mill log haul & lumber deck	68,148	
Ventrac mower replaced	41,361	
Gyro Recreation Park playground	158,926	
Roger Creek Water Park controller	11,675	

Roger Creek trail development	330,237	
Bob Dailey Stadium outdoor fitness circuit	48,829	
Stirling Park boat trailer parking & upgrades	13,289	
Harbour Quay glass windbreak	6,121	
Harbour Quay parking barriers	3,757	
Harbour Quay washrooms	62,024	
Pickle ball court	32,874	
Abbeyfield roof replacement	267,604	
Glenwood energy audit upgrades	34,027	
Multiplex energy audit upgrades	<u>491,425</u>	1,592,925

ADMINISTRATION:

Webcasting & streaming equipment – Council Chambers	21,872
---	--------

WATER SYSTEM:

Distribution system	392,331
---------------------	---------

SEWER SYSTEM:

Renewals and relines	<u>136,539</u>
----------------------	----------------

\$ 3,753,588

SOURCES OF FUNDING

Revenue Funds	\$ 1,614,329
Equipment Replacement Reserve Fund	384,048
Land Sale Reserve Fund	75,313
Capital Reserves	150,000
Government Grants (Gas Tax)	1,030,245
Other Sources	<u>499,653</u>
	<u><u>\$ 3,753,588</u></u>

This page left blank intentionally

FINANCIAL SECTION

This page left blank intentionally

**CITY OF PORT ALBERNI
INDEX TO FINANCIAL STATEMENTS
DECEMBER 31, 2015**

AUDITORS' REPORT

Statements

Consolidated Statements

Consolidated Statement of Financial Position.....	A
Consolidated Statement of Operations.....	B
Consolidated Statement of Change in Net Financial Assets.....	C
Consolidated Statement of Cash Flows.....	D

Notes to Financial Statements

Schedules

Supporting Schedules

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

INDEPENDENT AUDITOR'S REPORT

To the Mayor and Councillors of the City of Port Alberni

I have audited the accompanying financial statements of the City of Port Alberni, which comprise the consolidated statement of financial position as at December 31, 2015 and the consolidated statements of operations, changes in net assets and cash flow for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on these consolidated financial statements based on my audit. I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

(continues)

Opinion

In my opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the City of Port Alberni as at December 31, 2015 and the results of its operations and its cash flow for the year then ended in accordance with Canadian public sector accounting standards.

My audit was made for the purpose of forming and opinion on the consolidated financial statements taken as a whole. The current year's supplementary information included in Schedules 1 through 11 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 my opinion, is fairly stated, in all material respects, in relation to the consolidated financial statements taken as a whole.

R. Anderson & Associates Inc.

Port Alberni, BC
June 21, 2016

CHARTERED PROFESSIONAL ACCOUNTANTS

This page left blank intentionally

CONSOLIDATED FINANCIAL STATEMENTS

This page left blank intentionally

CITY OF PORT ALBERNI
CONSOLIDATED STATEMENT OF FINANCIAL POSITION (STATEMENT A)
FOR THE YEAR ENDED DECEMBER 31, 2015
 (with comparative figures for 2014)

	<u>2015</u> <u>Actual</u>	<u>2014</u> <u>Actual</u>
FINANCIAL ASSETS:		
Cash (Note 2)	\$ 26,646,089	\$ 27,970,456
Accounts receivable (Note 4)	5,141,924	4,001,043
Inventory for resale (Note 2)	28,265	30,862
Long Term Investments (Note 9)	<u>2,161,231</u>	<u>1,062,445</u>
	<u>33,977,509</u>	<u>33,064,806</u>
LIABILITIES:		
Interim capital financing	-	2,225,000
Accounts payable and accrued liabilities (Note 6)	5,123,795	5,301,182
Deferred revenue (Note 7)	3,861,206	2,739,087
Refundable deposits	370,325	372,310
Debenture debt (Note 8, Schedule 3)	<u>11,147,582</u>	<u>8,611,376</u>
	<u>20,502,908</u>	<u>19,248,955</u>
NET FINANCIAL ASSETS	<u>13,474,601</u>	<u>13,815,851</u>
NON-FINANCIAL ASSETS:		
Inventory of supplies (Note 2)	456,811	414,632
Prepaid expenses	1,483,308	1,433,054
Tangible Capital Assets (Notes 2 and 13, Schedule 1)	104,483,585	100,204,635
Intangible assets (Note 2)	<u>137,778</u>	<u>155,000</u>
	<u>106,561,482</u>	<u>102,207,321</u>
ACCUMULATED SURPLUS	<u>\$ 120,036,083</u>	<u>\$ 116,023,172</u>

Cathy Rothwell

Cathy Rothwell
 Director of Finance

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

This page left blank intentionally

CITY OF PORT ALBERNI
CONSOLIDATED STATEMENT OF OPERATIONS (STATEMENT B)
FOR THE YEAR ENDED DECEMBER 31, 2015
 (with comparative figures for 2014)

	2015 <u>Budget</u>	2015 <u>Actual</u>	2014 <u>Actual</u>
REVENUES:			
Taxes (Schedule 4)	\$ 21,808,437	\$ 21,854,111	\$ 21,354,953
Sale of services (Schedule 9)	8,427,006	8,863,836	8,853,719
Other revenue from own sources (Schedule 10)	651,640	1,438,981	1,868,120
Investment income	241,950	309,796	286,558
Grants (Note 11)	1,092,500	3,395,538	1,747,708
Developer contributions	-	1,226,328	62,583
Sale of property and equipment	-	344,945	25,351
Gain (loss) on disposal of assets	-	(84,592)	(16,011)
	<u>32,221,533</u>	<u>37,348,943</u>	<u>34,182,981</u>
EXPENSES:			
General government (Schedule 5)	3,441,174	3,897,542	3,970,532
Protective services (Schedule 6)	10,080,755	9,775,488	9,607,691
Transportation services (Schedule 7)	4,229,263	5,607,707	5,860,288
Environmental health services	898,901	1,014,982	1,132,995
Environmental development	951,377	908,791	943,186
Recreation and cultural services (Schedule 8)	6,477,923	7,300,586	7,503,696
Interest	679,254	311,363	313,042
Debt reserve	40,500	50,227	2,365
Water utility (Schedule 11)	1,414,549	2,099,625	1,848,594
Sewer utility (Schedule 11)	1,152,240	1,524,911	1,456,312
Cost of sales and service	-	844,810	29,979
	<u>29,365,936</u>	<u>33,336,032</u>	<u>32,668,680</u>
ANNUAL SURPLUS	2,855,597	4,012,911	1,514,301
Accumulated surplus - beginning of year - restated (Note 15)	<u>116,023,172</u>	<u>116,023,172</u>	<u>114,508,871</u>
ACCUMULATED SURPLUS - END OF YEAR	<u>\$118,878,769</u>	<u>\$120,036,083</u>	<u>\$116,023,172</u>

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

CITY OF PORT ALBERNI
CONSOLIDATED STATEMENT OF CHANGE IN NET FINANCIAL ASSETS (STATEMENT C)
FOR THE YEAR ENDED DECEMBER 31, 2015
(with comparative figures for 2014)

	2015 <u>Budget</u>	2015 <u>Actual</u>	2014 <u>Actual</u>
ANNUAL SURPLUS	\$ (412,600)	\$ 4,012,911	\$ 1,514,301
Acquisition of tangible capital assets	-	(9,225,631)	(5,600,195)
Amortization	15,299	4,788,134	4,342,164
(Gain) loss on disposal of assets	-	84,592	16,011
Proceeds from sale of assets	<u>-</u>	<u>81,176</u>	<u>63,400</u>
	<u>(397,301)</u>	<u>(258,818)</u>	<u>335,681</u>
Acquisition of supply inventory		(456,811)	(414,632)
Acquisition of prepaid expenses		(1,483,307)	(1,443,054)
Consumption of inventory of supplies		414,632	390,718
Use of prepaid expenses		<u>1,443,054</u>	<u>1,393,566</u>
		<u>(82,432)</u>	<u>(73,402)</u>
(DECREASE) INCREASE IN NET FINANCIAL ASSETS		(341,250)	262,279
NET FINANCIAL ASSETS - BEGINNING OF YEAR		<u>13,815,851</u>	<u>13,553,572</u>
NET FINANCIAL ASSETS - END OF YEAR		\$ <u>13,474,601</u>	\$ <u>13,815,851</u>

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

CITY OF PORT ALBERNI
CONSOLIDATED STATEMENT OF CASH FLOWS (STATEMENT D)
FOR THE YEAR ENDED DECEMBER 31, 2015
(with comparative figures for 2014)

	<u>2015</u> <u>Actual</u>	<u>2014</u> <u>Actual</u>
OPERATING ACTIVITIES:		
Annual surplus for the year	\$ 4,012,911	\$ 1,514,301
Non-cash items		
Add: amortization of tangible capital assets	4,788,134	4,342,164
Add: loss on disposal of tangible capital assets	84,592	16,011
(Increase) decrease in investment	(1,098,789)	533,856
(Increase) inventory of supplies	(42,179)	(23,914)
(Increase) prepaid expenses	(50,253)	(39,485)
Deduct: developer contributions	(1,226,328)	62,583
Changes in working capital balances		
Accounts receivable	(1,140,881)	(315,466)
Inventory for resale	2,597	(9,690)
Accounts payable and accrued liabilities	(177,387)	(540,383)
Deferred revenue	1,122,119	475,473
Refundable deposits	<u>(1,985)</u>	<u>41,161</u>
	<u>6,272,551</u>	<u>6,056,611</u>
FINANCING ACTIVITIES:		
Proceeds from temporary borrowing	-	2,225,000
Repayment of temporary borrowing	(2,225,000)	(5,000,000)
Proceeds from long term debt	2,912,000	5,750,000
Repayment of long term debt	<u>(375,794)</u>	<u>(262,597)</u>
	<u>311,206</u>	<u>2,712,403</u>
CAPITAL ACTIVITIES:		
Acquisition of tangible capital assets	(7,353,591)	(4,036,106)
(Increase) decrease in work-in-progress	(635,709)	(1,776,362)
Proceeds from sale of assets	<u>81,176</u>	<u>63,400</u>
	<u>(7,908,124)</u>	<u>(5,749,068)</u>
(DECREASE) INCREASE IN CASH FLOW	(1,324,367)	3,019,946
Cash and short term investments - beginning of year	<u>27,970,456</u>	<u>24,950,510</u>
CASH AND SHORT TERM INVESTMENTS - END OF YEAR	\$ <u>26,646,089</u>	\$ <u>27,970,456</u>

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

**CITY OF PORT ALBERNI
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2015**

1. General

The City of Port Alberni (the "City") is a municipality in the Province of British Columbia and operates under the provisions of the 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, and Sewer Capital Fund.

In December, 2009 the City of Port Alberni incorporated a company known as Alberni Valley Community Forest Corporation. The City retains full ownership of the company. Alberni Valley Community Forest Corporation general operations include forestry and business activities associated with forestry including harvesting and selling timber and non-timber forest products.

2. Summary of Significant Accounting Policies

The accounting policies of the City 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 Board (PSAB) of the Canadian Institute of Chartered Accountants (CICA).

Basis of Presentation

The City practises fund accounting. Funds are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations. Funds 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 City'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 City 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 Development. 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 through user charges.

**CITY OF PORT ALBERNI
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2015**

Consolidated Financial Statements – the General Revenue Fund, Water Revenue Fund, Sewer Revenue Fund, General Capital Fund, Water Capital Fund, Sewer Capital Fund, Parkland Acquisition Reserve Fund, Equipment Replacement Reserve Fund, Capital Works Reserve Fund, Land Sale Reserve Fund, Development Cost Charges Fund, and Carbon Trust Fund belong to one economic entity under control of City 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 – Revenues and expenses are recorded on the accrual basis, except for cash flow information, in accordance with International Financial Reporting Standards (IFRS), replacing Generally Accepted Accounting Principles (Canadian GAAP). Revenues and expenses are recorded in the period that the events or transactions giving rise to the revenues and expenses occur.

Tangible Capital Assets – effective 2008 the City adopted the provisions of PSAB Accounting Handbook Section 3150 that required that tangible capital assets be recorded at cost and amortized over their useful lives.

Tangible capital assets are recorded at cost less accumulated amortization. Cost includes all costs directly attributable to acquisition, construction, or interest from financing of the tangible capital asset. Amortization is recorded on a straight-line basis over the estimated life of the tangible capital asset. Assets under construction are not amortized. Contributed tangible capital assets are recorded as revenue at fair value at the time of contribution.

Estimated useful lives of tangible capital assets are as follows:

Land improvements	10 to 20 years
Buildings (including building components)	25 to 40 years
Machinery and equipment	5 to 30 years
Engineering structures	30 to 75 years
Storm systems	45 to 75 years
Transportation systems	15 to 60 years
Water systems	8 to 75 years
Sewer systems	8 to 75 years

Tangible capital assets do not include works of art or historical treasures. Costs related to the acquisition of such items are expensed in the year in which they are acquired.

CITY OF PORT ALBERNI
 NOTES TO FINANCIAL STATEMENTS
 FOR THE YEAR ENDED DECEMBER 31, 2015

Revenue and Expense Recognition

- 1) **Taxation** – taxes are recognized as revenue in the year they are levied. Taxes may be adjusted by the Province by way of supplementary roll adjustments through the BC Assessment 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 admissions are recorded as sales of services.
- 3) **Other revenue** – includes permit and licence fees, fines, and penalty charges.
- 4) **Investment income** – the City invests in pooled funds of the Municipal Finance Authority of BC. The Municipal Finance Authority distributes earnings of these funds to its investors from time to time based on the market value of the pool. The City 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) **Expenses** - are recorded on an accrual basis and are recognized in the period in which the goods and services are acquired and a liability is incurred or transfers are due.

Cash and Short Term Investments – cash consists of funds situate in till floats, ATMs, and bank accounts. Short term investments are considered cash equivalents when there is a maturity date of less than 90 days. All short term investments held by the City consist of money market funds, and are readily available. Short term investments are recorded at cost. Cash and short term investments as at December 31, 2015 were comprised as follows:

	<u>2015</u>	<u>2014</u>
Cash	\$ 2,909,562	\$ 2,138,592
Short Term Investments	<u>23,736,527</u>	<u>25,831,864</u>
	<u>\$ 26,646,089</u>	<u>\$ 27,970,456</u>

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 Non-Financial Assets and are expensed in the year of acquisition.

**CITY OF PORT ALBERNI
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2015**

Contributed Tangible Capital Assets – land developers are required to provide subdivision infrastructure such as streets, lighting, sidewalks and drainage, etc. At the end of the warranty period, they are turned over to the City for no consideration. The City is not involved in the construction and does not budget for either the contribution from the developer or the capital expenditure in its annual bylaw.

Intangible Assets - Intangible assets consist of the fair value of a permanent lease acquired for access to properties on which sewage infrastructure is situated. Amortization will be recorded over the remaining term of the lease plus one renewal term. No amortization has been recorded prior to 2015 as the infrastructure was not in use until 2015.

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

Employee Future Benefits - The City and its employees participate in a Municipal Pension Plan. The Plan is a multi-employer contributory defined benefit pension plan. Payments in the year are expensed. Sick leave benefits and retirement severance benefits are also available to the City's employees. The costs of these benefits are actuarially determined based on service and estimates of retirement ages and expected future salary and wage increases. The obligation under these benefit plans is accrued based on projected benefit costs as employees earn the future benefits.

Use of Estimates/Measurement Uncertainty – the preparation of financial statements in accordance with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenditures during the reporting period. Significant areas requiring use of management estimates relate to the useful lives of tangible capital assets for calculation of amortization, determination of employee future benefits, collectability of accounts receivable, and provisions for contingencies.

Financial Instruments – the City's financial instruments consist of cash and temporary investments, portfolio investments, accounts receivable, other assets, accounts payable and accrued liabilities, refundable deposits and long term debt. Unless otherwise indicated, it is management's opinion that the City is not exposed to any significant interest, credit, or currency risks arising from these financial instruments.

Adoption of New Accounting Policy - on January 1, 2015, the City adopted PS 3260 Liability for Contaminated Sites. The standard was applied on a retroactive basis to January 1, 2014 and did not result in any adjustments to financial liabilities, tangible capital assets or accumulated surplus of the City.

CITY OF PORT ALBERNI
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2015

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 is comprised of the following:

	<u>2014</u>				<u>2015</u>
	Balance	Interest	Receipts	Expenditures	Balance
Cemetery Trust	\$ <u>161,447</u>	\$ <u>2,695</u>	\$ <u>4,045</u>	\$ <u>(12,838)</u>	\$ <u>155,349</u>

4. Accounts Receivable

	<u>2015</u>	<u>2014</u>
Property taxes	\$ 1,024,817	\$ 983,931
Provincial government	4,464	1,965
Federal government	22,378	14,380
General	<u>4,090,265</u>	<u>3,000,767</u>
	\$ <u>5,141,924</u>	\$ <u>4,001,043</u>

5. Municipal Finance Authority Debt Reserve Fund

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

Upon the maturity of a debt issue the unused portion of the Debt Reserve Fund established for that issue will be discharged to the City. The proceeds from these discharges will be credited to income in the year they are received. As at Thursday, December 31, 2015 the total investment of the Debt Reserve Fund was comprised of:

	<u>2015</u>	<u>2014</u>
General Revenue	\$ 175,638	\$ 147,953
Water Revenue	41,759	-
Sewer Revenue	<u>169,843</u>	<u>222,990</u>
	\$ <u>387,240</u>	\$ <u>370,943</u>

CITY OF PORT ALBERNI
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2015

6. Accounts Payable and Accrued Liabilities

	<u>2015</u>	<u>2014</u>
Due to senior governments	\$ 3,469	\$ 1,461
Other local governments	599	16,111
Trade accounts	2,700,089	2,611,678
Salaries and wages	524,813	850,513
Accrued debenture interest	90,034	104,187
Accrued employee benefits	<u>1,804,791</u>	<u>1,717,232</u>
	<u>\$ 5,123,795</u>	<u>\$ 5,301,182</u>

Employee future benefits:

The City provides benefits for sick leave, vacation pay and certain retirement benefit arrangements to its employees.

a) Retirement benefit payments

The City provides retirement benefits to qualifying employees who cease employment with the City after a specified length of service. Retirement benefits are estimated for individual employees as per the appropriate collective agreement, based on estimated salary costs at the time of anticipated retirements, and discounting expected pay-outs over estimated years of service.

	<u>2015</u>	<u>2014</u>
Benefit liability - beginning of year	\$ 577,353	\$ 547,753
Add: current service costs	39,300	38,000
interest on accrued benefit obligation	22,800	22,600
amortization of actuarial loss	10,100	11,200
Less Benefits paid	<u>(49,100)</u>	<u>(42,200)</u>
Benefit liability - end of year	600,453	577,353
 Add ERIP reserve	 93,000	 93,000
Unamortized actuarial loss (gain)	<u>47,847</u>	<u>57,947</u>
 Accrued benefit obligation - end of year	 <u>\$ 741,300</u>	 <u>\$ 728,300</u>

The retirement liability requires no contribution from the employees.

	<u>2015</u>	<u>2014</u>
b) Accrued vacation liability as at Thursday, December 31, 2015	<u>\$ 933,491</u>	<u>\$ 858,932</u>

c) Accumulated sick leave liability

The City provides benefits for sick leave to all its employees. Employees in the classification of CUPE and Firefighter accumulate sick leave on a monthly basis and can only use this entitlement for paid time off under certain circumstances. Sick leave is accumulated to a maximum as determined by

CITY OF PORT ALBERNI
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2015

the appropriate collective agreement. Sick leave for management employees does not accumulate. At Thursday, December 31, 2015 this liability is estimated at \$130,000 (2012 - \$130,000)

d) Employee benefit obligations:

	<u>2015</u>	<u>2014</u>
Accrued Retirement Benefits	\$ 741,300	\$ 728,300
Accrued Vacation Payable	933,491	858,932
Accum. Sick Leave Liability	<u>130,000</u>	<u>130,000</u>
	<u>\$ 1,804,791</u>	<u>\$ 1,717,232</u>

The Employee Benefit Obligations liability was determined by actuarial valuation, with the exception of accrued vacation pay, which is recorded at actual. The actuarial valuation was performed by AON Hewitt in accordance with sections PS3250 and PS3255 of the CPA Canada Public Sector Accounting handbook. Actuarial valuations for accounting purposes are performed triennially using the projected accrued benefit cost method. The most recent valuation was completed December 31, 2014. The significant actuarial assumptions adopted in estimating the City's accrued benefit obligation are as follows:

Discount rates	3.50% per annum
Expected future inflation rates	2.25% per annum
Expected wage and salary increases	2.50% per annum

7. Deferred Revenue

Capital grants are restricted to spending on capital project expenses. Other deferred revenue is not restricted. Federal Gas Tax Agreement funding has broad guidelines for use for projects that result in cleaner air, cleaner water, or decreased greenhouse gas emissions.

	<u>2015</u>	<u>2014</u>
Capital grants, opening balance	\$ 133,170	\$ 60,530
Capital projects in progress, end of year	1,223,694	78,740
Capital projects completed during year	<u>(74,240)</u>	<u>(5,500)</u>
Capital grants, ending balance	1,283,224	133,770
Prepaid property taxes	987,082	880,440
Other	518,565	356,716
Federal Gas Tax Agreement	<u>1,072,335</u>	<u>1,368,161</u>
	<u>\$ 3,861,206</u>	<u>\$ 2,739,087</u>

CITY OF PORT ALBERNI
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2015

8. Debenture Debt

All debenture debt is owed to the Municipal Finance Authority of British Columbia, and 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 for the next five years as of Thursday, December 31, 2015 are as follows:

		Principal		Interest		Total
2016	\$	298,471	\$	365,811	\$	664,282
2017		254,557		295,628		550,185
2018		254,557		295,628		550,185
2019		254,557		295,628		550,185
2020		254,557		295,628		550,185

9. Long Term Investments

The City of Port Alberni owns 100% of the issued and outstanding shares of Alberni Valley Community Forest Corporation. The original investment is recorded at cost, and accumulated earnings to date are recorded on the equity basis.

	<u>2015</u>	<u>2014</u>
Alberni Valley Community Forest Corporation		
Shares	\$ 1	\$ 1
Accumulated earnings to date	<u>2,161,230</u>	<u>1,062,444</u>
	<u>\$ 2,161,231</u>	<u>\$ 1,062,445</u>

10. Expenses by Object

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Salaries Wages and Benefits	\$ 14,099,861	\$ 15,006,477	\$ 14,196,562	\$ 13,996,077	\$ 14,011,368
Debt Servicing	372,593	325,003	266,266	248,810	248,658
RCMP Contract	4,677,793	4,338,968	4,328,960	4,483,615	3,978,661
Grants	124,900	113,440	102,904	141,376	97,956
Other Contracts	1,296,074	1,219,318	1,303,941	1,362,344	1,413,647
Goods and Services	7,976,677	7,323,310	7,322,267	6,817,219	6,880,855
Amortization	<u>4,788,134</u>	<u>4,342,164</u>	<u>4,040,821</u>	<u>3,775,049</u>	<u>3,694,491</u>
	<u>\$ 33,336,032</u>	<u>\$ 32,668,680</u>	<u>\$ 31,561,721</u>	<u>\$ 30,824,490</u>	<u>\$ 30,325,636</u>

CITY OF PORT ALBERNI
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2015

11. Grants and Transfers

	<u>2015</u>	<u>2014</u>
Operating Grants		
Federal		
Gas Tax - Liquid Waste Management Plan	-	39,026
Total Federal Grants	-	39,026
Provincial		
Strategic Community & Revenue Sharing	\$ 489,164	\$ 489,164
Community Gaming	390,000	444,500
BC Arts Council - Museum	65,000	65,000
Water Study	-	10,000
Age Friendly Community Projects & Planning	-	5,686
Total Provincial Grants	944,164	1,014,350
Total Government Operating Grants	944,164	1,053,376
Local - Alberni-Clayoquot Regional District		
Economic Development	28,833	27,833
Local - Port Alberni Port Authority		
Waterfront North Study	-	22,391
Capital		
Federal		
Federal Gas Tax Revenue (UBCM)	1,951,719	280,050
RCMP	-	14,723
Provincial		
BC Hydro Power Smart Incentive Program	-	108,615
Ministry of Transportation and Infrastructure-Bike BC	70,000	-
	2,021,719	403,388
Total Government Grants and Transfers	2,994,716	1,506,988
Other Grants - Non-Government	400,822	240,720
Total Grants and Transfers	3,395,538	1,747,708

**CITY OF PORT ALBERNI
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2015**

12. 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 City is faced with lawsuits and other claims for damages of diverse nature. At year end, the City'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 \$5 million, plus an umbrella liability policy in the amount of \$45 million. When claims are paid the expense is charged to 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 based on a formula. The plan has about 185,000 active members and approximately 80,000 retired members. Active members include approximately 37,000 contributors from local government.

Every three years, an actuarial valuation is performed to assess the financial position of the plan and adequacy of plan funding. The actuary determines an appropriate combined employer and member contribution rate to fund the plan. The actuary's calculated contribution rate is based on the entry-age normal cost method, which produces the long-term rate of member and employer contributions sufficient to provide benefits for average future entrants to the plan. This rate is then adjusted to the extent there is amortization of any funding deficit.

The most recent actuarial valuation as at December 31, 2012 indicated a \$1.37 billion funding deficit for basic pension benefits on a going concern basis. The next valuation will be as at December 31, 2015 with results available in 2016.

Employers participating in the Plan record their pension expenses as the amount of employer contributions made during the fiscal year (defined contribution pension plan accounting). This is because the Plan records accrued liabilities and accrued assets for the Plan in aggregate, resulting in no consistent and reliable basis for allocating the obligation, assets and cost to the individual employers participating in the Plan.

The City of Port Alberni paid \$1,182,500 (\$1,119,482 in 2014) for employer contributions to the plan in fiscal 2015, which represents 0.07% of the total plan contributions. The City expects to pay approximately \$1,206,000 for employer contributions for 2016. Employees contributed \$981,217 to the plan in fiscal 2015 (\$925,889 in 2014).

CITY OF PORT ALBERNI
 NOTES TO FINANCIAL STATEMENTS
 FOR THE YEAR ENDED DECEMBER 31, 2015

13. **Tangible Capital Assets**

Tangible Capital Assets are stated at net book value.

	<u>2015</u>	<u>2014</u>
Land	\$ 3,883,555	\$ 3,731,840
Land Improvements	5,112,840	4,837,863
Buildings	20,409,380	20,457,499
Machinery and Equipment	5,413,261	5,815,224
Engineering Structures	2,207,073	1,767,213
Storm Drains	14,185,496	13,808,057
Transportation	10,122,363	10,637,170
Water	20,489,730	16,921,392
Sewer	<u>18,717,406</u>	<u>18,921,605</u>
	100,541,104	96,897,863
Work-in-progress - assets under construction not being amortized	<u>3,942,481</u>	<u>3,306,772</u>
	<u>\$ 104,483,585</u>	<u>\$ 100,204,635</u>

For more information on additions, disposals, and amortization, refer to Schedule 1 (Schedule of Tangible Assets)

There were no writedowns of tangible capital assets in 2015 (2014 - \$ nil). Contributed assets recognized in 2015 were \$60,450 (2014 - \$63,240) recorded at fair market value at the end of the warranty period. These include land, transportation, storm, sewer and water infrastructure. Interest capitalized in 2015 was \$125,304 (2014 - \$47,756). No amortization has been recorded on assets not in use in 2015.

14. **Segmented Information**

The City of Port Alberni provides a wide range of services to its citizens including police, fire, recreation, roads, sewer and water. For reporting purposes the City's operations and activities are organized and reported by Fund as described in Note 1. Funds were created for the purpose of recording specific activities to attain certain objectives in accordance with special regulations, restrictions or limitations.

City services are provided by departments and their activities are reported in these funds. Certain departments that have been separately disclosed in the segmented information, along with the services they provide are as follows:

General government services

General government provides internal support services to Council and other departments who provide direct services to its citizens. General government consists of governance, corporate management and program support. Internal departments include Legislative (Council), City Manager's Office, City Clerk's Department, Financial Services, Information Services and Human Resources.

CITY OF PORT ALBERNI
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2015

Protective services - Police, Fire, and Building Inspection

The Royal Canadian Mounted Police is Canada's national police service. They are committed to preserving the peace, upholding the law and providing quality service in partnership with Canadian communities and for all Canadian citizens. The mandate of the Port Alberni Fire Department is to provide fire suppression services; fire prevention programs; training and education related to prevention, detection or extinguishment of fires. It is the mandate of the Building Inspection Department to provide building inspection services as set out in the building bylaw for residents and builders. Building inspection services are provided in order to assist residents and builders in constructing projects which meet minimum construction standards.

Transportation services

The Public Works Department is responsible for the delivery of municipal public works services related to the planning, development and maintenance of roadway systems, traffic control and street lighting.

Environmental health services

The function of environmental health services is to provide for the collection and disposal of solid waste as well as providing cemetery services to the citizens of Port Alberni.

Environmental and economic development

Environmental development provides services relating to planning, economic development and tourism. The Planning Department develops and administers land use regulations to ensure an orderly and well planned community. Economic Development includes responsibilities for diversification of the economy through business retention, business attraction and marketing key properties owned by the City.

Recreation and cultural services

The mission of the Parks and Recreation Department is to enrich the quality of life of residents and visitors. The parks, facilities, programs and services are designed and delivered to provide the greatest benefit to the community as a whole. The Museum Department works with the community to collect, document, preserve and present all aspects of the cultural heritage of the Alberni Valley and West Coast of Vancouver Island. Cultural services also contribute towards the information needs of citizens through the provision of library services in partnership with the Vancouver Island Regional Library.

Water utility

The Water Department provides for the supply and treatment of safe drinking water to the citizens of Port Alberni.

Sewer utility

The Sewer Department provides for the collection and treatment of wastewater.

The accounting policies used in these segments are consistent with those followed in preparation of the consolidated financial statements as disclosed in Note 2. For additional information see Segmented Information (Schedule 2).

CITY OF PORT ALBERNI
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2015

15. Prior Period Adjustment

Subsequent to the issue of the December 31, 2014 consolidated financial statements, accounting errors were discovered with regards to allocation of certain balance sheet amounts expensed; omission of accrued debenture interest expense; and historical cost corrections to tangible capital assets as a result of an internal capital asset audit. The corrections are as follows:

2014 Accumulated Surplus

Accumulated surplus, as previously reported	\$ 113,722,306
Add: Corrections of historical capital costs	2,366,324
Less: Deferred revenue closed to profit & loss	(8,253)
Debt interest and borrowing costs not expensed	(57,205)
	-
Accumulated surplus, as restated	<u>\$ 116,023,172</u>

16. Comparative Figures

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

CITY OF PORT ALBERNI
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2015

17. Accumulated Surplus

Accumulated surplus consists of individual fund surplus, surplus invested in tangible capital assets and reserve fund and accounts as follows:

	<u>2015</u>	<u>2014</u>
Operations		
General	\$ (9,381,347)	\$ (6,678,385)
Water	3,635,708	2,088,394
Sewer	194,705	(272,520)
	<u>(5,550,934)</u>	<u>(4,862,511)</u>
Capital		
General	12,705,046	11,771,894
Water	1,065,980	3,172,076
Sewer	2,035,266	1,138,256
	<u>15,806,292</u>	<u>16,082,226</u>
Equity in tangible capital assets		
General	60,133,095	58,723,627
Water	18,863,332	16,508,966
Sewer	14,477,351	14,382,665
	<u>93,473,778</u>	<u>89,615,258</u>
Reserves		
Reserve funds - statutory		
Parkland Acquisition	37,529	138,906
Capital Works	1,255,809	1,356,256
Equipment Replacement	4,981,668	4,623,632
Land Sale	499,659	461,259
Development Cost Charges	161,308	147,371
Carbon Fund	341,117	266,923
Alberni Valley Community Forest Corporation Reserve	62,486	-
Reserve funds - unrestricted		
General Fund - projects and purchases	3,275,780	2,223,514
Loss on taxation	1,351,000	1,351,000
Museum purchases	48,040	53,494
RCMP - contract surplus	1,000,000	332,770
Parks and Recreation building	1,699,471	1,249,994
Water Fund - projects and purchases	1,253,080	2,643,080
Sewer Fund - projects and purchases	340,000	340,000
	<u>16,306,947</u>	<u>15,188,199</u>
	<u>\$ 120,036,083</u>	<u>\$ 116,023,172</u>

This page left blank intentionally

SUPPORTING SCHEDULES

This page left blank intentionally

**CITY OF PORT ALBERNI
SCHEDULE OF TANGIBLE CAPITAL ASSETS (SCHEDULE 1)
AT DECEMBER 31, 2015**

	ASSETS				ACCUMULATED AMORTIZATION				NET BOOK VALUE	
	Balance December 31, 2014 (Restated)	2015 Additions	2015 Disposals	Balance December 31, 2015	Balance December 31, 2014 (Restated)	2015 Additions	2015 Disposals	Balance December 31, 2015	NET BOOK VALUE 2015	NET BOOK VALUE 2014 (Restated)
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Land	3,731,840	206,896	55,181	3,883,555	-	-	-	-	3,883,555	3,731,840
Land Improvements	10,369,288	643,212	33,066	10,979,434	5,531,424	368,236	33,066	5,866,594	5,112,840	4,837,863
Buildings	34,888,876	923,208	94,553	35,717,531	14,431,375	943,885	67,111	15,308,149	20,409,382	20,457,499
Machinery & Equipment	13,289,213	455,353	505,799	13,238,767	7,473,989	803,019	451,498	7,825,510	5,413,257	5,815,224
Engineered Structures	3,033,609	495,174	193,900	3,334,883	1,266,396	32,046	170,632	1,127,810	2,207,073	1,767,213
Storm Drains	20,585,695	660,283	-	21,245,978	6,777,638	282,843	-	7,060,481	14,185,497	13,808,057
Transportation	41,554,866	342,533	11,942	41,885,457	30,917,696	857,339	11,942	31,763,093	10,122,364	10,637,170
Water	30,436,320	4,258,417	39,517	34,655,220	13,506,314	698,693	39,517	14,165,490	20,489,730	16,921,392
Sewer	27,231,668	259,202	3,032	27,487,838	8,310,063	463,118	2,749	8,770,432	18,717,406	18,921,605
Work in progress	3,306,772	3,942,481	3,306,772	3,942,481	-	-	-	-	3,942,481	3,306,772
	<u>\$ 188,428,147</u>	<u>\$ 12,186,759</u>	<u>\$ 4,243,762</u>	<u>\$ 196,371,144</u>	<u>\$ 88,214,895</u>	<u>\$ 4,449,179</u>	<u>\$ 776,515</u>	<u>\$ 91,887,559</u>	<u>\$ 104,483,585</u>	<u>\$ 100,204,635</u>

Financial Statements

CITY OF PORT ALBERNI SEGMENTED INFORMATION (SCHEDULE 2) FOR THE YEAR ENDED DECEMBER 31, 2015

	General Government	Protective Services	Transportation Services	Environmental Health Services	Environmental & Economic Development
Revenue					
Taxes	\$ 21,854,111	\$ -	\$ -	\$ -	\$ -
Sales of services	46,251	532,996	372,021	966,347	139,065
Other revenue from own sources	273,329	178,395	-	11,360	136,364
Investment income	211,067	-	-	-	-
Grants	891,449	15,000	-	-	28,833
Developer contributions	-	-	-	-	-
Gain/loss on disposal of assets	-	-	-	-	-
Other	-	-	-	-	-
Total revenue	23,276,207	726,391	372,021	977,707	304,262
Expenses					
Operating:					
Salaries, wages and benefits	2,182,283	4,007,080	2,296,566	406,143	425,437
Debt servicing	35,674	186,480	-	-	-
RCMP contract	-	4,677,793	-	-	-
Grants	40,900	-	-	-	84,000
Other contracts	67,841	141,048	1,037,060	-	50,124
Goods and services	1,474,829	609,998	345,451	605,318	182,499
	3,801,527	9,622,399	3,679,077	1,011,461	742,060
Amortization	237,088	346,934	1,928,705	3,520	54,500
Total expenses	4,038,615	9,969,333	5,607,782	1,014,981	796,560
Excess (deficiency) in revenue over expenses	\$ 19,237,592	\$ (9,242,942)	\$ (5,235,761)	\$ (37,274)	\$ (492,298)

**CITY OF PORT ALBERNI
SEGMENTED INFORMATION (SCHEDULE 2)
FOR THE YEAR ENDED DECEMBER 31, 2015**

Recreation and Cultural Services	Water Utility	Sewer Utility	Other Funds	Consolidated 2015	Budget 2015	Consolidated 2014
\$ -	\$ -	\$ -	\$ -	\$ 21,854,111	\$ 21,808,437	\$ 21,354,953
1,416,037	2,527,846	2,068,218	795,055	8,863,836	8,427,006	8,853,719
-	30,741	25,114	783,678	1,438,981	651,640	1,868,120
-	387	1,719	96,623	309,796	241,950	286,558
139,181	-	-	2,321,075	3,395,538	1,092,500	1,747,708
-	-	-	1,226,328	1,226,328	-	62,583
-	-	-	(84,592)	(84,592)	-	(16,011)
-	-	-	344,945	344,945	-	25,351
1,555,218	2,558,974	2,095,051	5,483,112	37,348,943	32,221,533	34,182,981
3,696,528	693,233	392,591	-	14,099,861	15,223,812	15,006,478
-	64,196	86,243	-	372,593	538,818	325,002
-	-	-	-	4,677,793	5,091,474	4,338,968
-	-	-	-	124,900	94,608	113,440
-	-	-	-	1,296,073	1,672,507	1,408,611
2,576,935	705,403	631,435	844,810	7,976,678	6,729,418	7,134,017
6,273,463	1,462,832	1,110,269	844,810	28,547,898	29,350,637	28,326,516
1,015,990	700,512	500,885	-	4,788,134	15,299	4,342,164
7,289,453	2,163,344	1,611,154	844,810	33,336,032	29,365,936	32,668,680
\$ (5,734,235)	\$ 395,630	\$ 483,897	\$ 4,638,302	\$ 4,012,911	\$ 2,855,597	\$ 1,514,301

CITY OF PORT ALBERNI
DEBENTURE DEBT - SCHEDULE 3

ALL FUNDS AT DECEMBER 31, 2015 - SHOWING REQUIREMENTS FOR PRINCIPAL AND INTEREST FOR 2016

Security Issuing Bylaw	Purpose	Original Issue	Amount Outstanding Dec. 31, 2015	Term in Years	Annual Interest Rate	Maturity Date	2016 Requirements Interest	2016 Requirements Principal	2015 Sinking Fund Addition	Debt Reserve Cash Balance Dec. 31, 2015
4280	General	98,120	7,498	20	4.43%	25-Sep-16	4,347	2,967	4,174	3,751
4575		3,375,064	2,517,414	25	1.75%	19-Apr-31	108,171	81,042	29,870	47,494
4807		428,300	421,123	30	3.00%	14-Oct-44	12,075	7,177	-	4,157
4846		912,000	912,000	20	2.20%	8-Apr-35	20,064	32,249	-	9,297
		4,813,484	3,858,035				144,657	123,435	34,044	64,699
4848	Water	2,000,000	2,000,000	30	2.20%	8-Apr-45	44,000	38,743	-	20,387
4280	Sewer	147,180	11,248	20	4.43%	25-Sep-16	6,520	4,451	6,261	2,501
4559		797,642	-	10	4.55%	6-Apr-15	-	-	28,123	-
4601		438,170	51,945	10	4.65%	19-Apr-16	10,209	36,496	13,451	6,166
4807		5,321,700	5,226,354	30	3.00%	14-Oct-44	160,425	95,346	-	55,225
		6,704,692	5,289,547				177,154	136,293	47,835	63,892
		13,518,176	11,147,582				365,811	298,471	81,879	148,978

CITY OF PORT ALBERNI
TAX LEVIES and GRANTS IN LIEU OF TAXES (SCHEDULE 4)
FOR THE YEAR ENDED DECEMBER 31, 2015
 (with comparative figures for 2014)

	2015 <u>Budget</u>	2015 <u>Actual</u>	2014 <u>Actual</u>
MUNICIPAL PURPOSES:			
Tax Levies:			
General purpose	\$ 20,823,582	\$20,813,595	\$ 20,279,351
Local improvement - sewer	-	30,699	32,003
Off-street parking	6,120	5,437	5,333
Utility	130,000	125,609	129,946
Parcel Tax	<u>131,535</u>	<u>131,550</u>	<u>160,986</u>
	21,091,237	21,106,890	20,607,619
Grants in lieu of taxes	<u>717,200</u>	<u>747,221</u>	<u>747,334</u>
Total Municipal Taxes	<u>21,808,437</u>	<u>21,854,111</u>	<u>21,354,953</u>
COLLECTIONS FOR OTHER GOVERNMENTS:			
Tax Levies:			
School	5,400,000	5,381,262	5,433,730
Alberni Clayoquot Regional Hospital District	658,537	658,537	785,893
Alberni Clayoquot Regional District	963,582	963,582	817,342
B.C. Assessment	180,000	169,132	174,120
Municipal Finance Authority	<u>500</u>	<u>451</u>	<u>449</u>
Total Collections For Other Governments	<u>7,202,619</u>	<u>7,172,964</u>	<u>7,211,534</u>
Total Taxes Collected	<u>\$ 29,011,056</u>	<u>\$ 29,027,075</u>	<u>\$ 28,566,487</u>

CITY OF PORT ALBERNI
GENERAL GOVERNMENT EXPENSES (SCHEDULE 5)
FOR THE YEAR ENDED DECEMBER 31, 2015
 (with comparative figures for 2014)

	2015 <u>Budget</u>	2015 <u>Actual</u>	2014 <u>Actual</u>
Legislative	\$ 193,446	\$ 194,235	\$ 176,486
City manager's office	199,500	194,690	203,063
Municipal clerk's office	374,984	372,156	375,889
Legal and bylaw prosecution services	40,000	20,953	51,311
Financial management	716,900	705,679	738,902
Administration vehicle	8,448	13,398	15,079
External audit	30,000	38,313	33,000
Purchasing	228,530	209,352	227,290
Buildings	118,320	226,639	344,747
Information services	667,187	893,810	798,737
Personnel	343,054	272,155	294,579
Election expenses	10,000	-	34,610
Training and development	185,556	157,413	154,095
Damage claims	30,000	2,244	11,906
Grants and grant funded programs	10,608	20,072	16,271
Office equipment supplies and printing	264,062	373,951	294,364
Public liability insurance	250,000	257,534	320,549
Other general services	208,800	410,163	157,095
Administration recoveries	<u>(438,221)</u>	<u>(465,215)</u>	<u>(277,441)</u>
	\$ <u>3,441,174</u>	\$ <u>3,897,542</u>	\$ <u>3,970,532</u>

CITY OF PORT ALBERNI
PROTECTIVE SERVICES (SCHEDULE 6)
FOR THE YEAR ENDED DECEMBER 31, 2015
(with comparative figures for 2014)

	2015	2015	2014
	<u>Budget</u>	<u>Actual</u>	<u>Actual</u>
Police protection	\$ 6,572,774	\$ 6,355,227	\$ 6,016,069
Fire protection	3,252,753	3,168,358	3,348,671
Emergency measures	900	7,042	8,295
Building and plumbing inspections	105,328	99,939	105,182
Animal pound operations	<u>149,000</u>	<u>144,922</u>	<u>129,474</u>
	<u>\$ 10,080,755</u>	<u>\$ 9,775,488</u>	<u>\$ 9,607,691</u>

**CITY OF PORT ALBERNI
TRANSPORTATION SERVICES (SCHEDULE 7)
FOR THE YEAR ENDED DECEMBER 31, 2015
(with comparative figures for 2014)**

	2015 <u>Budget</u>	2015 <u>Actual</u>	2014 <u>Actual</u>
COMMON SERVICES:			
Engineering administration	\$ 572,574	\$ 562,521	\$ 548,488
Engineering consulting services	140,500	101,877	121,187
Public works supervision	357,000	347,842	362,389
Equipment and supplies	56,657	116,816	110,459
Building and yard maintenance	197,000	191,824	206,176
Equipment maintenance	<u>853,797</u>	<u>1,092,534</u>	<u>1,127,676</u>
	<u>2,177,528</u>	<u>2,413,414</u>	<u>2,476,375</u>
ROADS AND STREET MAINTENANCE:			
Roadway surfaces maintenance	962,400	1,942,915	1,994,468
Snow and ice removal	200,000	44,360	174,308
Parking	1,323	11,350	12,981
Gravel	160,000	199,785	179,199
Ditch and dyke maintenance	138,500	102,859	157,763
Storm sewers	<u>250,400</u>	<u>507,642</u>	<u>415,757</u>
	<u>1,712,623</u>	<u>2,808,911</u>	<u>2,934,476</u>
Bridges and retaining walls	50,000	88,724	24,483
Street lighting	355,000	363,903	379,470
Traffic control	253,040	224,051	247,050
Public transit	1,082,379	1,037,060	1,020,751
Other	136,500	107,729	156,506
Recoveries	<u>(1,537,807)</u>	<u>(1,436,085)</u>	<u>(1,378,823)</u>
	<u>\$ 4,229,263</u>	<u>\$ 5,607,707</u>	<u>\$ 5,860,288</u>

**CITY OF PORT ALBERNI
RECREATION AND CULTURAL SERVICES (SCHEDULE 8)
FOR THE YEAR ENDED DECEMBER 31, 2015
(with comparative figures for 2014)**

	2015 Budget Revenue	2015 Actual Revenue	2015 Budget Expense	2015 Actual Expense	2015 Budget Operating Deficit	2015 Actual Operating Deficit	2014 Actual Operating Deficit
RECREATION SERVICES:							
Administration	\$ -	\$ -	\$ 446,800	\$ 458,252	\$ (446,800)	\$ (458,252)	\$ (448,621)
Leisure Centre	254,925	237,196	425,779	643,640	(170,854)	(406,445)	(257,452)
Swimming pool	290,500	255,009	460,994	498,002	(170,494)	(242,993)	(233,159)
Arena	592,750	517,782	945,762	1,398,923	(353,012)	(881,140)	(890,409)
Parks, playgrounds and other	34,000	28,820	1,383,049	1,519,370	(1,349,049)	(1,490,550)	(1,652,989)
Programs	<u>341,225</u>	<u>351,536</u>	<u>1,459,066</u>	<u>1,345,779</u>	<u>(1,117,841)</u>	<u>(994,243)</u>	<u>(1,154,618)</u>
	<u>1,513,400</u>	<u>1,390,343</u>	<u>5,121,450</u>	<u>5,863,966</u>	<u>(3,608,050)</u>	<u>(4,473,623)</u>	<u>(4,637,248)</u>
CULTURAL SERVICES:							
Museum services	15,000	25,695	472,135	509,030	(457,135)	(483,336)	(509,873)
McLean Mill	-	-	224,000	267,250	(224,000)	(267,250)	(289,381)
Regional library	-	-	660,338	660,340	(660,338)	(660,340)	(641,180)
	<u>15,000</u>	<u>25,695</u>	<u>1,356,473</u>	<u>1,436,620</u>	<u>(1,341,473)</u>	<u>(1,410,926)</u>	<u>(1,440,434)</u>
	<u>\$ 1,528,400</u>	<u>\$ 1,416,038</u>	<u>\$ 6,477,923</u>	<u>\$ 7,300,586</u>	<u>\$ (4,949,523)</u>	<u>\$ (5,884,549)</u>	<u>\$ (6,077,682)</u>

CITY OF PORT ALBERNI
SALE OF SERVICES (SCHEDULE 9)
FOR THE YEAR ENDED DECEMBER 31, 2015
 (with comparative figures for 2014)

	2015 <u>Budget</u>	2015 <u>Actual</u>	2014 <u>Actual</u>
GENERAL REVENUE:			
General Services	\$ 1,704,413	\$ 1,913,959	\$ 1,906,672
Arena	592,750	517,781	547,756
Leisure Centre	254,925	237,196	235,243
Parks, playgrounds and other	34,000	28,820	30,343
Pool	290,500	255,009	277,352
Programs	341,225	351,536	311,293
Museum	<u>15,000</u>	<u>25,695</u>	<u>24,026</u>
	<u>3,232,813</u>	<u>3,329,996</u>	<u>3,332,685</u>
MISCELLANEOUS REVENUE:			
Miscellaneous receipts/sales	-	795,057	808,131
SERVICES PROVIDED TO OTHER GOVERNMENTS:			
Services provided to other governments	167,000	142,722	258,437
SEWER REVENUE:			
Connections and sundry charges	57,494	106,879	146,580
Sale of sewer service	<u>2,234,088</u>	<u>1,961,339</u>	<u>1,881,818</u>
	<u>2,291,582</u>	<u>2,068,218</u>	<u>2,028,398</u>
WATER REVENUE:			
Sale of water	2,693,042	2,496,594	2,370,411
Connections and sundry charges	<u>42,569</u>	<u>31,249</u>	<u>55,657</u>
	<u>2,735,611</u>	<u>2,527,843</u>	<u>2,426,068</u>
	<u>\$ 8,427,006</u>	<u>\$ 8,863,836</u>	<u>\$ 8,853,719</u>

CITY OF PORT ALBERNI
OTHER REVENUE FROM OWN SOURCES (SCHEDULE 10)
FOR THE YEAR ENDED DECEMBER 31, 2015
 (with comparative figures for 2014)

	2015 <u>Budget</u>	2015 <u>Actual</u>	2014 <u>Actual</u>
Licences and permits	\$ 240,100	\$ 165,287	\$ 240,956
Fines and costs	10,000	13,108	8,551
Land and building rentals	136,000	136,364	135,760
Penalties and interest	165,540	231,323	242,417
Miscellaneous revenue	100,000	109,221	254,824
Other revenue from own sources - capital fund	<u>-</u>	<u>783,678</u>	<u>985,612</u>
	<u>\$ 651,640</u>	<u>\$ 1,438,981</u>	<u>\$ 1,868,120</u>

CITY OF PORT ALBERNI
SEWER AND WATER UTILITIES (SCHEDULE 11)
FOR THE YEAR ENDED DECEMBER 31, 2015
 (with comparative figures for 2014)

	2015 <u>Budget</u>	2015 <u>Actual</u>	2014 <u>Actual</u>
SEWER UTILITY:			
Administration	\$ 321,000	\$ 386,375	\$ 286,757
Sewage treatment and disposal	278,000	343,239	435,537
Sewage collection system	337,240	454,570	490,420
Sewage pump stations	213,500	339,710	241,935
Other operating costs	<u>2,500</u>	<u>1,017</u>	<u>1,663</u>
	<u>\$ 1,152,240</u>	<u>\$ 1,524,911</u>	<u>\$ 1,456,312</u>
WATER UTILITY:			
Administration	\$ 329,000	\$ 517,791	\$ 310,442
Service of supply	175,299	238,546	273,051
Pumping	243,200	326,162	242,298
Transmission and distribution	659,550	1,016,648	1,022,803
Other operating costs	7,500	-	-
Water utility - capital fund	<u>-</u>	<u>478</u>	<u>-</u>
	<u>\$ 1,414,549</u>	<u>\$ 2,099,625</u>	<u>\$ 1,848,594</u>

STATISTICS SECTION

This page left blank intentionally

Statistics

CITY OF PORT ALBERNI MISCELLANEOUS STATISTICS

Date of Incorporation	1912
Form of Government	City/Council/Manager
Number of employees (excluding police and fire)	
Bargaining Unit (Full Time)	96
Exempt	21
Area in Hectares	2,151
City of Port Alberni Facilities and Services:	
Kilometers of streets	175
Number of street lights	672
Culture and Recreation:	
Community centers	6
Parks	46
Parks in hectares	271
Swimming pools	1
Tennis courts	5
Fire Protection:	
Number of stations	1
Number of fire personnel and officers	21
Number of calls received - Fire/Rescue/First Responder	1,186
Number of inspections conducted	1,000
Police Protection:	
Number of stations	1
Number of police personnel and officers	33
Number of law violations:	
Incarcerations	1,470
Total files	11,820
Sewerage System:	
Kilometers of sanitary sewers and storm sewer	258
Number of treatment plants	1
Number of service connections	6,632
Daily average treatment of cubic meters	18,800
Water System:	
Kilometers of water mains	163
Number of service connections	6,856
Number of fire hydrants	729
Daily average consumption in cubic meters	8,000
Maximum daily capacity of plant in cubic meters	48,000
Facilities and services not included in the reporting entity:	
Education:	
Number of elementary schools	8
Number of secondary schools	1
Number of community colleges	2
Hospitals:	
Number of hospitals	1
Number of patient beds	53

**CITY OF PORT ALBERNI
ASSESSMENT/TAXATION COMPARATIVE STATISTICS**
AT DECEMBER 31, 2015

	2015	2014	2013	2012	2011
Population (based on last census) ⁽¹⁾	17,743	17,743	17,743	17,743	17,743
Assessed valuations for General Purposes⁽²⁾					
Land					
Residential	\$ 454,907,350	\$ 478,343,100	\$ 473,029,400	\$ 517,212,200	\$ 533,863,900
Commercial	\$ 50,749,463	\$ 69,146,168	\$ 72,295,032	\$ 71,236,667	\$ 69,831,231
Industrial	\$ 9,002,300	\$ 9,543,200	\$ 10,196,500	\$ 10,367,200	\$ 10,614,800
Other	\$ 1,641,111	\$ 2,030,027	\$ 2,043,802	\$ 2,281,287	\$ 2,037,087
	\$ 516,300,224	\$ 559,062,495	\$ 557,564,734	\$ 601,097,354	\$ 616,347,018
Improvements					
Residential	\$ 859,774,451	\$ 838,943,601	\$ 859,408,301	\$ 851,604,700	\$ 862,491,700
Commercial	\$ 174,994,182	\$ 149,608,082	\$ 136,721,642	\$ 128,740,419	\$ 125,348,361
Industrial	\$ 83,690,900	\$ 84,646,900	\$ 88,702,400	\$ 90,300,800	\$ 92,260,300
Other	\$ 2,565,200	\$ 2,203,500	\$ 2,161,300	\$ 2,277,600	\$ 3,247,500
	\$ 1,121,024,733	\$ 1,075,402,083	\$ 1,086,993,643	\$ 1,072,923,519	\$ 1,083,347,861
Total	\$ 1,637,324,957	\$ 1,634,464,578	\$ 1,644,558,377	\$ 1,674,020,873	\$ 1,699,694,879
General & Debt Tax Rates					
Residential	\$ 9.4476	\$ 9.1145	\$ 8.7996	\$ 7.8638	\$ 7.4227
Utilities	\$ 38.4756	\$ 37.9708	\$ 38.8888	\$ 39.5794	\$ 40.3643
Major Industrial	\$ 53.7788	\$ 53.1950	\$ 50.6778	\$ 49.8032	\$ 53.1288
Light Industrial	\$ 48.5543	\$ 39.6821	\$ 36.5106	\$ 35.5130	\$ 33.7527
Business & Other	\$ 15.4371	\$ 15.4923	\$ 15.8269	\$ 16.0400	\$ 16.1459
Seasonal Recreational	\$ 9.4476	\$ 9.1145	\$ 8.7996	\$ 7.8638	\$ 7.4227
Farm	\$ 9.4476	\$ 9.1145	\$ 8.7996	\$ 7.8638	\$ 7.4227
School Tax Rates					
Residential	\$ 2.6405	\$ 2.6596	\$ 2.6425	\$ 2.5672	\$ 2.4926
Utilities	\$ 13.6000	\$ 13.6000	\$ 14.0000	\$ 14.2000	\$ 14.1000
Major Industrial	\$ 5.8000	\$ 6.0000	\$ 6.2000	\$ 6.4000	\$ 6.6000
Light Industrial	\$ 5.8000	\$ 6.0000	\$ 10.8000	\$ 6.4000	\$ 6.6000
Business & Other	\$ 5.8000	\$ 6.0000	\$ 6.2000	\$ 6.4000	\$ 6.6000
Seasonal Recreational	\$ 3.3000	\$ 3.4000	\$ 3.4000	\$ 3.4000	\$ 3.4000
Farm	\$ 6.9000	\$ 6.9000	\$ 6.9000	\$ 6.9000	\$ 6.6000
Tax Rates for Residential Class					
General	\$ 9.3015	\$ 9.0050	\$ 8.6919	\$ 7.7623	\$ 7.3269
Debt	\$ 0.1461	\$ 0.1095	\$ 0.1077	\$ 0.1015	\$ 0.0958
School District-Residential	\$ 2.6405	\$ 2.6596	\$ 2.6425	\$ 2.5672	\$ 2.4926
Regional Hospital District	\$ 0.2946	\$ 0.3533	\$ 0.3400	\$ 0.3479	\$ 0.3865
Municipal Finance Authority	\$ 0.0002	\$ 0.0002	\$ 0.0002	\$ 0.0002	\$ 0.0002
Regional District	\$ 0.3722	\$ 0.2950	\$ 0.2650	\$ 0.2470	\$ 0.2408
B.C. Assessment	\$ 0.0596	\$ 0.0619	\$ 0.0610	\$ 0.0599	\$ 0.0621
Total Residential Rate	\$ 12.8147	\$ 12.4845	\$ 12.1083	\$ 11.0860	\$ 10.6049

Statistics

CITY OF PORT ALBERNI GENERAL COMPARATIVE STATISTICS AT DECEMBER 31, 2015

	2015	2014	2013	2012	2011
Current Tax Levy					
General	\$ 20,489,626	\$ 20,033,774	\$ 19,671,143	\$ 18,770,602	\$ 18,781,245
Debt	\$ 323,969	\$ 245,577	\$ 245,674	\$ 245,477	\$ 245,488
School District-Residential	\$ 3,154,967	\$ 3,173,194	\$ 3,143,905	\$ 3,110,259	\$ 3,074,561
School District-Non-Residential	\$ 2,224,589	\$ 2,260,537	\$ 2,324,319	\$ 2,346,336	\$ 2,379,409
Other Levies-Special Assessments	\$ 408,763	\$ 446,598	\$ 445,658	\$ 451,924	\$ 466,054
Regional Hospital District	\$ 658,282	\$ 785,893	\$ 759,170	\$ 783,222	\$ 879,720
Municipal Finance Authority	\$ 451	\$ 449	\$ 451	\$ 455	\$ 459
Regional District	\$ 831,678	\$ 817,342	\$ 751,668	\$ 718,172	\$ 709,622
BC Assessment	\$ 169,037	\$ 174,120	\$ 176,849	\$ 176,325	\$ 182,763
Total Levy	\$ 28,261,362	\$ 27,937,484	\$ 27,518,837	\$ 26,602,772	\$ 26,719,321
Per Capita Levy	\$ 1,592.82	\$ 1,574.56	\$ 1,550.97	\$ 1,499.34	\$ 1,505.91
Tax Collection					
Current Taxes Payments	\$ 22,790,422	\$ 22,343,502	\$ 21,907,832	\$ 20,932,925	\$ 21,302,153
Provincial Home Owner Grants	\$ 4,674,586	\$ 4,645,975	\$ 4,640,835	\$ 4,640,757	\$ 4,632,235
Total Current Taxes Collected	\$ 27,465,008	\$ 26,989,477	\$ 26,548,667	\$ 25,573,682	\$ 25,934,388
Percentage of Current Levy	97.18%	96.61%	96.47%	96.13%	97.06%
Arrears and Delinquent Collected	\$ 1,146,300	\$ 1,187,235	\$ 1,045,556	\$ 992,503	\$ 1,008,092
Percentage of Current Levy	4.06%	4.25%	3.80%	3.73%	3.77%
Total Taxes Collected	\$ 28,611,308	\$ 28,176,712	\$ 27,594,223	\$ 26,566,185	\$ 26,942,480
Percentage of Current Levy	101.24%	100.86%	100.27%	99.86%	100.84%
Unpaid Taxes					
Current	\$ 681,999	\$ 684,364	\$ 707,706	\$ 611,354	\$ 602,282
Arrears	\$ 342,818	\$ 299,567	\$ 287,127	\$ 280,632	\$ 258,774
Total Unpaid Taxes	\$ 1,024,817	\$ 983,931	\$ 994,833	\$ 891,986	\$ 861,056
Per Capita	\$ 57.76	\$ 55.45	\$ 56.07	\$ 50.27	\$ 48.53
Summary of Surplus and Reserves					
Funded Reserves	\$ 16,306,947	\$ 15,188,199	\$ 13,871,198	\$ 14,219,588	\$ 10,913,767
Capital Fund	\$ 15,806,292	\$ 16,082,226	\$ 12,231,069	\$ 2,838,102	\$ -
Equity in Capital Assets	\$ 93,473,778	\$ 87,248,934	\$ 88,549,284	\$ 90,582,600	\$ 87,308,272
Operating Surplus (Deficit)	\$ (5,550,934)	\$ (4,797,053)	\$ (2,500,750)	\$ 231,832	\$ 5,364,165

**CITY OF PORT ALBERNI
GENERAL COMPARATIVE STATISTICS
AT DECEMBER 31, 2015**

	2015	2014	2013	2012	2011
Debenture Debt					
Water	\$ 2,000,000	\$ -	\$ -	\$ -	\$ -
Sewer	\$ 5,289,547	\$ 5,540,111	\$ 367,561	\$ 510,882	\$ 648,601
General	\$ 3,858,035	\$ 3,071,265	\$ 2,756,413	\$ 2,865,434	\$ 2,970,203
Gross Debenture Debt	\$ 11,147,582	\$ 8,611,376	\$ 3,123,974	\$ 3,376,316	\$ 3,618,804
Per Capita	\$ 628.28	\$ 485.34	\$ 176.07	\$ 190.29	\$ 203.96
Less: Sewer and Water Utilities Debt	\$ 7,289,547	\$ 5,540,111	\$ 367,561	\$ 510,882	\$ 648,601
Net Debt Excluding Utilities	\$ 3,858,035	\$ 3,071,265	\$ 2,756,413	\$ 2,865,434	\$ 2,970,203
Per Capita (funded by property tax)	\$ 217.44	\$ 173.10	\$ 155.35	\$ 161.50	\$ 167.40
Liability Servicing Limit					
Liability Servicing Limit	\$ 7,704,185	\$ 7,930,217	\$ 7,661,877	\$ 7,158,364	\$ 6,926,394
Less Actual Debt Servicing Cost	\$ 2,891,526	\$ 5,587,880	\$ 445,859	\$ 579,733	\$ 568,078
Less Estimated Cost - Unissued Debt	\$ -	\$ 61,830	\$ 67,500	\$ -	\$ -
Liability Servicing Capacity Available	\$ 4,812,659	\$ 2,280,507	\$ 7,148,518	\$ 6,578,631	\$ 6,358,316
Debt Payment as a percentage of non-capital expenditures					
Debt payments - gross	0.9%	1.0%	1.0%	1.1%	1.1%
General Revenue Fund Statistics					
Budget	\$ 34,728,119	\$ 35,101,209	\$ 34,349,157	\$ 33,454,891	\$ 33,604,329
Actual Revenues	\$ 37,348,943	\$ 34,182,981	\$ 35,840,401	\$ 31,836,088	\$ 30,756,807
Actual Expenditures	\$ 33,336,032	\$ 32,668,680	\$ 31,561,720	\$ 30,824,491	\$ 30,325,637
Surplus	\$ 4,012,911	\$ 1,514,301	\$ 4,278,681	\$ 1,011,597	\$ 431,170
Expenditure per Capita	\$ 1,878.83	\$ 1,841.22	\$ 1,778.83	\$ 1,737.28	\$ 1,709.16
Capital Expenditures					
Financed from General Revenue	\$ 1,076,457	\$ 1,185,820	\$ 1,167,298	\$ 794,796	\$ 779,186
Other Sources of Revenue					
Provincial Unconditional Grants	\$ 944,164	\$ 933,664	\$ 1,042,897	\$ 1,094,894	\$ 1,015,578
B.C. Hydro Grant	\$ 631,753	\$ 629,005	\$ 600,056	\$ 584,535	\$ 442,982
Building Permits					
Number Issued	119	92	91	114	125
Construction Values	\$ 13,501,167	\$ 11,159,320	\$ 12,404,980	\$ 14,945,710	\$ 53,041,064

SOURCES:

¹ Statistics Canada. 2012. Port Alberni, British Columbia (Code 5923008) and Alberni-Clayoquot, WE. Ottawa. Released October 24, 2012. <http://www12.statcan.gc.ca/census-recensement/2011/dp-pd/prof/index.cfm?Lang=E> (accessed July 11, 2013).

² BC Assessment

**CITY OF PORT ALBERNI
DEMOGRAPHIC STATISTICS¹**

Population Composition

<u>Age</u>	<u>2011</u>			<u>2006</u>		
	<u>Male</u>	<u>Female</u>	<u>Total</u>	<u>Male</u>	<u>Female</u>	<u>Total</u>
0 - 4 years	465	475	940	470	400	870
5 - 9 years	465	435	900	475	480	955
10 - 14 years	515	495	1010	590	535	1,125
15 - 19 years	570	535	1105	585	545	1,130
20 - 29 years	795	845	1640	860	860	1,720
30 - 39 years	915	980	1895	875	950	1,825
40 - 49 years	1105	1180	2285	1280	1325	2,605
50 - 59 years	1450	1508	2958	1470	1415	2,885
60 - 64 years	685	670	1355	615	575	1,190
65 - 69 years	580	545	1125	455	475	930
70 - 74 years	410	445	855	390	405	795
75 + years	750	925	1675	650	885	1,535
Total	<u>8,705</u>	<u>9,038</u>	<u>17,743</u>	<u>8,715</u>	<u>8,850</u>	<u>17,565</u>

Legal Married Status

	<u>2011</u>		
	<u>Male</u>	<u>Female</u>	<u>Total</u>
Population 15 years and over	7270	7625	14895
Married or living with a common law partner	4145	4165	8310
Married	3395	3415	6810
Living common law	755	750	1505
Not married and not living with a common law partner	3120	3460	6580
Single	2010	1565	3575
Separated	225	275	500
Divorced	605	715	1320
Widowed	275	905	1180

¹ Statistics Canada. 2012. Port Alberni, British Columbia (Code 5923008) and Alberni-Clayoquot, WE. Ottawa. Released October 24, 2012. <http://www12.statcan.gc.ca/census-recensement/2011/dp-pd/prof/index.cfm?Lang=E> (accessed July 11, 2013).

**CITY OF PORT ALBERNI
DEMOGRAPHIC STATISTICS¹**

Top Occupations and Industries for the Employed Labour Force

	2011 Port Alberni		2011 British Columbia	
	<u>Number</u>	<u>Rank</u>	<u>Number</u>	<u>Rank</u>
<u>Top Occupations</u>				
Industrial, electrical and construction trades	655	1	117,675	1
Service support and other service occupations	600	2	115,570	2
Sales representatives (wholesale and retail)	520	3	110,490	4
<u>Top Industries</u>				
Health care and social assistance	1,450	1	240,275	2
Retail trade	1,390	2	250,140	1
Manufacturing	870	3	139,695	7

Labour Force Indicators

	2011 Port Alberni	2011 British Columbia
Participation rate	51.4%	64.6%
Employment rate	46.0%	59.5%
Unemployment rate	10.4%	7.8%

¹ Statistics Canada. 2012. Port Alberni, British Columbia (Code 5923008) and Alberni-Clayoquot, WE. Ottawa. Released October 24, 2012. <http://www12.statcan.gc.ca/census-recensement/2011/dp-pd/prof/index.cfm?Lang=E> (accessed July 11, 2013).

CITY OF PORT ALBERNI

MAJOR PROPERTY TAXPAYERS IN PORT ALBERNI

2015 TAXATION YEAR

	Registered Owner	Primary Property	Taxes Levied
1	Catalyst Paper Corporation	Paper Mill	\$ 4,097,883
2	Western Forest Products Inc.	Sawmills	\$ 1,262,653
3	Wal-Mart Canada Corp.	Building	\$ 486,265
4	Port Alberni Retail Development	Alberni Mall	\$ 458,874
5	SRF3 Pacific Rim Shopping Centre	Pacific Rim Shopping Centre	\$ 394,661
6	Loblaw Properties West Inc.	No Frills	\$ 222,904
7	Jim Pattison Developments Ltd.	Building	\$ 182,667
8	BC Hydro & Power Authority	Building	\$ 180,867
9	Marlow-Yeoman Limited	10th Avenue Plaza	\$ 156,080
10	Kelland Foods Ltd.	Building	\$ 122,430
11	Telus	Poles, Lines, Building	\$ 115,505
12	Fortis BC	Gas Utility	\$ 107,706
13	GDP Investments Ltd.	Building	\$ 87,733
14	Alberni Valley Gaming Association	Chances Rim Rock	\$ 82,134
15	Marco Investments Ltd.	Building	\$ 72,711
16	Northport Plaza Limited	Johnston Road Plaza	\$ 71,905
17	PCBG Land Corporation	Automobile Dealership	\$ 63,289
18	Van Isle Ford	Automobile Dealership	\$ 58,358
19	PA Hospitality Inns Ltd.	Hospitality Inn	\$ 50,593
20	522521 BC Ltd.	Creek's Edge Development	\$ 49,295

**CITY OF PORT ALBERNI
FIVE YEAR PLAN
2015-2019**

REVENUES	2015	2016	2017	2018	2019
Taxes					
Property Taxes	\$ 20,955,117	\$ 22,642,400	\$ 23,184,718	\$ 23,184,047	\$ 23,637,681
Other Taxes	173,482	179,941	186,827	194,180	202,042
Grants in Lieu of Taxes	717,200	717,200	717,200	717,200	717,200
Fees and Charges					
Sales of Service	3,330,363	3,182,733	3,230,026	3,277,527	3,326,374
Sales of Service/Utilities	5,027,194	5,526,507	6,075,684	6,294,956	6,523,500
Service to other Government	167,000	167,000	167,000	167,000	167,000
User Fees/Fines	250,100	250,100	250,100	250,100	250,100
Other Revenue					
Rentals	136,000	138,720	141,494	144,324	147,211
Interest/Penalties	507,440	508,694	510,073	511,591	513,260
Grants/Other Governments	2,779,000	1,017,000	1,069,000	1,069,000	6,069,000
Other	328,500	75,000	75,000	25,000	1,025,000
	<u>\$ 34,371,396</u>	<u>\$ 34,405,295</u>	<u>\$ 35,607,122</u>	<u>\$ 35,834,925</u>	<u>\$ 42,578,368</u>

EXPENSES

Debt Interest	474,670	446,314	425,238	425,235	425,238
Capital Expenses	7,968,700	4,950,900	5,638,036	3,877,635	24,532,200
Other Municipal Purposes					
General Municipal	3,384,773	3,358,206	3,352,208	3,393,574	3,416,387
Police Services	6,572,774	6,790,221	6,999,628	7,177,965	7,292,614
Fire Services	3,252,753	3,328,457	3,398,983	3,453,707	3,531,064
Other Protective Services	255,228	258,372	261,487	264,663	267,903
Transportation Services	4,211,263	4,289,344	4,468,173	4,568,965	4,657,851
Environmental Health and Development	1,756,678	1,577,965	1,605,192	1,633,338	1,662,657
Parks and Recreation	5,104,450	5,178,336	5,281,902	5,387,540	5,495,291
Cultural	1,356,473	1,392,889	1,435,955	1,492,508	1,548,848
Water	1,414,550	1,442,841	1,471,698	1,501,132	1,531,154
Sewer	1,152,240	1,175,283	1,198,790	1,222,766	1,247,222
Contingency	150,000	150,000	150,000	150,000	150,000
	<u>\$ 37,054,552</u>	<u>\$ 34,339,128</u>	<u>\$ 35,687,290</u>	<u>\$ 34,549,028</u>	<u>\$ 55,758,429</u>

OTHER

Borrowing Proceeds	687,000	-	-	-	14,000,000
Debt Principal	(391,705)	(325,269)	(281,355)	(281,355)	(281,355)
Transfer from Equipment Replacement Reserve	729,600	521,900	1,585,800	377,635	1,035,000
Transfer from Land Sale Reserve	125,000	250,000	-	-	-
Transfer from (to) other reserves	1,533,261	(512,798)	(1,224,277)	(1,382,177)	(1,573,584)
	<u>\$ 2,683,156</u>	<u>\$ (66,167)</u>	<u>\$ 80,168</u>	<u>\$ (1,285,897)</u>	<u>\$ 13,180,061</u>

BALANCED BUDGET

<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
-------------	-------------	-------------	-------------	-------------	-------------

CITY OF PORT ALBERNI
CONSOLIDATED REVENUE
LAST FIVE YEARS COMPARISON

	2015	2014	2013	2012	2011
Taxes					
Property Taxes	\$ 20,813,595	\$ 20,279,350	\$ 19,916,817	\$ 18,853,588	\$ 18,864,937
Parcel Taxes	131,550	160,986	160,022	162,098	161,522
Other Taxes	161,745	167,282	167,563	170,936	179,732
Grants in Lieu of Taxes	747,221	747,335	718,128	703,425	567,782
Fees and Charges					
Sales of Service	3,329,996	3,332,685	3,428,372	3,538,128	3,747,513
Sales of Service/Utilities	4,596,061	4,454,466	3,859,860	3,359,371	3,293,608
Service to other Government	142,722	258,437	167,297	160,421	169,646
User Fees/Fines	178,395	249,507	211,862	227,705	308,517
Other Revenue					
Rentals	136,364	135,760	159,396	136,888	116,519
Investment Earnings	309,796	286,558	266,622	254,999	243,196
Grants/Other Governments	3,395,538	1,747,708	3,851,394	1,909,839	1,724,127
Developer Contributions	1,226,328	62,583	112,058	640,777	33,628
Gain/loss on Disposal of Assets	(84,592)	(16,011)	409,979	237,489	3,602
Parkland dedication deposits	-	-	-	-	22,450
Sale of property and equipment	344,945	25,351	211,600	-	-
Other	1,919,279	2,290,984	2,199,431	1,480,424	1,320,028
	<u>\$ 37,348,943</u>	<u>34,182,981</u>	<u>35,840,401</u>	<u>31,836,088</u>	<u>\$ 30,756,807</u>

**CITY OF PORT ALBERNI
CONSOLIDATED EXPENSES
LAST FIVE YEARS COMPARISON**

	2015	2014	2013	2012	2011
<u>Analysis by function</u>					
General government	\$ 3,897,542	\$ 3,970,532	\$ 3,826,346	\$ 3,386,625	\$ 3,460,247
Protective services	9,775,488	9,607,691	9,077,118	9,300,588	8,920,744
Transportation services	5,607,707	5,860,288	5,711,745	5,494,076	5,411,991
Environmental health services	1,014,982	1,132,995	1,101,466	1,079,067	1,138,853
Environmental development	908,791	943,186	1,046,250	805,281	708,188
Recreation and cultural services	7,300,586	7,503,696	7,428,513	7,320,997	7,232,444
Interest	311,363	313,042	253,516	237,038	239,007
Debt reserve	50,227	2,365	3,153	1,897	2,070
Water utility	2,099,625	1,848,594	1,736,030	1,762,178	1,825,531
Sewer utility	1,524,911	1,456,312	1,371,351	1,403,343	1,383,249
Cost of sales and services	844,810	29,979	6,232	33,400	3,313
	<u>\$ 33,336,032</u>	<u>\$ 32,668,680</u>	<u>\$ 31,561,720</u>	<u>\$ 30,824,490</u>	<u>\$ 30,325,637</u>

Analysis by object

Salaries and benefits	\$ 15,006,478	\$ 14,196,562	\$ 13,995,197	\$ 14,011,369	\$ 12,389,259
Debt Servicing	267,799	266,266	248,810	248,658	237,003
RCMP contract	4,338,968	4,328,960	4,483,615	3,978,661	3,597,767
Grants	113,440	102,904	141,376	97,956	93,982
Other contracts	1,408,611	1,448,168	1,362,343	1,413,647	1,056,025
Goods and services	7,134,016	7,178,039	6,818,100	6,880,855	7,303,137
Amortization	4,342,164	4,040,821	3,775,049	3,694,491	3,655,293
	<u>\$ 32,611,476</u>	<u>\$ 31,561,720</u>	<u>\$ 30,824,490</u>	<u>\$ 30,325,637</u>	<u>\$ 28,332,466</u>

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

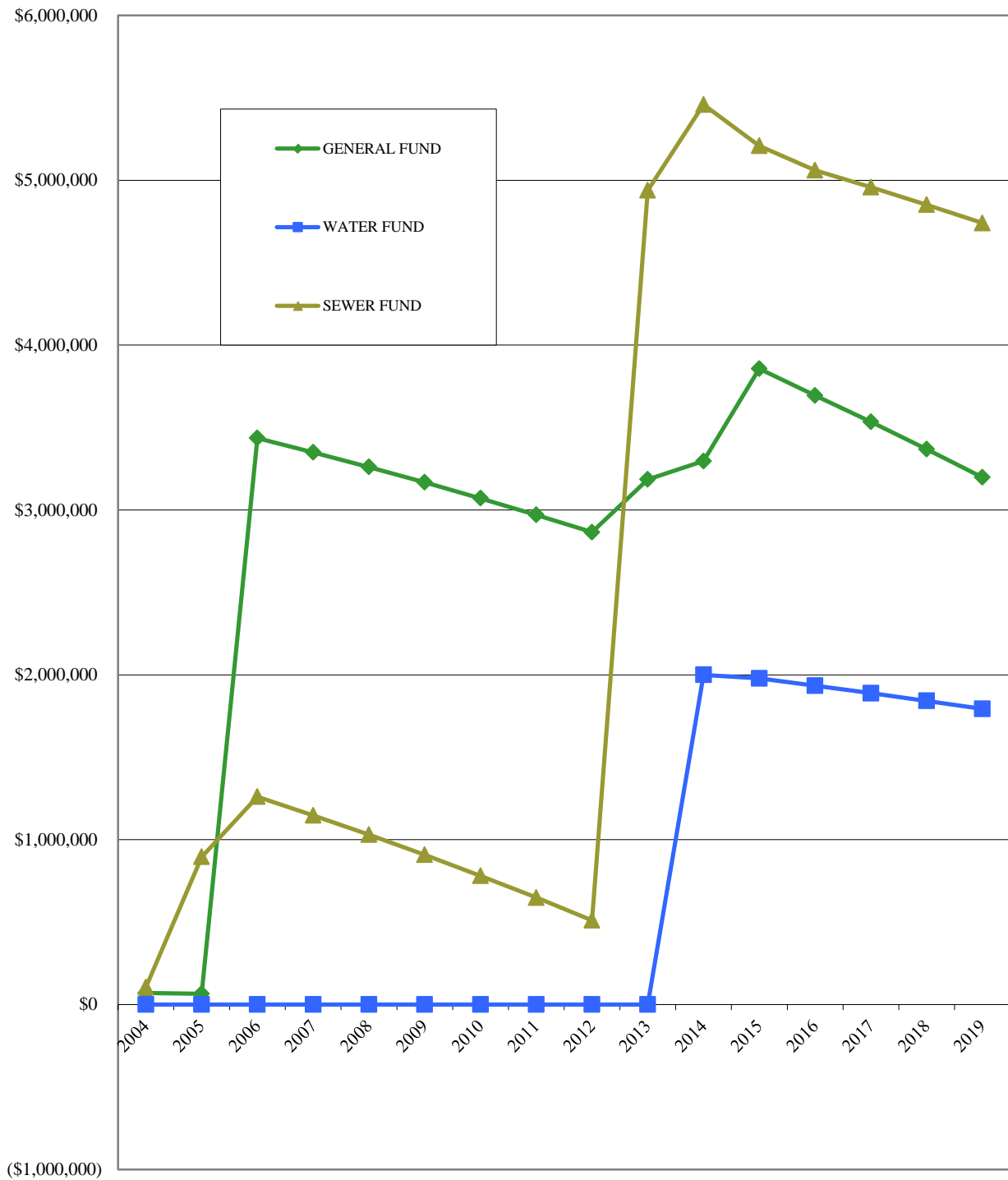
CAPITAL ACQUISITIONS	2015	2014	2013	2012	2011
General government	\$ 21,872	\$ 314,664	\$ 314,594	\$ 198,757	\$ 49,308
Protective services	164,308	127,057	179,942	68,506	187,533
Transportation services	1,445,613	795,927	1,870,430	1,967,095	2,243,477
Recreation and cultural	1,592,925	1,337,748	2,675,473	263,711	109,387
Water	392,331	368,866	284,759	728,132	2,149,989
Sewer	136,539	170,807	3,934,786	471,133	348,376
	<u>\$ 3,753,588</u>	<u>\$ 3,115,069</u>	<u>\$ 9,259,984</u>	<u>\$ 3,697,334</u>	<u>\$ 5,088,070</u>

SOURCE OF FUNDING	2015	2014	2013	2012	2011
Revenue Funds	\$ 1,614,329	\$ 1,331,049	\$ 1,691,292	\$ 1,413,429	\$ 1,265,384
Reserve Funds	609,361	1,534,714	2,343,659	981,804	2,009,938
Long Term Borrowing	-	-	3,608,051	-	-
Grants	1,030,245	249,306	1,526,982	607,284	1,750,000
Other	499,653	-	90,000	694,817	62,748
	<u>\$ 3,753,588</u>	<u>\$ 3,115,069</u>	<u>\$ 9,259,984</u>	<u>\$ 3,697,334</u>	<u>\$ 5,088,070</u>

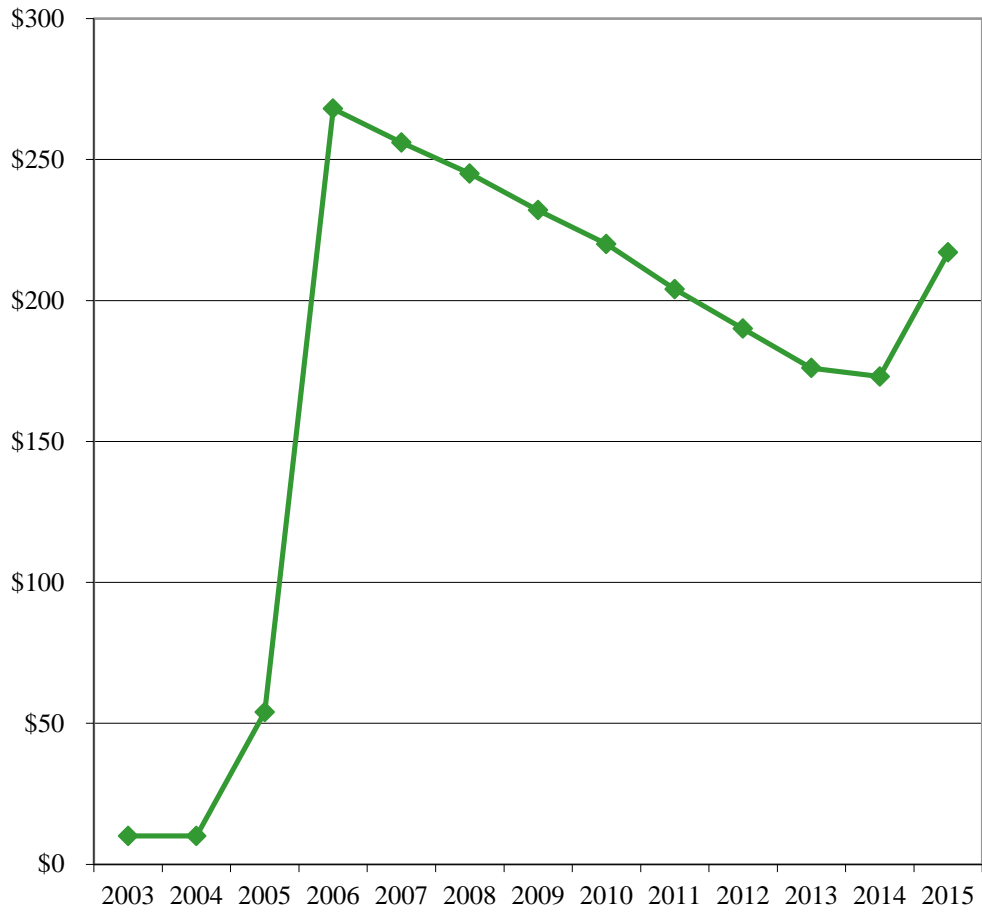
**CITY OF PORT ALBERNI
SURPLUS AND NET FINANCIAL ASSETS
LAST FIVE YEARS COMPARISON**

SURPLUS	2015	2014	2013	2012	2011
Annual surplus	\$ 4,012,911	\$ 1,514,301	\$ 4,278,681	\$ 1,011,598	\$ 431,170
Accumulated surplus, beginning of year	116,023,172	114,508,871	107,872,120	106,860,522	106,429,352
Accumulated surplus, end of year	<u>\$ 120,036,083</u>	<u>\$ 116,023,172</u>	<u>\$ 112,150,801</u>	<u>\$ 107,872,120</u>	<u>\$ 106,860,522</u>
NET FINANCIAL ASSETS	2015	2014	2013	2012	2011
Increase (decrease) in financial assets	\$ (341,250)	\$ 262,278	\$ (2,939,024)	\$ 343,515	\$ (243,605)
Net financial assets, beginning of year	13,815,851	13,553,573	16,492,597	16,149,082	16,392,687
Net financial assets, end of year	<u>\$ 13,474,601</u>	<u>\$ 13,815,851</u>	<u>\$ 13,553,573</u>	<u>\$ 16,492,597</u>	<u>\$ 16,149,082</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