CITY OF PORT ALBERNI

STATEMENT OF FINANCIAL INFORMATION

FOR THE YEAR ENDED DECEMBER 31, 2025

CITY OF PORT ALBERNI
MANAGEMENT REPORT

The Financial Statements contained in this Statement of Financial Information under the ***Financial Information Act*** have been prepared by management in accordance with Canadian public sector accounting standards, and the integrity and objectivity of these statements are management's responsibility. Management is also responsible for all the statements and schedules, and for ensuring that this information is consistent, where appropriate, with the information contained in the financial statements.

Management is also responsible for implementing and maintaining a system of internal controls to provide reasonable assurance that reliable financial information is produced.

Council is responsible for ensuring that management fulfils its responsibilities for financial reporting and internal control and exercises this responsibility through regular financial reporting each quarter and presentation of the audited financial statments.

The Director of Finance has the responsibility for assessing the management systems and practices of the corporation.

The external auditors, MNP LLP, conduct an independent examination, in accordance with generally accepted auditing standards, and express their opinion on the financial statements. Their examination does not relate to the other schedules and statements required by the Act. Their examination includes a review and evaluation of the corporation's system of internal control and appropriate tests and procedures to provide reasonable assurance that the financial statements are presented fairly. The external auditors have full and free access to Council and meet can meet if required on a regular basis.

On behalf of the City of Port Alberni

Name	Rosalyn Macauley, CPA, CGA
Title *	Director of Finance
Date	Wednesday, June 17, 2026

* For municipalities, the officer assigned responsibility for financial administration signs

Prepared pursuant to Financial Information Regulation, Schedule 1, section 9

To Mayor and Council of the City of Port Alberni:

Opinion

We have audited the consolidated financial statements of the City of Port Alberni (the "City"), which comprise the consolidated statement of financial position as at December 31, 2025, and the consolidated statements of operations, accumulated operating surplus, change in net debt and cash flows and related schedules 1 to 4 for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the City as at December 31, 2025, and the results of its consolidated operations, changes in its net debt and its consolidated cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the City in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Matter

Our audit was performed for the purpose of forming an opinion on the consolidated financial statements taken as a whole. The current year's supplementary information, including schedules 5 to 11, have been presented for purposes of additional analysis. We do not express an audit opinion on schedules 5 to 11 because our examination did not extend to the detailed information therein.

Other Information

Management is responsible for the other information, consisting of an annual report, which is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the 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.

In preparing the consolidated financial statements, management is responsible for assessing the City's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the City or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the City's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 City's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the City's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the City to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the City as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Nanaimo, British Columbia

MNP LLP

May 11, 2026

Chartered Professional Accountants

CITY OF PORT ALBERNI
STATEMENT OF FINANCIAL INFORMATION
FOR THE YEAR ENDED DECEMBER 31, 2025

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CITY OF PORT ALBERNI
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at December 31, 2025

	2025	2024
FINANCIAL ASSETS		
Cash and cash equivalents	**$ 4,501,146**	$ 4,669,223
Investments (Note 2)	**33,437,397**	28,271,474
Accounts receivable (Note 3)	**8,542,736**	12,745,092
Inventory for resale	**34,718**	44,575
Investment in government business enterprise (Note 4)	**2,921,064**	1,934,357
	49,437,061	47,664,721
FINANCIAL LIABILITIES		
Accounts payable and accrued liabilities (Note 5)	**8,337,971**	11,696,300
Deferred revenue (Note 7)	**8,753,710**	7,504,424
Refundable deposits	**1,112,210**	1,280,652
Long-term debt (Note 11, Schedule 3)	**19,624,457**	20,327,655
Asset Retirement Obligations (Note 12)	**21,909,617**	20,802,008
	59,737,965	61,611,039
NET DEBT	**(10,300,904)**	(13,946,318)
Commitments and Contingencies (Note 18)		
Subsequent Event (Note 19)		
NON-FINANCIAL ASSETS		
Inventory of Supplies	**994,544**	962,060
Prepaid expenses	**518,856**	358,845
Tangible capital assets (Note 15, Schedule 1)	**184,906,004**	185,183,547
	186,419,404	186,504,452
ACCUMULATED SURPLUS (NOTE 16)	**$ 176,118,499**	$ 172,558,132

Approved on behalf of the City

Rosalyn Macauley
Director of Finance

The accompanying notes are an integral part of these consolidated financial statements

CITY OF PORT ALBERNI
CONSOLIDATED STATEMENT OF OPERATIONS
For the Year Ended December 31, 2025

	Budget (Note 20)	2025	2024
REVENUE			
Taxation (Schedule 4)	$ 35,909,244	**$ 35,767,175**	$ 30,936,748
Sale of services	12,697,795	**14,808,337**	14,345,968
Other revenue from own sources	1,751,469	**2,309,632**	1,960,921
Investment income	706,000	**1,201,508**	1,915,921
Grants and transfers (Note 17)	1,325,447	**2,788,611**	7,069,153
Recognition of developer contributions	-	**150,000**	682,716
(Loss) gain on disposal of tangible capital assets	-	**(87,821)**	2,247,610
Income (loss) from investment in government business (Note 4)	-	**986,707**	(170,242)
	52,389,955	**57,924,149**	58,988,795
EXPENSES			
General government services (Schedule 5)	$ 6,495,126	**$ 4,979,678**	$ 5,212,901
Protective services (Schedule 6)	16,216,697	**17,310,818**	16,580,784
Transportation services (Schedule 7)	6,619,461	**8,140,820**	8,087,985
Environmental health services	1,735,702	**1,704,745**	1,558,797
Environmental and economic development	1,774,406	**1,520,398**	2,026,603
Recreation and cultural services (Schedule 8)	8,700,205	**10,113,720**	9,888,300
Water utility (Schedule 11)	2,453,647	**3,093,043**	2,769,291
Sewer utility (Schedule 11)	2,624,732	**7,498,445**	8,134,714
Other	-	**2,116**	18,254
	46,619,977	**54,363,783**	54,277,629
ANNUAL SURPLUS	5,769,979	**3,560,365**	4,711,168
Accumulated surplus, beginning of year	172,558,134	**172,558,132**	167,846,964
ACCUMULATED SURPLUS - END OF YEAR	$ 5,769,979	**$ 176,118,499**	$ 172,558,132

The accompanying notes are an integral part of these consolidated financial statements

CITY OF PORT ALBERNI
CONSOLIDATED STATEMENT OF CHANGE IN NET DEBT
As at December 31, 2025

	Budget (Note 20)	2025	2024
ANNUAL SURPLUS	$ 5,769,979	**$ 3,560,365**	$ 4,711,168
Acquisition of Tangible Capital Assets	(8,877,402)	**(8,226,466)**	(12,939,457)
Developer Contributed Assets	-	**-**	(682,716)
Amortization	-	**8,291,582**	8,979,023
Accretion	-	**1,107,609**	592,061
Loss (gain) on disposal of tangible capital assets	-	**87,821**	(2,247,610)
Proceeds from sale of tangible capital assets	-	**124,606**	46,500
Change in Tangible Capital Assets due to Asset Retirement Obligations	-	**(1,107,609)**	21,815,945
	5,769,979	**3,837,909**	20,274,914
Acquisition of supply inventory	-	**(994,544)**	(962,060)
Acquisition of prepaid expenses	-	**(518,856)**	(358,845)
Consumption of inventory of supplies	-	**962,060**	883,822
Use of prepaid expenses	-	**358,845**	297,956
	-	**(192,495)**	(139,127)
CHANGE IN NET DEBT	5,769,979	**3,645,414**	20,135,787
Net Debt beginning of year	(13,946,318)	**(13,946,318)**	(34,082,105)
NET DEBT - END OF YEAR	$ (8,176,339)	**$ (10,300,904)**	$ (13,946,318)

CITY OF PORT ALBERNI
CONSOLIDATED STATEMENT OF CASH FLOWS
As at December 31, 2025

Cash provided by (used in):	2025	2024
OPERATING ACTIVITIES		
Annual Surplus	**$ 3,560,365**	$ 4,711,168
Non-cash items		
Developer Contributed Assets	**-**	(682,716)
Amortization	**8,291,582**	8,979,023
Accretion	**1,107,609**	592,061
Gain (loss) on disposal of tangible capital assets	**87,821**	(2,247,610)
(Gain) loss from investment in government business enterprise	**(986,707)**	170,242
Actuarial adjustment	**(169,929)**	(149,424)
Inventory of supplies	**(32,484)**	(78,238)
Prepaid expenses	**(160,011)**	(60,889)
Changes in working capital balances		
Accounts receivable	**4,202,356**	(2,811,864)
Inventory for resale	**9,857**	5,995
Accounts payable and accrued liabilities	**(3,358,329)**	1,903,377
Deferred revenue	**1,249,286**	348,439
Refundable deposits	**(168,442)**	(690,336)
	13,632,975	9,989,229
CAPITAL ACTIVITIES		
Acquisition of tangible capital assets	**(8,226,466)**	(12,939,457)
Proceeds from sale of tangible capital assets	**124,606**	46,500
	(8,101,860)	(12,892,957)
INVESTING ACTIVITIES		
Dividend from government business enterprise	**-**	300,000
Change in Investments	**(5,165,923)**	5,992,149
	(5,165,923)	6,292,149
FINANCING ACTIVITIES		
Repayment of long-term debt	**(533,269)**	(526,214)
(DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	**(168,077)**	2,862,206
Cash and Cash Equivalents - Beginning of Year	**4,669,223**	1,807,017
CASH AND CASH EQUIVALENTS - END OF YEAR	**$ 4,501,146**	$ 4,669,223

The accompanying notes are an integral part of these consolidated financial statements

1. Significant Accounting Policies

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 City 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.

The consolidated financial statements of the City are prepared by management in accordance with Canadian public sector accounting standards as recommended by the Public Sector Accounting Board ("PSAB") of the Chartered Professional Accountants of Canada. Significant accounting policies are as follows:

a) *Reporting entity*

The consolidated financial statements reflect the assets, liabilities, revenues, expenses, and accumulated surplus of the City. Inter-departmental balances and transactions have been eliminated. The City's business partnership, the Alberni Valley Community Forest Corporation, which is owned and controlled by the City but not dependent on the City for their continuing operations, are included in the consolidated financial statements using the modified equity method.

Under the modified equity method, the accounting policies for the wholly owned subsidiary are not adjusted to conform to those of the City. The Alberni Valley Community Forest Corporation reports under International Financial Reporting Standards. The City's investment in this entity is recorded at acquisition cost and is increased for the proportionate share of post-acquisition earnings and decreased by post acquisition losses and distributions received.

The City administers certain trusts on behalf of external parties which are excluded from the financial statements.

b) *Basis of presentation*

The City practices 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:

General Revenue Fund

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.

Capital Funds

Account for all capital assets and unfunded work-in-progress of the City and offset by long-term debt and investment in capital assets.

1. Significant Accounting Policies (continued)

Basis of presentation (continued)

Reserve Funds

Account for activities within designated funds established for specific purposes with the approval of the Ministry of Housing and Municipal Affairs. 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.

Water and Sewer Funds

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.

c) Basis of accounting

The City follows the accrual method of accounting for revenues and expenses. Revenues are normally recognized in the year in which they are earned and measurable. Expenses are recognized as they are incurred and measurable as a result of receipt of goods or services and/or the creation of a legal obligation to pay.

d) Revenue recognition

Revenues are recorded on an accrual basis in the period in which the transactions or events occurred that gave rise to the revenues, the amounts are considered to be collectible and can be reasonably estimated. Contributions received or where eligibility criteria have been met are recognized as revenue except where the contribution meets the criteria for deferral as described below. For contributions subject to a legislative or contractual stipulation or restriction as to their use, revenue is recognized as follows:

• Non-capital contributions for specific purposes are recorded as deferred revenue and recognized as revenue in the year related expenses are incurred,

• Contributions restricted for tangible capital assets acquisitions are recorded as deferred capital revenue and amortized over the useful life of the related assets when recognized.

Donated and contributed tangible capital assets are recorded at fair market value and amortized over the useful life of the assets. Revenue from transactions with performance obligations is recognized when (or as) the performance obligation is satisfied (by providing the promised goods or services to a payor). Revenue from transactions with no performance obligations is recognized when:

(i) has the authority to claim or retain an inflow of economic resources; and

(ii) identifies a past transaction or event that gives rise to an asset.

Income from investments in government business enterprises is recorded using the modified equity method based on the annual earnings from the government business enterprise for the year.

1. Significant Accounting Policies (continued)

e) Government transfers

Government transfers are recognized as revenues when the transfer is authorized and any eligibility criteria are met, except to the extent that transfer stipulations give rise to an obligation that meets the definition of a liability. Transfers are recognized as deferred revenue when transfer stipulations give rise to a liability. Transfer revenue is recognized in the statement of operations as the stipulation liabilities are settled.

f) Deferred revenue

Deferred revenue includes non-government grants, contributions and other amounts received from third parties pursuant to legislation, regulation and agreement which may only be used in certain programs, in the completion of specific work, or for the purchase of tangible capital assets. In addition, certain user charges and fees are collected for which the related services have yet to be performed. Revenue is recognized in the period when the related expenses are incurred, services obligations are performed, or the tangible capital assets are acquired. Development cost charges are amounts which are restricted by government legislation or agreement with external parties. When qualifying expenditures are incurred development cost charges are recognized as revenue in amounts which equal the associated expenses.

g) Investment income

Investment income is reported as revenue in the period earned. When required by the funding government or related act, investment income earned on deferred revenue is added to the investment and forms part of the deferred revenue balance. Investment income is allocated to various reserves and operating funds on a proportionate basis.

h) Financial Instruments

The City recognizes its financial instruments when the City becomes party to the contractual provisions of the financial instrument. All financial instruments are initially recorded at their fair value. At initial recognition, the City may irrevocably elect to subsequently measure any financial instrument at fair value. The City has not made such an election during the year.

The City subsequently measures investments in equity instruments quoted in an active market and all derivative instruments, except those that are linked to, and must be settled by delivery of, unquoted equity instruments of another entity, at fair value. Fair value is determined by published price quotations. Transactions to purchase or sell these items are recorded on the trade date. Net gains and losses arising from changes in fair value are recognized in the statement of remeasurement gains and losses. The City has not presented a statement of remeasurement gains and losses as it does not have any items giving rise to remeasurement gains (losses).

Interest income is recognized in the statement of operations. Investments in equity instruments not quoted in an active market and derivatives that are linked to, and must be settled by delivery of, unquoted equity instruments of another entity, are subsequently measured at cost. With the exception of those instruments designated at fair value, all other financial assets and liabilities are subsequently measured at amortized cost using the effective interest rate method. Transaction costs directly attributable to the origination, acquisition, issuance or assumption of financial instruments subsequently measured at fair value are immediately recognized in operating annual surplus . Conversely, transaction costs are added to the carrying amount for those financial instruments subsequently measured at cost or amortized cost.

1. Significant Accounting Policies (continued)

i) Cash equivalents

Cash equivalents include short-term highly liquid investments with a term to maturity of 90 days or less at acquisition.

j) Debt

Debt is recorded net of principal repayments and actuarial adjustments.

k) 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.

l) Non-financial assets

Non-financial assets are not available to discharge existing liabilities and are held for use in the provision of services. They have useful lives extending beyond the current year and are not intended for sale in the ordinary course of operations.

m) Use of estimates

The preparation of consolidated financial statements 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 revenues and expenses during the period. Significant estimates include assumptions used in estimating provisions for accounts receivable, inventory, accrued liabilities, performing calculations of employee future benefits, estimating the useful lives of tangible capital assets, and estimating asset retirement obligations. Liabilities for contaminated sites are estimated based on the best information available regarding potentially contaminated sites that the City is responsible for. Developer contributions of tangible capital assets are recorded at the City’s best estimate of fair value on the date of contribution, calculated using engineering plans and standardized item cost estimates. Actual results could differ from these estimates.

n) Refundable deposits

Receipts restricted by third parties are deferred and reported as refundable deposits under certain circumstances. Refundable deposits are returned when the third party meets their obligations, or the deposits are recognized as revenue when qualifying expenditures are incurred.

1. Significant Accounting Policies (continued)

o) Liability for contaminated sites

A liability for remediation of a contaminated site is recognized at the best estimate of the amount required to remediate the contaminated site when contamination exceeding an environmental standard exists, the City is either directly responsible or accepts responsibility, it is expected that future economic benefits will be given up, and a reasonable estimate of the amount is determinable. The best estimate of the liability includes all costs directly attributable to remediation activities and is reduced by expected net recoveries based on information available at December 31, 2025.

At each financial reporting date, the City reviews the carrying amount of the liability. Any revisions required to the amount previously recognized is accounted for in the period revisions are made. The City continues to recognize the liability until it is settled or otherwise extinguished. Disbursements made to settle the liability are deducted from the reported liability when they are made.

p) Inventory of Supplies

Inventory of supplies held for consumption is recorded at the lower of cost and replacement cost, using the first in, first out method.

q) Reserve accounts

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

r) Asset retirement obligation

An asset retirement obligation is a legal obligation associated with the retirement of a tangible capital asset that the City will be required to settle. The City recognizes asset retirement obligations when there is a legal obligation to incur retirements costs in relation to a tangible capital asset, the past transaction or event giving rise to the liability has occurred, it is expected that future economic benefits will be given up, and a reasonable estimate of the amount can be made.

Asset retirement obligations are initially measured at the best estimate of the amount required to retire atangible capital asset at the financial statement date. The estimate of a liability includes costs directly attributable to asset retirement activities.

Asset retirement obligations are recorded as liabilities with a corresponding increase to the carrying amount of the related tangible capital asset. Subsequently, the asset retirement costs are allocated to expenses over the useful life of the tangible capital asset. The obligation is adjusted to reflect period-to-period changes in the liability resulting from the passage of time and for revisions to either the timing or the amount of the original estimate of the undiscounted cash flows or the discount rate.

s) Tangible Capital Assets

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. Contributed tangible capital assets are recorded as revenue at fair value at the time of contribution.

s) Tangible Capital Assets (continued)

The useful life is applied straight line to calculate amortization at the following estimated useful lives:

Asset	Useful life - years
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

Amortization is charged annually, including in the year of acquisition and disposal. Assets under construction are not amortized until the asset is available for productive use.

Tangible capital assets received as contributions are recorded at their fair value at the date of receipt and are recorded as revenue.The City has capitalized interest costs associated with the construction of tangible capital assets, during the period of construction only. Natural resources that have not been purchased are not recognized as assets in the financial statements. Works of art and cultural and historic assets are not recorded as assets in these financial statements.

2. Investments

Investments include funds invested in Guaranteed Investment Certificates and Money Market Funds with Raymond James, The Municipal Finance Authority of B.C, and Canaccord Genuity. The investments are carried at market value which is equal to the carrying value. The investments have various maturity dates between 90 and 365 days with a range of interest rates between 2.00% and 6.00%.

3. Accounts Receivable

	2025	2024
Property taxes	**$ 1,992,653**	$ 2,196,970
Federal government	**72,760**	160,034
General	**6,477,323**	10,388,088
	$ 8,542,736	$ 12,745,092

4. Investment in government business enterprise

The investment in the Alberni Valley Community Forest Corporation (AVCFC) is reported as a government business enterprise (GBE) and accounted for using the modified equity method. Under this method, the government business' accounting principles are not adjusted to conform with those of the City and inter-corporate transactions are not eliminated. The City owns 100% of the issued and outstanding shares.

In the prior and current year, the AVCFC financial statements were prepared under International Financial Reporting Standards (IFRS). The following table provides condensed supplementary financial information for the corporation at December 31, 2025.

		2025		2024
Investment in Government Business Enterprise				
Financial Assets	**$**	**3,597,223**	$	2,268,907
Liabilities		**667,416**		325,807
Equity		**2,921,062**		1,943,100
		3,588,478		2,268,907
Operations				
Revenue		**1,298,242**		265,735
Expenses		**311,535**		435,977
Net income (loss)	**$**	**986,707**	$	(170,242)

Summary of investment in GBE

		2025		2024
AVCFC shares	**$**	**1**	$	1
Accumulated earnings to date		**2,921,063**		1,934,356
	$	**2,921,064**	$	1,934,357

In 2025 the City did not receive a dividend from AVCFC (2024 - $300,000)

5. Accounts payable and accrued liabilities

	2025	2024
Other local governments	**$ 27,848**	$ 882
Trade accounts	**5,161,670**	7,794,205
Salaries and wages	**807,548**	1,546,552
Accrued debenture interest	**143,972**	120,715
Accrued employee benefits (Note 6)	**2,196,932**	2,233,946
	$ 8,337,970	$ 11,696,300

6. 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. The retirement liability requires no contribution from the employees.

	2025	2024
Benefit liability – beginning of year	**$ 914,500**	$ 912,500
Add: current service costs	**118,000**	94,300
Interest on accrued benefit obligations	**35,500**	37,500
Amortization of actuarial loss	**6,000**	5,100
Less: Benefits paid	**(157,800)**	(134,900)
Benefit liability – end of year	**1,158,500**	914,500
Unamortized actuarial loss	**(242,300)**	(8,000)
Accrued benefit obligation – end of year	**$ 916,200**	$ 906,500

b) Accrued vacation liability

	2025	2024
Accrued vacation payable - end of year	**$ 1,280,732**	$ 1,327,446

6. Employee future benefits (continued)

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 the appropriate collective agreement. Sick leave for management employees does not accumulate. At December 31, 2025, this liability is estimated at $218,300 (2024 - $139,790).

d) Employee benefit obligations

Accrued Benefit Obligation assumptions were reviewed for the 2025 year end and updated based on current market conditions. Accumulated sick leave liability is segregated from the accrued benefit obligation liability for statement presentation.

	2025	2024
Accrued benefit obligation	**$ 916,200**	$ 906,500
Accrued vacation payable	**1,062,432**	1,187,656
Accumulated sick leave liability	**218,300**	139,790
Total employee benefit obligations	**$ 2,196,932**	$ 2,233,946

7. Deferred revenue

Capital grants are restricted to spending on capital project expenses. Other deferred revenue relates to fees received in advance of services rendered.

	2025	2024
Opening Balance	**$ 18,171**	$ 681,353
Capital grants, receipts	**2,370,062**	860,822
Capital projects recognized into revenue	**(2,378,176)**	(1,524,004)
Capital grants, ending balance	**10,057**	18,171
Property taxes	**2,573,139**	2,327,885
Other	**2,150,873**	1,522,470
Development cost charges	**4,019,640**	3,635,898
	$ 8,753,710	$ 7,504,424

Development cost charges (DCCs)		
Opening Balances	**$ 3,635,898**	$ 3,246,595
Add: DCCs received during the year	**328,312**	322,508
Add: Interest	**55,430**	66,796
	$ 4,019,640	$ 3,635,898

8. Canada's Community Building Fund

Canada's Community Building funding is provided by the Federal government. The use of funding is established by a funding agreement between the City and the Union of British Columbia Municipalities (UBCM). These funds may be used towards designated infrastructure projects that help communities build and revitalize public infrastructure supporting economic growth and a clean environment. These funds are held in the Community Building Fund Reserve (see Note 16).

	2025	2024
Canada's Community Building Fund		
Opening Balance	**$ 3,882,888**	$ 3,237,726
Add: Funding received during the year	**894,815**	894,814
Less: Amount recognized as revenue	**(515,742)**	(376,514)
Add: Interest	**84,950**	126,862
	$ 4,346,911	$ 3,882,888

9. Local Housing Initiatives Grant

The Local Government Housing Initiatives program provides grant based funding to help facilitate implementation and support local governments to meet new legislative requirements for residential development, transit-oriented areas, and to adopt new authorities for development financing.

The grant funding will support local governments in creating Local Government Housing Initiative requirements for small-scale multi-unit housing. These funds are being held in Projects & Purchases Reserve (see Note 16).

	2025
Local Government Housing Initiative Grant	
Opening balance	**$ 35,778**
Official Community Plan Framework & Engagement	**$ (35,778)**
	-

10. Financial Instruments

The City as part of its operations carries a number of financial instruments. It is management's position that the City is not exposed to significant interest, currency, or credit risks arising from these financial instruments unless otherwise disclosed.

11. Debt Reserve Fund

The Alberni-Clayoquot Regional District (ACRD) obtains long-term debt, on behalf of the City, through the Municipal Finance Authority (MFA), pursuant to security issuing bylaws under the authority of the Local Government Act, to finance certain capital expenditures. The MFA 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 MFA 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.

The loan agreements with the ACRD and the MFA provide that, if at any time the scheduled payments provided for in the agreements are not sufficient to meet the MFA's obligations in respect to such borrowings, the resulting deficiency becomes a liability of the City.

As a condition of the loan agreements, the City is obligated to provide security by way of demand notes and interest-bearing cash deposits (sinking fund balances) based on the amount of the debt. If the debt is repaid without default, the deposits are refunded to the City. The demand notes are held by the MFA and upon maturity of the debt, the demand notes are released. As of December 31, 2025, there are contingent demand notes of $430,810 (2024 - $430,810) that are not recorded in the City's financial statements.

Long-term Debt

All debenture debt is owed to the MFA and is reported at gross amount. The City has no debt assumed by others on its behalf and has assumed no debt for others. MFA Debenture debt by Bylaw is detailed on Schedule 3.
Principal payments on long-term debt as of December 31, 2025, for the next 5 years are as follows:

		Long Term Debt
2026		533,269
2027		533,269
2028		533,269
2029		533,269
2030		533,269
Total	**$**	**2,666,345**

Scheduled long-term debt repayments may be suspended in the event of excess sinking fund earnings within the MFA. Principal paid during the year was $533,269 (2024 - $526,214). Total interest expense during the year was $843,561 (2024 - $729,507). Included in revenue is $169,929 (2024 - $149,424) of actuarial adjustments on the City's annual debt principal repayments invested by MFA. This annual investment income results in a reduction in the overall cost of borrowing.

12. Asset Retirement Obligations

The City owns and operates tangible capital assets that are known to have asbestos and lead paint, which represent a health hazard upon demolition or renovation of the assets. There is a legal obligation to remove and dispose of the hazardous materials. The City is also obligated under the Environmental Management Act to decommission and restore waste water lagoons. Following the adoption of Public Accounting Standard PS 3280 Asset Retirement Obligations, the City recognized an obligation relating to the removal of the hazardous materials in assets and decommissioning and restoration of waste water lagoons as estimated at January 1, 2023.

The transition and recognition of asset retirement obligations involved an accompanying increase to the buildings and waste water infrastructure tangible capital assets. The increase in tangible capital assets is amortized on a straight-line basis over the remaining expected useful life of the related assets.

Estimated costs totaling $21,562,613 have been discounted using a present value calculation with a discount rate of 3.7%. The timing of these expenditures is estimated to occur between 2025 and 2053 with the regular replacement, renovation, or disposal of assets. No recoveries are expected at this time.

	2025	2024
Opening Asset Retirement Obligation	$ 20,802,008	$ 42,617,953
Increase due to accretion	1,107,609	592,061
Disposal of Assets	-	(149,566)
Decrease due to Revision of Estimates - Sewer Lagoons	-	22,258,440
Closing Asset Retirement Obligation	$ 21,909,617	$ 20,802,008

13. Trust Funds

The City operates a cemetery and maintains a cemetery perpetual care fund in accordance with the Cremation, Interment and Funeral Services Act. The trust fund assets and liabilities are not included in the consolidated financial statements. As at December 31, 2025, the balance of funds held in trust was $221,752 (2024 - $163,228).

14. Municipal Pension Plan

The City and its employees contribute to the Municipal Pension Plan (a jointly trusteed pension plan). The board of trustees, representing plan members and employers, is responsible for administering the plan, including investment of assets and administration of benefits. The plan is a multi-employer defined benefit pension plan. Basic pension benefits are based on a formula. As at December 31, 2024, the plan has about 273,000 active members and approximately 133,000 retired members. Active members include approximately 47,000 contributors from local governments.

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

14. Municipal Pension Plan (continued)

benefits for average future entrants to the plan. This rate may be adjusted for the amortization of any actuarial funding surplus and will be adjusted for the amortization of any unfunded actuarial liability.

The most recent valuation for the Municipal Pension Plan as at December 31, 2024, indicated a $2.675 million funding surplus for basic pension benefits on a going concern basis. The City of Port Alberni paid $1,608,412 (2024 - $1,533,232) for employer contributions while employees contributed $1,415,635 (2024 - $1,581,339) to the plan in fiscal 2025

The next valuation will be as at December 31, 2027, with results available in 2028. Employers participating in the plan record their pension expense 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 individual employers participating in the plan.

15. Tangible capital assets

Tangible Capital Assets are stated at their net book value.

	2025	2024
Land	**$ 10,133,430**	$ 10,133,430
Land improvements	**11,356,468**	11,286,499
Buildings	**24,191,060**	24,230,036
Machinery and equipment	**10,422,160**	9,465,365
Engineering structures	**2,815,810**	2,856,622
Storm Drains	**16,805,859**	17,049,079
Transportation	**10,079,934**	8,096,122
Water	**24,862,830**	25,094,945
Sewer	**68,373,762**	71,857,659
Leased asset	**68,889**	68,889
	179,110,202	180,138,646
Work-in-progress: Assets under construction not being amortized	**5,795,802**	5,044,901
	$ 184,906,004	$ 185,183,547

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

No Interest was capitalized in 2025 or the prior year (2024). No amortization has been recorded on work in progress assets not in use in 2025.

16. Accumulated surplus

Accumulated surplus consists of individual fund surplus and reserve funds as follows:

	2025	2024
Operations		
General	**$ (10,387,475)**	$ 8,412,277
Water	**(1,387,633)**	(565,160)
Sewer	**(18,382,739)**	(13,723,553)
	$ (30,157,847)	$ (5,876,436)
Capital		
General	**25,557,773**	23,792,164
Water	**4,764,559**	3,404,580
Sewer	**(6,058,661)**	(28,787,578)
	24,263,672	(1,590,834)
Equity in tangible capital assets		
General	**$ 86,840,736**	$ 82,917,646
Water	**23,441,981**	24,019,677
Sewer	**33,089,213**	37,116,552
	$ 143,371,930	$ 144,053,875
Reserves		
Reserve funds – statutory		
Parkland acquisition	**$ 376,378**	$ 362,757
Land Sale	**1,673,418**	1,514,743
	2,049,796	1,877,500
Reserve funds – restricted		
Equipment replacement	**5,112,941**	5,157,800
Carbon fund	**869,875**	878,576
Parks and recreation capital	**1,056,798**	895,110
Capital works	**215,752**	55,673
Community Building Fund Reserve (Note 8)	**4,346,911**	3,882,888
Growing Communities Fund	**4,112,952**	4,060,617
Aquatic Centre Reserve Fund	**62,452**	61,688
Alberni Valley Community Forest Corporation reserve	**492,863**	1,051,441
	16,270,544	16,043,793
Reserve funds – unrestricted		
General fund - project and purchases (Note 9)	**2,513,264**	2,439,380
Asset Management Reserve	**243,730**	240,751
Museum purchases	**67,446**	64,777
Facilities Asset Renewal Reserve	**323,785**	-
RCMP - contract surplus	**341,509**	1,064,416
McLean Mill project	**15,602**	37,780
BC Transit Reserve Fund	**100,000**	-
Water fund - projects and purchases	**9,025,309**	7,413,891

16. Accumulated surplus (continued)

	2025	2024
Sewer fund - projects and purchases	**7,689,759**	6,789,240
	20,320,404	18,050,235
Total reserves	**38,640,744**	35,971,528
	$ 176,118,500	$ 172,558,134

a) Growing Communities Fund

The Province of British Columbia distributed conditional GCF grants to communities at the end of March 2023 to help local governments build community infrastructure and amenities to meet the demands of population growth. The GCF provided a one-time total of $1 billion in grants to all 161 municipalities and 27 regional districts in British Columbia.

The City of Port Alberni received $5,269,000 of GCF funding in March 2023. In 2025 $59,880 of grant proceeds were spent, in 2024 $1,581,339 were spent.

	2025	2024
Growing Communities opening balance	**$ 4,060,617**	$ 5,396,338
Interest Earned	**112,215**	245,618
Eligible expenses	**(59,880)**	(1,581,339)
Closing balance of unspent funds	**$ 4,112,952**	$ 4,060,617

17. Grants and Transfers

		2025		2024
Operating Grants				
Provincial	**$**	**1,613,715**	$	1,896,547
Local		**110,200**		296,940
Capital				
Federal		**894,814**		4,092,991
Federal/Provincial		**52,482**		326,420
		947,296		4,419,411
Total Government Grants and Transfers		**2,671,211**		6,612,898
Other Grants - Non Governmental		**117,400**		456,254
Total Grants and Transfers	**$**	**2,788,611**	$	7,069,153

18. Commitments and Contingencies

a) 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.

b) Claims for damages

In the normal course of a year, the City is faced with lawsuits and other claims for damages of a diverse nature. At year end, the City's estimated exposure for such liabilities is not considered to be significant. The City carried general liability insurance with a private insurance carrier in the amount of $5 million, plus an umbrella policy in the amount of $45 million. When claims are paid the expense is charge to the General Government expense category.

c) Commitments

The City entered into a long-term contract with the Royal Canadian Mounted Police for the provision of police services effective April 1, 2012. Under the terms of this contract, the City is responsible for 90% of policing costs. The 2026 estimated cost of this contract is $8,581,657 (2027 - $8,890,415).

19. Subsequent Event

a) Major Purchases

Subsequent to the year end, the City announced the purchase of 4835 Argyle street, The development and engineering services building, for expanded administrative use. The City will finance the $3.4 million Acquisition through the Municipal Finance Authority of BC. The Loan authorization bylaw will be brought to council spring of 2026. This acquisition represents a significant milestone in the City's ongoing commitment to improving administrative services for the residents of Port Alberni.

The "City of Port Alberni 2026 - 2030 Financial Plan Bylaw No. 5138" was also amended to facilitate the acquisition of the Clutesi Haven Marina infrastructure in the amount of $1,000,000, the purchase will be funded through a payment agreement with the Port Alberni Port Authority, payment of$250,000 will be made annually over the next 4 years (2026-2029).

20. Budget

The budget data presented in these consolidated financial statements includes both operating and capital gets. The City of Port Alberni budget was approved by Council on March 10, 2025, with the adoption of the Five-Year Financial Plan (2025-2029) Bylaw No 5123, 2025. The chart below reconciles the approved budget per the Financial Plan to the budget reported in these consolidated financial statements.

	2025 Budget
Consolidated Budgeted Surplus, per City of Port Alberni Financial Plan Bylaw No. 5123	$ -
Add	
Acquisition of TCA	8,877,402
Contingency	300,000
Debt repayments	(363,788)
Less	
Transfers to reserves	3,043,635
Consolidated Budgeted Surplus, per City of Port Alberni Statement of Operations	$ 5,769,979

21. 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), Chief Administrator's Office, Corporate Services Department, Financial Services, Information Technology, and Human Resources.

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.

21. Segmented information (continued)

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, Recreation and Heritage 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 1). For additional information see Segmented Information (Schedule 2).

CITY OF PORT ALBERNI
SCHEDULE 1: TANGIBLE CAPITAL ASSETS
As at December 31, 2025

	ASSETS				ACCUMULATED AMORTIZATION					
	Balance December 31, 2024	**Additions 2025**	**Disposals 2025**	**Balance December 31, 2025**	**Balance December 31, 2024**	**Additions 2025**	**Disposals 2025**	**Balance December 31, 2025**	**NET BOOK VALUE 2025**	**NET BOOK VALUE 2024**
Land	$ 10,133,431	$ -	$ -	$ 10,133,430	$ -	$ -	$ -	$-	**$ 10,133,430**	$ 10,133,430
Land Improvements	20,622,086	572,176	-	21,194,262	9,335,589	502,208	-	9,837,797	**11,356,468**	11,286,499
Buildings	48,348,881	1,273,958	(179,477)	49,443,276	24,118,845	1,232,301	(98,930)	25,252,216	**24,191,060**	24,230,036
Machinery & Equipment	21,462,806	1,899,828	(455,109)	22,907,610	11,997,441	911,680	(423,671)	12,485,453	**10,422,160**	9,465,365
Engineered Structures	4,271,879	-	-	4,271,879	1,415,258	40,812	-	1,456,070	**2,815,810**	2,856,622
Storm Drains	27,160,041	467,378	(339,903)	27,287,516	10,110,962	370,695	-	10,481,657	**16,805,859**	17,049,079
Transportation	46,947,687	2,524,164	-	49,471,851	38,851,565	781,237	(240,885)	39,391,917	**10,079,934**	8,096,122
Water	45,002,444	589,338	(123,170)	45,468,612	19,907,500	821,453	(123,170)	20,605,783	**24,862,830**	25,094,945
Sewer	92,016,941	147,998	(4,679)	92,160,260	20,159,283	3,631,196	(3,981)	23,786,498	**68,373,762**	71,857,659
Lease Assets	1,425,000	-	-	1,425,000	1,356,111	-	-	1,356,111	**68,889**	68,889
Work in progress	5,044,901	5,795,802	(5,044,901)	5,795,802	-	-	-	-	**5,795,802**	5,044,901
	$ 322,436,097	$ 13,248,162	$ (6,147,239)	$ 329,537,020	$ 137,252,554	$ 8,291,582	$ (890,637)	$ 144,652,847	**$184,906,004**	$185,183,547

CITY OF PORT ALBERNI
SCHEDULE 2: SEGMENTED INFORMATION
For the Year Ended December 31, 2025

	General government services	Protective services	Transportation services	Environmental health services	Environmental and economic development	Recreation and cultural services	Water utility	Sewer utility	Other	Consolidated 2025	Budget (Note 20)	Consolidated 2024
Revenues												
Taxation	$35,767,175	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 35,767,175	$35,909,244	$ 30,936,748
Sale of services	85,150	388,283	480,725	1,932,333	290,448	1,984,486	4,301,554	3,670,206	1,504,312	14,808,337	12,697,795	14,345,968
Other revenue from own sources	767,869	1,028,481	-	20,163	243,928	-	42,268	36,994	169,929	2,309,632	1,751,469	1,960,921
Investment income	557,180	-	9,439	-	-	1,167	127,504	174,073	332,144	1,201,508	706,000	1,915,921
Grants and transfers	2,132,084	-	117,400	-	199,420	77,950	-	-	52,482	2,755,612	1,325,447	7,069,153
Recognition of developer contributions	-	-	-	-	-	-	-	-	150,000	150,000	-	682,716
(Loss) gain on disposal of tangible capital assets	-	-	-	-	-	-	-	-	(87,821)	(87,821)	-	2,247,610
Income (loss) from investment in government business	986,707	-	-	-	-	-	-	-	-	986,707	-	(170,242)
Total Revenues	40,296,165	1,416,764	607,564	1,952,496	733,796	2,063,603	4,471,326	3,881,273	2,121,046	57,924,149	52,389,955	58,988,795
Expenses												
Salaries, wages and benefits	3,438,099	7,437,822	2,805,071	474,750	961,105	5,726,391	1,223,328	630,841	-	22,697,405	23,195,294	21,685,046
Debt Servicing	63,948	100,276	-	-	-	26,239	72,503	700,936	-	963,902	1,208,215	867,266
RCMP Contract	-	7,457,826	-	-	-	-	-	-	-	7,457,826	7,968,738	7,118,292
Grants	20,000	-	-	-	31,362	-	-	-	-	51,362	163,500	494,285
Other Contracts	36,694	-	1,200,611	-	37,882	-	-	-	4,118	1,279,305	1,410,287	1,204,216
Goods and services	1,083,071	1,946,577	2,316,188	1,228,648	421,164	3,038,924	974,739	1,507,483	(2,002)	12,514,792	12,673,943	13,327,433
	4,641,809	16,942,502	6,321,870	1,703,398	1,451,513	8,791,554	2,270,570	2,839,260	2,116	44,964,592	46,619,977	44,706,545
Amortization	322,262	360,169	1,817,885	1,347	68,426	1,268,844	821,453	3,631,196	-	8,291,582	-	8,979,023
Accretion	15,606	8,147	1,065	-	459	53,322	1,020	1,027,990	-	1,107,609	-	592,061
Total expenses	4,979,678	17,310,818	8,140,820	1,704,745	1,520,398	10,113,720	3,093,043	7,498,445	2,116	54,363,783	46,619,977	54,277,629
Annual surplus (deficit)	$35,316,488	$ (15,894,054)	$(7,533,256)	$ 247,751	$ (786,602)	$ (8,050,117)	$ 1,378,283	$ (3,617,173)	$ 2,118,930	$ 3,560,365	$ 5,769,979	$ 4,711,168

	General government services	Protective services	Transportation services	Environmental health services	Environmental and economic development	Recreation and cultural services	Water utility	Sewer utility	Other	Consolidated 2024	Budget	Consolidated 2023
Revenues												
Taxation	$ 30,936,748	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$30,936,748	$ 31,218,075	$ 27,873,962
Sale of services	73,173	589,806	358,582	1,802,856	734,095	1,930,055	3,996,406	3,400,501	1,460,495	14,345,969	12,107,858	13,889,841
Other revenue from own sources	703,187	782,161	-	19,112	223,649	-	44,278	39,110	149,424	1,960,921	1,692,005	1,261,637
Investment income	1,006,531	-	12,094	-	-	-	228,731	250,351	418,213	1,915,921	710,000	1,782,059
Grants and transfers	5,687,740	-	71,400	-	742,504	165,255	-	-	402,253	7,069,153	1,546,447	14,346,216
Recognition of developer contributions	-	-	-	-	-	-	-	-	682,716	682,716	-	-
Gain (loss) on disposal of tangible capital assets	-	-	-	-	-	-	-	-	2,247,610	2,247,610	-	(96,709)
Loss from investment in government business	-	-	-	-	(170,242)	-	-	-	-	(170,242)	-	(36,615)
Total Revenues	38,407,379	1,371,967	442,076	1,821,968	1,530,006	2,095,310	4,269,415	3,689,962	5,360,711	58,988,795	47,274,385	59,020,391
Expenses												
Salaries, wages and benefits	3,233,353	7,277,884	2,859,834	427,901	950,467	5,524,321	972,428	438,858	-	21,685,046)	21,768,690	19,508,602
Debt Servicing	69,943	83,777	-	-	-	23,746	44,851	654,954	-	877,271	(168,512)	867,266
RCMP Contract	-	7,118,292	-	-	-	-	-	-	-	7,118,292	7,287,407	7,035,396
Grants	10,000	-	-	-	383,314	100,972	-	-	-	494,286	173,500	333,358
Other Contracts	59,869	-	1,126,317	-	13,913	-	-	-	4,118	1,204,217	1,430,165	1,213,073
Goods and services	1,701,368	1,731,458	2,536,665	1,128,713	610,178	2,941,408	957,027	1,706,481	14,135	13,327,433	12,473,521	11,937,258
	5,074,533	16,211,411	6,522,816	1,556,614	1,957,872	8,590,447	1,974,306	2,800,293	18,253	44,706,545	42,964,771	40,800,596
Amortization	271,337	361,516	1,564,142	2,183	68,289	1,245,450	794,001	4,672,105	-	8,979,020	-	9,082,957
Accretion	(132,967)	7,856	1,027	-	443	52,403	984	662,316	-	592,059	-	1,520,017
Total expenses	5,212,903	16,580,784	8,087,985	1,558,797	2,026,604	9,888,300	2,769,291	8,134,714	18,254	54,277,629	42,964,773	51,403,571
Annual surplus (deficit)	$ 33,024,234	$ (15,208,816)	$ (7,645,909)	$ 263,171	$ (326,356)	$ (7,792,990)	$ 1,500,124	$ (4,444,752)	$ 5,342,458	$ 4,711,168	$ 4,309,613	$ 7,616,820

CITY OF PORT ALBERNI
SCHEDULE 3: DEBT
As at December 31, 2025

Security Issuing Bylaw	Purpose	Term in Years	Annual Interest Rate	Maturity Date	Original Issue	Balance Dec 31, 2024	Principal Paid	Actuarial Recognized	**Balance Dec 31, 2025**	Debt Reserve Cash Dec 31, 2024	Debt Reserve Income & Expenses	**Debt Reserve Cash Balance Dec 31, 2025**
4575	General	25	1.53%	19-Apr-31	$ 3,375,064	$ 1,296,710	$ 81,042	$ 83,134	**$ 1,132,534**	$ 58,921	$ 1,764	**$ 60,685**
4807	General	30	3.00%	14-Oct-44	428,300	124,537	8,164	3,439	**112,934**	5,646	345	**5,991**
4846	General	20	2.20%	08-Apr-35	912,000	577,625	32,249	11,703	**533,673**	11,358	164	**11,522**
					4,715,364	1,998,872	121,455	98,276	**1,779,141**	75,925	2,273	**78,198**
4848	Water	30	2.20%	08-Apr-45	2,000,000	1,598,297	38,743	14,060	**1,545,494**	25,293	757	**26,050**
4807	Waste Water	30	3.00%	14-Oct-44	5,321,700	4,394,559	101,415	42,720	**4,250,424**	68,199	2,042	**70,241**
4939	Water Water	30	1.99%	09-Apr-50	4,450,000	3,997,892	109,692	9,042	**3,879,158**	50,085	1,500	**51,585**
5038	Waste Water	30	4.15%	05-Jun-53	8,500,000	8,338,035	161,965	5,831	**8,170,240**	89,663	2,685	**92,348**
					18,271,700	16,730,486	373,072	57,593	**16,299,822**	207,947	6,227	**214,174**
					$ 24,987,064	$ 20,327,655	$ 533,269	$ 169,929	**$ 19,624,457**	$ 309,164	$ 9,257	**$ 318,422**

CITY OF PORT ALBERNI
SCHEDULE 4: TAX LEVIES AND GRANTS IN LIEU OF TAXES
For the Year Ended December 31, 2025

	Budget (Note 20)	2025	2024
Tax Levies			
General Purpose	$ 34,816,781	**$ 34,648,590**	$ 29,831,273
Off-Street Parking	19,282	**19,118**	18,540
Utility	841,420	**733,454**	797,087
	35,677,483	**35,401,162**	30,646,900
Grants in lieu of taxes	231,761	**366,013**	289,847
Total Municipal Taxes	35,909,244	**35,767,175**	30,936,748
Collections For Other Governments			
School Districts	7,287,250	**7,702,780**	7,342,972
Alberni Clayoquot Regional Hospital District	685,000	**684,950**	679,292
Alberni Clayoquot Regional District	2,094,578	**2,038,271**	1,853,099
B.C. Assessment	226,600	**233,493**	215,900
Vancouver Island Regional Library	1,139,722	**1,139,722**	1,072,702
Municipal Finance Authority	1,236	**-**	1,067
	11,434,386	**11,799,216**	11,165,032
Total Taxes Collected	$ 47,343,630	**$ 47,566,391**	$ 42,101,779

CITY OF PORT ALBERNI
SCHEDULE 5: GENERAL GOVERNMENT SERVICES EXPENSES
For the Year Ended December 31, 2025
(UNAUDITED)

	Budget (Note 20)	2025	2024
Legislative	$ 338,983	**$ 333,088**	$ 395,972
Chief Administration Officer	367,269	**379,995**	287,267
Municipal clerk's office	774,525	**677,530**	753,666
Legal fees	25,000	**66,063**	49,224
Financial management	1,173,189	**1,234,754**	1,159,067
Administration vehicle	13,018	**25,867**	20,749
External audit	35,000	**32,250**	32,369
Purchasing	139,549	**169,762**	138,553
Buildings	251,260	**361,974**	299,599
Information services	1,017,002	**937,538**	1,007,805
Appraisals	27,500	**26,000**	-
Personnel	508,861	**453,701**	480,685
Training and development	259,069	**163,240**	215,659
Damage claims	21,000	**23,444**	20,028
Grants and grant funded programs	11,000	**20,000**	10,000
Office equipment supplies and printing	633,706	**330,214**	408,216
Public liability insurance	175,809	**218,280**	414,410
Other general services	360,044	**16**	68
Administration Recoveries	(545,900)	**(569,904)**	(554,004)
Reconciliation Committee	-	**1,838**	3,623
Asset Management Plan	-	**30,000**	-
Debt servicing	909,242	**64,030**	69,946
Total	$ 6,495,126	**$ 4,979,678**	$ 5,212,901

CITY OF PORT ALBERNI
SCHEDULE 6: PROTECTIVE SERVICES EXPENSES
For the Year Ended December 31, 2025
(UNAUDITED)

	Budget (Note 20)	2025	2024
Police protection	$ 10,645,717	**$ 10,297,355**	$ 9,712,157
Fire protection	5,153,436	**5,468,547**	5,467,084
Emergency measures	2,027	**18,090**	15,684
Building and plumbing inspections	305,951	**310,140**	304,074
Animal pound operations	158,331	**161,517**	169,677
Bylaw enforcement	(132,543)	**954,892**	828,331
Debt servicing	83,777	**100,276**	83,777
Total	$ 16,216,697	**$ 17,310,818**	$ 16,580,784

CITY OF PORT ALBERNI
SCHEDULE 7: TRANSPORTATION SERVICES EXPENSES
For the Year Ended December 31, 2025
(UNAUDITED)

	Budget (Note 20)	2025	2024
Common Services			
Engineering administration	$ 750,884	**$ 479,187**	$ 766,184
Engineering consulting services	179,435	**391,830**	515,771
Public works supervision	414,828	**522,426**	428,091
Equipment and supplies	58,136	**103,954**	129,469
Building and yard maintenance	439,393	**280,028**	264,310
Equipment maintenance	858,107	**1,431,104**	1,291,245
	2,700,783	**3,208,526**	3,395,070
Road and Street Maintenance			
Roadway surfaces maintenance	1,409,599	**2,082,979**	1,908,019
Snow and ice removal	200,000	**143,704**	182,011
Parking	18,620	**19,526**	19,036
Gravel	135,438	**101,665**	77,384
Bridges and retaining walls	30,922	**51,565**	48,707
Street lighting	423,387	**483,307**	526,572
Traffic control	303,391	**466,949**	289,794
	2,521,357	**3,349,695**	3,051,523
Other			
Ditch and dyke maintenance	113,888	**163,764**	116,272
Storm sewers	322,835	**583,096**	708,303
Public transit	1,253,892	**1,200,789**	1,126,072
Other	225,706	**136,436**	124,837
Recoveries	(519,000)	**(501,489)**	(434,092)
	1,397,321	**1,582,596**	1,641,392
	$ 6,619,460	**$ 8,140,820**	$ 8,087,985

CITY OF PORT ALBERNI
SCHEDULE 8: RECREATION AND CULTURAL SERVICES
For the Year Ended December 31, 2025
(UNAUDITED)

	2025						2024
	Budget Revenue	Actual Revenue	Budget Expense	Actual Expense	Budget Operating Deficit	Actual Operating Deficit	Actual Operating Deficit
Recreation Services							
Administration	$ -	**$ -**	$ 888,316	**$ 965,030**	$ (888,316)	**$ (965,030)**	$ (821,214)
Leisure Centre	273,731	**319,113**	591,799	**811,604**	(318,068)	**(492,491)**	(400,460)
Swimming pool	224,635	**298,687**	576,826	**590,426**	(352,191)	**(291,739)**	(408,926)
Arena	796,518	**780,400**	1,346,871	**2,120,672**	(550,353)	**(1,340,272)**	(1,278,408)
Parks, Playgrounds, and other	20,085	**23,918**	2,247,625	**2,359,675**	(2,227,540)	**(2,335,757)**	(2,543,050)
Programs	403,733	**486,469**	2,139,337	**2,173,860**	(1,735,604)	**(1,687,391)**	(1,552,470)
	1,718,702	**1,908,587**	7,790,774	**9,021,267**	(6,072,072)	**(7,112,680)**	(7,004,528)
Cultural Services							
Museum services	72,800	**56,018**	678,510	**774,273**	(605,710)	**(718,255)**	(681,141)
McLean Mill	-	**29,900**	212,320	**318,180**	(212,320)	**(288,280**	(272,573)
Provincial Grants	100,000	**65,000**	-	**-**	100,000	**65,000**	-
Federal Grants	25,000	**4,098**	-	**-**	25,000	**4,098**	-
	197,800	**155,016**	890,830	**1,092,453**	(693,030)	**(937,437)**	(953,714)
	$ 1,916,502	**$ 2,063,603**	$ 8,681,603	**$ 10,113,720**	$ (6,765,103)	**$ (8,050,117)**	$ (7,958,246)

CITY OF PORT ALBERNI
SCHEDULE 9: SALES OF SERVICES
For the Year Ended December 31, 2025
(UNAUDITED)

	Budget (Note 20)	2025	2024
General Revenue			
General services	$ 3,107,518	**$ 3,243,876**	$ 3,468,242
Arena	796,518	**780,400**	826,003
Leisure Center	273,731	**347,772**	305,865
Parks, playgrounds and other	20,085	**19,818**	17,670
Swimming Pool	224,635	**297,924**	223,079
Programs	403,733	**486,469**	502,400
Museum	59,800	**50,863**	40,220
McLean Mill	-	**29,900**	31,386
	4,886,020	**5,257,020**	5,414,865
Miscellaneous Revenue	-	**1,504,310**	1,460,495
Services Provided to Other Governments	75,000	**75,246**	73,703
Water Revenue			
Sale of water	4,005,972	**4,298,803**	3,991,049
Connections and sundry charges	111,500	**2,751**	5,357
	4,117,472	**4,301,554**	3,996,406
Sewer Revenue			
Sale of sewer services	3,393,276	**3,436,942**	3,242,552
Connections and sundry charges	226,027	**233,264**	157,949
	3,619,303	**3,670,206**	3,400,501
	$ 12,697,795	**$ 14,808,337**	$ 14,345,968

CITY OF PORT ALBERNI
SCHEDULE 10: OTHER REVENUE FROM OWN SOURCES
For the Year Ended December 31, 2025
(UNAUDITED)

	Budget (Note 20)	2025	2024
Licenses and permits	$ 708,071	**$ 461,456**	$ 376,609
Fines and costs	17,000	**567,025**	405,552
Land and building rentals	257,110	**243,928**	223,649
Penalties and interest	490,733	**555,184**	495,209
Miscellaneous revenue	278,554	**312,110**	310,478
Other revenue from own sources - Capital Fund	-	**169,929**	149,424
	$ 1,751,468	**$ 2,309,632**	$ 1,960,921

CITY OF PORT ALBERNI
SCHEDULE 11: SEWER AND WATER UTILITIES
For the Year Ended December 31, 2025
(UNAUDITED)

	Budget (Note 20)	2025	2024
Water Utility			
Administration	$ 1,150,637	**$ 1,248,104**	$ 1,042,552
Service of supply	123,164	**308,120**	332,191
Pumping	298,932	**328,811**	322,577
Transmission and distribution	836,914	**1,135,505**	1,027,121
Debt servicing	44,000	**72,503**	44,851
	$ 2,453,648	**$ 3,093,044**	$ 2,769,293
Sewer Utility			
Administration	1,154,133	**1,273,272**	1,183,767
Sewage treatment and disposal	282,434	**4,438,037**	5,502,453
Sewage collection system	350,131	**799,195**	503,878
Sewage pump stations	317,475	**287,005**	289,662
Other	1,000	**-**	-
Debt servicing	519,558	**700,936**	654,954
	$ 2,624,731	**$ 7,498,445**	$ 8,134,713

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

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

Name	Position	Remuneration	Taxable Benefits & Other	Expenses
DAME, DUSTIN	Elected Official	$ 30,878.05	$ 89.76	$ 93.50
VERBRUGGE, TOM	Elected Official	$ 29,633.33	$ -	$ 794.76
HAGGARD, DEBBIE	Elected Official	$ 30,788.29	$ -	$ 601.30
MEALEY,CHARLES	Elected Official	$ 30,878.05	$ 89.76	$ 236.25
MINIONS, SHARIE	Elected Official	$ 69,275.92	$ 89.76	$ 150.66
PATOLA, TODD	Elected Official	$ 30,878.05	$ 89.76	$ 1,050.38
SOLDA, CINDY	Elected Official	$ 30,833.17	$ 44.88	$ 930.93
Total: elected officials, employees appointed by Cabinet and members of the Board of Directors (A)		**$ 253,164.86**	**$ 403.92**	**$ 3,857.78**

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

Name	Position	Remuneration	Taxable Benefits & Other	Expenses
ALEXANDER, ANDREA	Bylaw Officer	$ 85,961.56	$ 614.90	$ 122.45
ANDERSEN, DOUGLAS	Water System Technician	$ 91,778.54	$ 614.90	$ 240.45
ANDERSON, J.	Backhoe Operator	$ 86,486.25	$ 614.90	$ 100.00
ARENTSEN, KEITH	LAN Administrator/Systems Operator	$ 101,937.91	$ 614.90	$ 1,350.38
ARNETT, MIKE	Labourer	$ 77,135.57	$ 614.90	$ -
ARSENAULT, DAVE	Project Manager	$ 142,163.13	$ 938.75	$ 594.36
BAKER, ELLA	Firefighter	$ 101,998.29	$ 666.27	$ -
BAUER, BRYAN	Wastewater Systems Operator	$ 90,927.29	$ 614.90	$ 377.44
BISHOP, JUSTIN	Wastewater Systems Operator	$ 93,946.54	$ 614.90	$ 314.99
BITTER, PETER	Accountant	$ 87,771.49	$ 614.90	
BODIN, KRISTA	Director of Human Resources	$ 169,040.22	$ 1,111.46	$ 716.28
BOOTH, ANTHONY	Fire Fighter	$ 137,227.50	$ 829.12	$ -
BOROVICA, EVAN	Project Manager	$ 113,238.21	$ 185.93	$ 4,178.77
BOS, K.	Tax Clerk	$ 77,863.19	$ 742.12	
BOUCHARD, TORY	Superintendent - Fleet & Solid Waste	$ 125,503.45	$ 614.90	$ 139.58
BOURELLE, NATHAN	Bylaw Officer	$ 86,577.10	$ 823.49	$ -
BOURGOIN, SHAWN	Manager of Recreation Services	$ 90,573.36	$ 614.90	$ 2,215.12
BOUVIER, PAMELA	Watch Clerk	$ 78,951.99	$ 501.15	$ -
BROWN, ANGELA	Custodial Guard (RCMP)	$ 81,028.99	$ 614.90	$ -
BRUVALL, ERIC	Engineering Technologist	$ 93,674.60	$ 614.90	$ -
COLYN, DAVID	Human Resources/Safety Advisor	$ 105,668.38	$ 614.90	$ 291.32
COX, AARON	Firefighter	$ 130,741.47	$ 673.61	$ -
CROSS, TRAVIS	Deputy Fire Chief	$ 159,144.38	$ 785.73	$ 5,295.82
DAME, CODY	Payroll Clerk	$ 78,777.02	$ 1,036.42	$ -
DARLING, SARA	Deputy Director of Corporate Services	$ 151,762.78	$ 614.90	$ 376.12
DATTA, PANKAJ	PC Support/ LAN Tech (RCMP&IT)	$ 83,820.41	$ 999.00	$ 168.00
DEAKIN, PATRICK	Manager of Economic Development	$ 124,090.07	$ 614.90	$ 1,078.90
DECARY, BEN	Water System Technician	$ 92,251.55	$ -	$ -
DECLERCQ, KELLY	Assistant Accountant	$ 83,363.78	$ 614.90	$ -
DEMPSEY, BRIANNE	Executive Assistant	$ 79,722.28	$ 614.90	$ 179.08
DYCK, DAVID	Labourer 2	$ 78,275.63	$ 529.19	$ 125.00
EHALT, COREY	Firefighter	$ 138,892.83	$ 614.90	$ 100.00
ESKOLA, CHAD	Solid Waste Collector	$ 81,257.59	$ 785.73	$ -
ETHIER, SARAH	Watch Clerk	$ 79,100.45	$ 614.90	$ -
FODEN, CARA	Planning Technician	$ 85,262.72	$ 614.90	$ 600.00
FOSTER, RYAN	Equipment Operator	$ 85,177.67	$ 414.90	$ -
FOURNIER, FARON	Watch Clerk	$ 81,309.48	$ 614.90	$ -
FOURNIER, SCOTT	Mechanic	$ 99,063.79	$ 614.90	$ -
FOX, MICHAEL	Chief Administrative Officer	$ 219,708.03	$ 714.90	$ 147.00
FRANCOEUR, LOUISE	Backhoe Operator	$ 85,502.56	$ 1,421.56	$ 280.79
FUDGE, NORMAN	Facilities - Maintenance Technician	$ 90,625.96	$ 614.90	$ -
GAGNON, MICHELLE	Administration Clerk - RCMP	$ 85,124.43	$ 220.35	$ 1,851.54
GAUDET, KEVIN	Water System Technician	$ 92,664.66	$ 614.90	$ 1,300.84
GAUDREAULT, ROBERT	Building Inspector	$ 106,861.81	$ 614.90	$ 2,069.07
GINGRAS, JEFFERY	Traffic Service	$ 84,841.27	$ 614.90	$ -
GIRI, AMARJEET	Waterworks Chargehand	$ 101,572.55	$ 614.90	$ -
GONG, ASHLEY	Accounts Payable Clerk	$ 75,236.24	$ 614.90	$ -
GRAY, REBECCA	Exhibits Custodian - Records RCMP	$ 75,837.85	$ 614.90	$ -
GROPP, SYLVIA	Education Curator	$ 79,305.42	$ 614.90	$ 663.55
GUERIN, ANDRE	Capitan - Fire	$ 174,956.81	$ 989.69	$ -
GUEVARRA, FRANCO	Software Analyst	$ 91,567.48	$ 614.90	$ 25.50
HALEY, JOHN	Capitan - Fire	$ 170,641.92	$ 989.69	$ -
HALYCHUK, BENJAMIN	Firefighter	$ 167,471.06	$ 975.63	$ -

Prepared under the Financial Information Regulation, Schedule 1, section 6(2), (3), (4), (5) and (6)

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

Name	Position	Remuneration	Taxable Benefits & Other	Expenses
HAWKINS, SHAYLA	Public Works - Storekeeper	$ 84,925.31	$ 614.90	$ 194.25
HEIMAN, DAVE	Chargehand- Roads	$ 94,722.04	$ 614.90	$ -
HENGSPERGER, ZSOLT	Records Mgmt Clerk RCMP	$ 81,473.15	$ 614.90	$ -
HILTUNEN, CRYSTAL	Superintendent - Streets & Drainage	$ 119,338.14	$ 767.89	$ 60.48
HUNTER, CAROL	Watch Clerk	$ 80,928.85	$ 614.90	$ -
IVEZICH, KIMBERLY	Manager of Police Support Services	$ 99,319.11	$ 652.04	$ 1,657.12
JOHNSON, EDWARD	Truck Driver	$ 81,682.77	$ 614.90	$ 1,000.00
JUNGENKRUEGER, RODNEY	Residential Garbage Collector	$ 84,815.78	$ 151.75	$ -
KHAN, GENGHIS	Maintenance Worker (Arena)	$ 83,230.24	$ 614.90	$ -
KLEYWEGT, BRIAN	PC LAN Technician - RCMP	$ 90,412.29	$ 614.90	$ 523.21
KRANEVELDT, ROBERT	Manager of Facilities	$ 130,176.89	$ 614.90	$ -
LANDSVIK, ERIK	Gardener	$ 91,809.27	$ 823.49	$ -
LEPINE, TREVOR	Wastewater Treatment Plant Technician	$ 91,139.81	$ 614.90	$ -
LEYENAAR, CURTIS	Chargehand - Parks	$ 96,534.57	$ 326.30	$ -
LLOYD, BYRON	GIS Technician	$ 87,450.54	$ 614.90	$ 549.54
LOISELLE, ALAN	Sweeper Operator	$ 82,000.30	$ 614.90	$ -
LOW, CAILEAN	Firefighter - Mechanic	$ 144,441.72	$ 614.90	$ 549.54
MACAULEY, ROSALYN	Deputy Director of Finance	$ 127,299.00	$ 614.90	$ 2,471.72
MACDONALD, JAMES	Director of Infrastructure	$ 155,001.12	$ 855.95	$ 50.97
MASSICOTTE, MARY CLARE	Manager of Community Safety & Social Dev.	$ 122,605.93	$ 828.89	$ 1,005.50
MCCOOMBS, GERALD	Truck Driver	$ 89,991.16	$ 1,048.86	$ 128.00
MCGIFFORD, ANDREW	Director of Finance	$ 170,969.19	$ 794.03	$ 105.75
MCLEOD, TINA	Recep/ Front Counter (RCMP)	$ 75,610.46	$ 614.90	$ -
MCLOUGHLIN, BRIAN	Manager of Planning	$ 121,034.82	$ 1,118.02	$ 1,299.69
MIGUEZ, JOHN	Firefighter	$ 149,609.22	$ 767.89	$ -
MIHALICZ, DAVID	Manager of Parks	$ 126,861.96	$ 832.47	$ 1,488.39
MOTIUK, KIMBERLY	Deputy of Corporate Services	$ 108,867.74	$ 828.89	$ 1,196.69
NELSON, KIMBERLY	Custodial Guard (RCMP)	$ 78,059.58	$ 721.73	$ 657.50
ORCHISTON, KEITH	Manager of Asset Management	$ 101,300.28	$ 614.90	$ -
OSBORNE, DAVID	Recreation Programmer	$ 84,068.70	$ 657.41	$ 655.82
OWENS, MICHAEL	Fire Chief	$ 173,166.68	$ 614.90	$ 5,162.80
PALMER, ROSS	Trades Helper 2nd Year	$ 76,249.50	$ 1,121.28	$ -
PEARCE, BRETT	Operator Water System	$ 86,904.70	$ 614.90	$ -
PELECH, JEFFREY	Manager of Information Technology	$ 132,150.62	$ 614.90	$ 1,146.37
PENNY, GREG	Truck Driver 3	$ 80,305.44	$ 869.04	$ -
PERRY, SHEILA	Manager of Culture	$ 122,357.69	$ 614.90	$ 417.52
PICHOR, CHRISTOPHER	Labourer 2	$ 75,913.52	$ 798.79	$ 100.00
PICHOR, MICHAEL	Custodial Guard (RCMP)	$ 75,365.45	$ 614.90	$ -
POVEY, BRIAN	Wastewater Systems Operator	$ 87,609.79	$ 614.90	$ 377.99
PUUSEPP, ALICIA	Manager of Communications	$ 103,347.28	$ 678.98	$ 77.49
RAYBECK, TREVOR	Maintenance Worker (Pool)	$ 77,737.70	$ 614.90	$ 24.35
READ, NICHOLAS	Firefighter	$ 95,269.52	$ 235.05	$ -
REED, DEIDRE	Senior Maintenance Worker	$ 96,198.27	$ 614.90	$ 143.45
REYNOLDS, COLBY	Labourer 2	$ 80,043.46	$ 614.90	$ -
REYNOLDS, NICO	Firefighter	$ 109,584.20	$ 676.49	$ -
RITCHIE, IAN	Capitan - Fire	$ 169,062.71	$ 989.69	$ -
RITCHIE, MAX	Firefighter	$ 129,175.71	$ 785.73	$ -
ROGERS, BRADLEY	Firefighter	$ 134,223.64	$ 832.47	$ -
ROGERS, CAMERON	Maintenance Asst-Multipex p/t	$ 77,519.16	$ 200.00	$ 120.75
ROKEBY-THOMAS, DAVID	Building Inspector	$ 98,528.39	$ 614.90	$ 1,899.85
ROSE, BRENT	Firefighter	$ 151,048.09	$ 832.47	$ -
RUEL, TYLER	Firefighter	$ 118,403.42	$ 718.25	$ -
SCHMIDT, JUSTINE	Court Liason (RCMP)	$ 78,492.68	$ 614.90	$ 2,045.49
SCHUTT, Wesley	Maintenance Co-or. Multiplex Operations	$ 97,050.98	$ 614.90	$ -
SCHWARZ, MIKI	Aquatics Programmer	$ 86,701.30	$ 614.90	$ 1,854.89
SELVA, ANTHONY	Firefighter	$ 133,431.56	$ 809.10	$ -
SEXTON, RYAN	Carpenter	$ 92,144.46	$ 714.90	$ -
SMITH, KIRSTEN	Collections Curator	$ 84,786.05	$ 614.90	$ 1,565.65
SMITH, SCOTT	Director of Development Services/Deputy CAO	$ 193,527.82	$ 1,231.04	$ 1,543.47
STELMACKER, JAMES	Mechanic	$ 96,234.70	$ 714.90	$ -
STEPHEN, JOHN	Superintendent- Utilites	$ 123,045.43	$ 794.03	$ -
STIRLING, BRYCE	Firefighter	$ 95,448.99	$ 235.05	$ 58.57
THORPE, WILLA	Director of Parks, Recreation & Heritage	$ 83,991.12	$ 496.95	$ 107.59
TOURANGEAU, BRENNAN	Firefighter	$ 135,348.50	$ 809.10	$ -
TREMBLAY, JUSTIN	Maintenance Worker (Arena)	$ 81,153.91	$ 614.90	$ -
TURGEON, RONALD	Firefighter	$ 79,836.48	$ 614.90	$ 125.00
TURNER, RYAN	Firefighter	$ 147,544.42	$ 832.47	$ 170.00
URSEL, RAY	Streets Service	$ 84,256.83	$ 614.90	$ -

Prepared under the Financial Information Regulation, Schedule 1, section 6(2), (3), (4), (5) and (6)

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

Name	Position	Remuneration	Taxable Benefits & Other	Expenses
VANDERMEY, BARRY	Labourer	$ 77,519.07	$ 614.90	$ -
VOYSEY, SCOTT	Carpenter	$ 91,742.60	$ 714.90	$ -
WATTON, STACY	Equipment Operator	$ 78,811.53	$ 614.90	$ -
WEENING, FRANK	Custodial Guard (RCMP)	$ 77,986.16	$ 614.90	$ 120.00
WEILER, MARK	Carpenter	$ 91,819.87	$ 714.90	$ -
WETMORE, DANIEL	Engineering Technologist	$ 93,816.84	$ 614.90	$ 549.84
WRIGHT, CLINTON	Public Works Superintendent	$ 149,450.51	$ 961.42	$ 150.21
ZAPLOTINSKY, BLADON	Firefighter	$ 159,825.36	$ 975.63	$ 7,135.27
Consolidated total of other employees with remuneration and expenses of $75,000 or less		$ 5,597,983.53	$ 50,748.49	$ 132,707.73
Total: Other Employees	**(B)**	**$ 19,131,181.09**	**$ 138,199.72**	**$ 196,100.80**

3. Reconciliation

Total remuneration - elected officials, employees appointed by cabinet and members of the Board of Directors **(A)**	$ 253,568.78
Total remuneration - other employees **(B)**	$ 19,269,380.81
Subtotal	**$ 19,522,949.59**
Reconciling Items	
Total per Statement of Revenue and Expenditure	**$ 22,697,405.00**
Variance **Note 1**	**$ (3,174,455.41)**

NOTE 1

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

The variance is due to the following reasons:
- the financial statement reports benefits as a percentage of salaries and wages whereas remuneration is the amount paid directly to the employee as defined in the Financial Information Regulation, Schedule 1, subsection 6(1).

Prepared under the Financial Information Regulation, Schedule 1, section 6(2), (3), (4), (5) and (6)

CITY OF PORT ALBERNI

STATEMENT OF SEVERANCE AGREEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2025

There was one (1) severance agreement under which payment commenced between the City of Alberni and its non-unionized employee during fiscal year 2025.

This agreement included 5 months of salary including specific benefits (long-term disbility, life insurance, AD&D)

This statement is prepared under the Financial Information Regulation, Schedule 1, Subsection 6(7).

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

Supplier Name	Aggregate Amount Paid To Supplier
A C E COURIER SERVICES	33,787.69
ADDY POWER LTD	43,222.25
AINSWORTH	35,485.93
ALBERNI CLAYOQUOT REGIONAL	684,950.00
ALBERNI TOYOTA	87,547.89
ALBERNI VALLEY CHAMBER OF	150,456.34
ALBERNI VALLEY REFRIGERATI	505,500.97
ANDREW SHERET LIMITED	128,957.59
ARROWSMITH SEAMLESS GUTTER	33,772.98
BAILEY ELECTRIC CO LTD	424,654.48
BASRA, TEJINDER	90,000.00
BC ASSESSMENT AUTHORITY	236,036.14
BC TRANSIT	762,545.76
BEAVER CREEK HOME CENTRE	51,218.81
BEAVER ELECTRICAL MACHINER	46,295.20
BEHR INTEGRATED SOLUTIONS	33,840.29
BIOMAXX ENVIRONMENTAL	30,699.61
BOWERMAN CONSTRUCTION LTD	2,570,622.90
BOWMARK CONCRETE LTD.	25,057.40
BRENNTAG CANADA INC.	51,372.26
BUNT & ASSOCIATES ENGINEER	216,264.32
BUNZL	53,751.37
BUTLER CONCRETE & AGGREGAT	27,173.03
CANADIAN MARITIME ENGINEER	40,995.27
CANADIAN UNION OF PUBLIC E	215,718.20
CENTRAL SQUARE	46,740.78
CIBC INVESTOR SERVICES INC	30,000.00
CIBC PORT ALBERNI BANKING	29,518.21
CIRCLE DAIRY 1987 LTD	91,673.40
CITAAPI MAHTII HOUSING	177,500.00
CMJ EQUIPMENT	30,400.52
COASTAL BRIDGE & CONSTRUCT	107,234.17
COLYN'S LANDSCAPING LTD	98,881.50
COMMERCIAL TRUCK EQUIPMENT	1,191,760.25
CO-OPERATORS, THE	221,252.33
CULLEN DIESEL POWER LTD	28,495.79
CUSTOM CUBES	152,469.41
DB PERKS & ASSOCIATES LTD.	85,025.15
DOLANS CONCRETE LTD	45,309.84
ENCORE BUSINESS SOLUTIONS	74,177.85
ENEX FUELS LTD.	375,096.52
ENGINEERED AIR	386,509.50
EUNA SOLUTIONS	27,089.34
FORTIS BC - NATURAL GAS	32,332.08
FRANK PLANNING COLLABORATI	42,219.32
FRASER VALLEY REFRIGERATIO	332,041.17
FRED SURRIDGE LTD	36,489.50
FRONTERA GEOTECHNICAL	80,433.94
GARDAWORLD	66,111.09
GREAT CENTRAL TIMBER MILLI	51,684.65
HABITAT SYSTEMS INC	26,088.16
HAYLOCK BROS PAVING LTD	76,368.54
HIDBER, JOANNE & JOSEPH	220,066.97
HOSTEDBIZZ INC	40,164.00
I C B C -INSURANCE CORPORATION	108,012.00

Supplier Name	Aggregate Amount Paid To Supplier
IDM ROOFING	102,683.38
I-OPEN TECHNOLOGIES	40,950.00
ITEL NETWORKS INC	53,315.41
J.E. MCCLELLAND CONTRUCTION LTD	89,681.27
JACK'S TIRE SALES & SERVIC	47,898.61
JAVEN SIMON ROOFING LTD	29,196.60
KENDRICK EQUIPMENT 2003 LT	35,144.31
KMF TRAFFIC SOLUTIONS LTD.	63,259.00
KOERS & ASSOCIATES ENGINEE	438,042.92
L B WOODCHOPPERS LTD	38,508.81
L42 SOLUTIONS	153,423.36
LAFARGE ASPHALT TECHNOLOGI	33,578.76
LAFRENTZ ROAD MARKING	56,796.71
LANARC 2015 CONSULTANTS LT	74,189.31
LCM SECURITY INC	25,815.97
LIBBERROCK HOLDING INC	57,750.00
LONG VIEW SYSTEMS CORPORAT	86,660.47
M B LABORATORIES LTD	44,439.25
MCGILL & ASSOCIATES	56,625.06
MCLEAN & HIGGINS LTD	77,635.27
METERCOR INC	161,219.08
MICROSERVE	30,098.46
MINISTRY OF ENVIRONMENT	54,359.09
Ministry of Post Secondary	31,408.81
MNP LLP	37,800.00
MOBIA TECHNOLOGY INNOVATIO	53,861.11
MUNICIPAL INSURANCE ASSOC	558,379.35
NORTH ISLAND COLLEGE	117,500.00
NORTH ISLAND COLLEGE	30,551.19
NORTHWEST TREE SERVICE	52,128.83
OAK CREEK GOLF & TURF INC.	105,441.91
ORCA HEALTH & SAFETY	26,764.59
PACIFIC CHEVROLET BUICK GM	111,209.26
PARK N PLAY DESIGN CO LTD	45,944.64
PETERBILT PACIFIC INC	28,547.34
PG SOLUTIONS INC	40,132.77
POLAR ENGINEERING	107,167.67
PORT ALBERNI FIRE FIGHTERS	93,214.96
PORT ALBERNI PORT AUTHORIT	191,969.67
QUALICUM BEACH MASONRY	25,200.00
RECEIVER GENERAL FOR CANAD	8,760,971.50
REGIONAL DISTRICT OF ALBER	2,211,637.50
REGIONAL DISTRICT OF ALBER	2,038,271.00
ROE ENVIRONMENTAL INC	269,106.47
ROLLINS MACHINERY LTD	665,502.93
S P C A	157,279.80
SAYWELL DEVELOPMENTS LTD	345,581.25
SEALTEC	60,412.15
SEAVIEW GLASS	25,539.15
SHARE CANADA	34,589.09
SITKA SILVICULTURE LTD	32,665.49
SKOOKUM VENTURES	35,386.11
SLR CONSULTING (CANADA) LT	31,024.89
SOFTCHOICE CORP	143,375.26
SOUTHSIDE AUTO SUPPLY LTD	49,801.82
TETRA TECH EBA INC	76,501.53
TILLEYS PLUMBING & HEATING	33,206.25

Supplier Name	Aggregate Amount Paid To Supplier
TOTEM TREE OPERATIONS	103,549.62
UAP INC	34,982.11
ULINE	37,289.74
UPLIFT ENGAGEMENT LTD	40,065.63
URBAN SYSTEMS LTD	26,024.74
VANCOUVER ISLAND REGIONAL	1,139,722.00
VELOCITY TRUCKS- P & R TRU	25,978.73
VIP POWERLINES LTD	155,980.34
WARBRICK CONTRACTING INC	606,597.46
WASTE CONNECTIONS OF CANAD	41,438.17
WESTERN VANCOUVER ISLAND I	66,144.93
WHITE PACIFIC AUTOMATION	56,898.88
WSP CANADA INC	136,346.43
YOUNG, ANDERSON	67,154.53
Total aggregate amount paid to suppliers (A)	**$31,908,591.36**

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

(B)	**$3,236,434.83**

3. Total of payments to suppliers for grants and contributions exceeding $25,000

ALBERNI VALLEY CHAMBER OF COMMERCE (VISITOR'S CENTRE)	123,375.00
Consolidated total of grants exceeding $25,000.00	123,375.00
Consolidated total of contributions exceeding $25,000.00	$ -
Consolidated total of all grants and contributions exceeding $25,000 (C)	**$123,375.00**

4. Reconciliation

Total of aggregate payments exceeding $25,000 paid to suppliers	(A)	$	31,908,591.36
Consolidated total of payments of $25,000 or less paid to suppliers	(B)		3,236,434.83
Consolidated total of all grants and contributions exceeding $25,000	(C)		123,375.00
Reconciling items			
Total per Statement of Revenue and Expenditure			31,666,378.00
Variance	Note 2	**$**	**3,602,023.19**

NOTE 2

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

The variance is due to the following reasons:

- collections for others;
- payments made to suppliers for payroll purposes eg. Receiver General, Pension Corporation etc.;
- GST and HST are included in the payments to suppliers but is not included in the financial statement total.
- acquisition of capital assets
- amortization expense

SCHEDULE OF DEBTS

FOR THE YEAR ENDED DECEMBER 31, 2025

Prepared Under the Financial Information Regulation, Schedule 1, Section 4

Information on all long-term debts for this organization is included in Note 11 and Schedule 3 to the Financial Statements.

SCHEDULE OF GUARANTEE OR INDEMNITY

FOR THE YEAR ENDED DECEMBER 31, 2025

Prepared Under the Financial Information Regulation, Schedule 1, Section 5

Information on all Guarantees and Indemnities for this organization is included in Note 18 to the Financial Statements.

CITY OF PORT ALBERNI
FOR THE YEAR ENDED DECEMBER 31, 2025

STATEMENT OF FINANCIAL INFORMATION APPROVAL

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

Rosalyn Macauley, CPA, CGA
Director of Finance
June 17, 2026

Sharie Minions
Mayor