

City of Campbell River British Columbia

2005 Annual Report & Financial Statements



From left to right: Councillors Stewart, Ruehlen, Storry,
Mayor McDonell, Councillors Ostler, Grant, Adams.



TABLE OF CONTENTS

INTRODUCTION

Coat of Arms & Corporate Logo _____	1
Corporate Vision & Mission Statements _____	2
Chief Financial Officer’s Report _____	3
Organizational Chart—Elected Officials & City Officials _____	5

DEPARTMENTAL HIGHLIGHTS, OBJECTIVES & MEASURES _____	6
---	----------

FINANCIAL STATEMENTS

Financial Reporting Responsibility _____	23
Auditor’s Report on Consolidated Statements _____	24
Consolidated Statement of Financial Position _____	25
Consolidated Statement of Changes in Financial Position _____	26
Consolidated Statement of Financial Activities _____	27
Notes to Consolidated Financial Statements _____	28
Operating Funds—Consolidated Schedule of Financial Activities _____	38
Capital Funds—Consolidated Schedule of Financial Activities _____	39
Reserve Funds—Consolidated Schedule of Financial Activities _____	40
Consolidated Schedule of Long-Term Liabilities _____	41

STATISTICS

Demographics _____	43
Property Taxes _____	45
Changes in Distribution of Tax Burden _____	48
Permissive Tax Exemptions Granted _____	49
Consolidated Operating Revenues and Expenditures _____	50
Consolidated Expenditures by Object _____	51
Consolidated Capital Acquisitions and Sources of Financing _____	52
Major Property Taxpayers _____	53



INTRODUCTION



Gateway to Campbell River—Southern Entrance



Coat of Arms – reserved for protocol, historical and legal purposes

Campbell River's Coat of Arms is a mark of honour and a symbol of Campbell River's status as a community. Each element of the Coat of Arms is an expression of Campbell River's history, geography and economy, using symbols from the rich tradition of heraldry described below.

The Shield and the Coronet

The shield is the central and most important element. The lower portion symbolizes the meeting of the waters of Campbell River and Discovery Passage and the vital industries of fishing and forestry. In the upper portion or 'chief' of the shield, the Lord Lyon has honoured the town's namesake Dr. Samuel Campbell by featuring the ancient arms of the

Chief of the Clan Campbell; replacing the black sections in this case with Ermines, a heraldic fur which recalls the early importance of the fur trade.

Above the shield is a mural coronet in Canada's national colors, the special sign granted to all District Municipalities. Above the coronet in the place of honour is the traditional symbol of high status among the First Peoples of the region, the cedar heading for the Kwagiutl ornamented with abalone.

The Supporters

In the Coat of Arms are a pair of majestic bald eagles which are termed 'the supporters' and flank the shield. They represent the rich natural environment that supports the community and provides such a splendid setting for settlement and recreation. Each eagle is 'charged' on its breast with a gold circle bearing a black diamond, the heraldic symbol of mineral wealth which produced another significant economic activity.

The Compartment & Motto

At the base of the Coat of Arms is the 'compartment' which consists of a grassy meadow embellished with two well-known local plants; salal and Nootka roses. The rose is also the insignia of Campbell River's twin city Ishikari, Japan. Above the whole design is the motto, "Enriched by Land and Sea", describing Campbell River's situation and fortune.

The Coat of Arms is reserved for protocol, historical and legal purposes.



Corporate Logo – A new visual identity

The City's corporate logo, adopted March 7, 2005, serves to capture the confluence of the Campbell River adjacent to Discovery Passage with a backdrop looking across the Coast Mountain range.

The new visual identity for Campbell River was developed to:

- Significantly strengthen Campbell River's corporate image and influence perceptions of the "City" through consistent presentation in print, visual and internet communications.
- Achieve local recognition for a symbol and name in connection with services, facilities and programs available to our citizens and visitors.
- Achieve national and international recognition for a symbol and name that reduces confusion for people receiving communications from the "City".

The mark has been registered under the *Trade-marks Act* of Canada as an official mark for wares and services for the City of Campbell River.



VISION

Campbell River, the gateway and maritime centre for North Vancouver Island continues to grow as a diverse community with all of its elements working together to create a healthy environment and vigorous economy sustaining our unique cultural fabric and ensuring our social well being.

MISSION

Serving Campbell River through open, effective and efficient local government; making decisions reflecting a long-term vision for the 'good of the whole'.

PRINCIPLES AND OBJECTIVES

Economic Diversity

- Enhance the climate that supports business and industry
- Improve community infrastructure
- Support economic opportunities that create meaningful jobs
- Strengthen our role as the economic hub for the North Island
- Build working partnerships to promote sustainable growth

Cultural Fabric

- Honour and support our unique history
- Celebrate the diversity of our community
- Promote a dynamic art and cultural community

Quality of Life

- Nurture a safe community
- Promote a positive community spirit
- Continue building a livable, healthy, diverse community
- Provide opportunities for positive lifestyles [all ages, stages and abilities]

Environmental Sustainability

- Protect and enhance our physical environment
- Ensure effective land use
- Promote residential diversity and strong neighbourhoods
- Enhance greenways and parks network



City of Campbell River

301 St. Ann's Road, Campbell River, BC V9W 4C7
Telephone: 250.286.5700 Fax: 250.286.5760 www.campbellriver.ca

June 13, 2006

Mayor and Council
City of Campbell River
301 St. Ann's Road
Campbell River, BC V9W 4C7

Your Worship and Members of Council,

I am pleased to present you with our 2005 Annual Report and Financial Statements. The Annual Report is a requirement of section 98 of the *Community Charter*. The Financial Statements, audited by Meyers Norris Penny LLP are for fiscal year ended December 31st, 2005 and are presented pursuant to section 167 of the *Community Charter*. The audit firm of Meyers Norris Penny LLP is appointed by City Council.

The preparation of the Annual Report and Financial Statements and the related information is the responsibility of the management of the City of Campbell River. The Financial Statements have been prepared in accordance with generally accepted accounting principles for local governments. The preparation of the 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 the 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 subjected to routine review and revision.

Financial Overview:

The financial results of the City of Campbell River for 2005 were in line with our expectations for the year. For the year 2005 a 4.77% tax increase on the average value single family house was required due mainly to wage and benefit costs, fire and police protection cost increases, and reduction in taxes collected from major industry.

One of the most significant costs of running a municipality is the function of protective services. In 2005 thirty-two cents of every tax dollar collected via the general levy went towards police protection services.

Council manages general operating fund debt in accordance with the City's debt management policy, which states that general operating fund debt charges are not to exceed 20% of the fund's net revenue. In 2005 the City's debt charges were 15.4% of net revenues. For the water and sewer utility funds, debt charges are not to exceed 50% of revenues. On a consolidated basis the water and sewer utility funds debt charges were 35% of revenues.

Financial Position:

The net effect of consolidated operations in 2005 was a surplus of \$2,518,084, as follows:

Operating funds net revenue	\$7,005,668
Capital funds net expenditure	\$(4,550,887)
Reserve funds net revenue	\$63,303

This surplus was used in the retirement of debt (\$2,246,326), leaving a net increase in consolidated equity of \$271,758.

General Operations:

Council approved in 2004 the Willow Point Highway 19A Project, which was started in the fall and will be completed in 2006. This is a major project for road works, storm sewer and private utilities. It is expected that this project will assist in the revitalization of the Willow Point business community.

Major industry taxation levels are something Council has been concerned about and dealing with for the last 16 years. Since 1988 Council has reduced major industry's share of the total tax levy from 58% to 29% and we are striving to continue to see less of our taxation revenues come from major industry in the future. In order to show commitment to reduced municipal taxation from major industry, Council adopted the following major industry tax reduction action plan:

- No additional taxation on new capital investment in the major industry classification unless the major industry tax rate multiple is less than four times the residential rate.
- Target percentage of taxes from major industry is to be less than 25% of the total levy with the goal to attain this target by or before 2010.
- Where production capacity is removed from major industry (Class 4) recognition will be given to lowering the amount of the property taxation levy from the major industry class based on the taxable assessment reduction provided by the British Columbia Assessment Authority.
- Any additional taxes received from new investment in utilities (Class 2) will be used to reduce major industry share of tax levy until the share of the major industry tax levy is less than 25% of the total tax levy or the major industry tax multiple is less than four times the residential rate, whichever comes first.
- Council will work with other local governments and major industry partners to engage in discussions with the provincial government on providing local governments with other sources of revenue in order to lower local government dependence on property taxation.

Outlook:

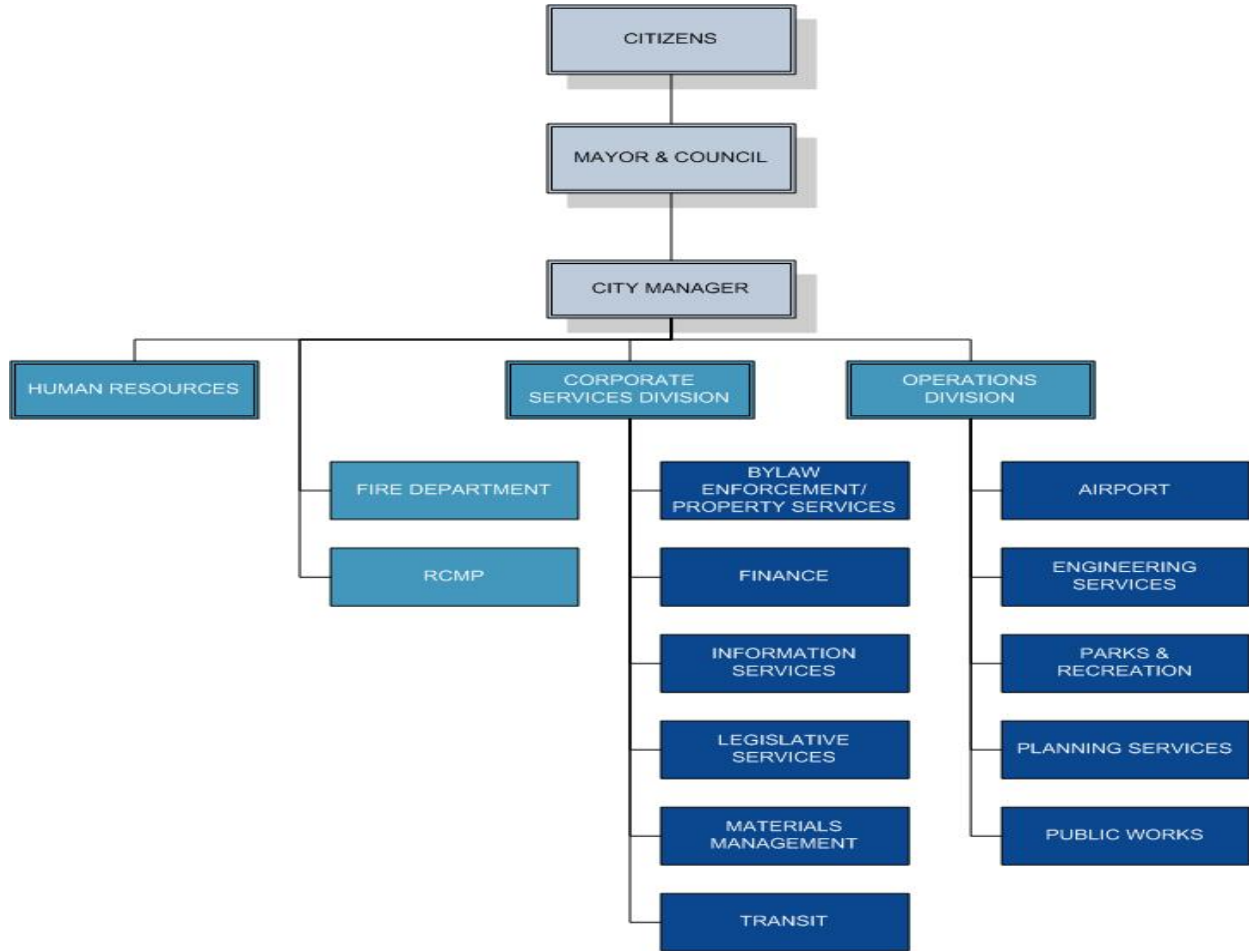
The major industry tax issue is one that will continue to require Council's attention. With the accelerated support for major industry embedded within the 2006-2010 financial plan Council will see the total tax burden for major industry reduce closer to 20% by 2010, well ahead of 25% in the five-point plan listed above. This will serve the City well in light of the fact that the provincial government is contemplating a tax cap for major industry tax rates.

One of the most visible ways to measure the economic health of a community is through activity in local construction. The year 2005 was a solid period of construction growth for our community. This improving trend was clearly evident in the 53% increase in the number of building permits issued for new construction and the 128% increase in construction values. For the year 2006, this trend is expected to continue.

Another measure of a community's economic health is the amount of change in total assessed values in the community. Figures to date show our assessed values increasing from \$2.2 billion in 2005 to \$2.8 billion in 2006. This represents a growth in assessed values of 27%. Values have increased faster on the residential assessment where the average home increased 29%. Even with the dramatic increase in residential housing values, our community compared to neighbouring communities to the south still represents good value in the cost of housing and this will continue to attract people to Campbell River as the preferred community of choice when considering relocating. Campbell River residents also continue to enjoy one of the lowest levels of property taxation in British Columbia.



Thomas R. Stevens, B.Sc. B.Comm. (Hon), CMA
Corporate Services Director and Chief Financial Officer



ELECTED OFFICIALS

Mayor Roger McDonell

Councillor Andy Adams
Councillor Roy Grant
Councillor Morgan Ostler

Councillor Ziggy Stewart
Councillor Mary Storry
Councillor Laird Ruehlen

CITY OFFICIALS

Doug Raines, City Manager

Tom Stevens, Corporate Services Director/Chief Financial Officer
Larry Samson, Fire Chief
Rob Harley, Bylaw Enforcement/Property Services Manager
Mary Ellen Callaghan, Information Services Manager
Nancy Frank, Financial Planning Manager
Tyler Masee, Airport Manager
Michele Sirett, Parks & Recreation Manager
Gordon Brown, Public Works Manager

Operations Services Director
Bill Halstead, City Clerk
Larry Stright, RCMP Inspector
Dawn Christenson, Finance Manager
Dave Morris, Materials Manager
Ron Neufeld, Engineering Services Manager
Paul Stanton, Planning Services Manager



DEPARTMENTAL HIGHLIGHTS, OBJECTIVES & MEASURES



*RCMP
Detachment Building*



*Escape to the
The Pier*



Fun at Centennial Pool



CITY MANAGER is responsible for the overall operations and strategic direction of the City. Staff liaises with the Mayor and Council to develop long-term plans and implement Council directives. The Corporate Services and Operations Divisions and the Human Resources Manager report directly to the City Manager. Through consultation with a Public Safety Committee, the City Manager's Office oversees the operations of the Fire Department and the City's police force, provided by the RCMP. The City Manager is responsible for development and implementation of Council's Strategic Plan.

2005 Highlights

- ✓ Campbell River was granted City status on April 4, 2005
- ✓ Partnered with the Campbell River Indian Band and the Provincial and Federal governments to see the completion of the Discovery Harbour boat ramp project and the initiation of the cruise ship facility project
- ✓ Assisted in the transition of a new Council in November, 2005
- ✓ Facilitated transfer of ownership of 1300 Island Highway from the Province to the City
- ✓ Started the Campbell River Vision 2025 process
- ✓ Implemented the Tyee Spit Commercial Area Plan

Progress report on 2005 objectives

- ✓ Developed a communications strategy to keep the general public informed on City issues; implemented the monthly "Council Highlights" newsletter, began research and planning for televising public Council meetings and issued 98 media releases

2006 Objectives and measures

Objective	Strategy	Measure
Continue to implement the communications plan to keep the general public informed on City issues.	Purchase and install a system in Council Chambers to facilitate televising Council meetings in a professional manner.	Increased awareness and knowledge of City issues, as measured by a Customer Satisfaction Survey.

2007 Objectives and measures

Objective	Strategy	Measure
Improve Campbell River's attractiveness as a place to live, work and play.	Review results of Customer Satisfaction Survey and prepare strategy for improving overall satisfaction.	Improved score for overall satisfaction with Campbell River as a place to live, work, and play, as measured by the next Customer Satisfaction Survey.

Economic Development and Tourism

Business Development

The Campbell River Economic Development Corporation [EDC], Rivercorp, is a wholly owned subsidiary of the City of Campbell River. The corporation was established in 2001 to provide "one-stop" progressive economic development services to the community.



2005 Highlights

- ✓ Responded to more than 1,200 expressions of interest in Campbell River and Vancouver Island North
- ✓ Generated more than 200 media contacts resulting in more than 30 minutes of television and radio broadcasts and more than 35 print articles
- ✓ Completed more than 100 business interviews that provided the corporation with leads for expansion from existing businesses
- ✓ Awarded an international research award to the Chicago-based software developer Blane Canada Inc. for the development of a "Best Practice" protocol
- ✓ Awarded a national Marketing Canada Award for the development of a new brand advertisement for Campbell River, and Best of Group Award from the Economic Developer's Association of Canada
- ✓ Engaged in a joint venture with Comox Valley Economic Development Society resulting in the completion of a Regional Economic Development Strategy for Comox-Strathcona through an investment of \$45,000 from the Coast Sustainability Trust
- ✓ Concluded a new water lot lease agreement for Ocean Blue Cedar, saving 30 full-time manufacturing jobs and allowing the company more time to seek an alternate site

Tourism and film development

The City contracts with Tourism Campbell River and Region (TCRR) for tourism promotion services.

2005 Highlights

The Tourism Campbell River and Region Visitor Guides are one of the most popular and highly requested on the island. 125,000 Visitor and 50,000 Fishing and Adventure Guides are distributed annually through Trade/Industry Shows, BC Visitor Information Centres, insertion in local and Victoria Times Colonist newspapers, and BC Ferry racking.

With significant assistance in funding from the Coast Sustainability Trust Fund, TCRR promoted the region and its interests at 19 consumer and industry shows, concentrating on BC, Alberta and the Pacific North West. This same funding supported participation in the Campbell River Port of Call Committee and the Cruise BC Initiative. TCRR, in partnership with the Ports of Vancouver, Victoria and Prince Rupert and Cruise BC is working toward greater BC visitation and the building of BC as a cruise ship destination. Campbell River is an integral component in this program as the region has the greatest shore excursion capacity and range of tourism product available.

Campbell River's Visitor Information Centre saw a 26.7% increase in activity in 2005. By comparison, the Comox Valley had a decrease of 1%, while Vancouver Island as a whole experienced an increase of 16.2%.

In addition to Guide Circulation and highly effective direct-in marketing, tourism in Campbell River is promoted using a variety of means:

- ✓ Internet at www.tourismnorthcentralisland.com
- ✓ Advertising in strategic publications
- ✓ Attracting media and writers to produce and publish articles and film highlighting the area
- ✓ Attracting inbound group and individual tour operators

In 2006 TCRR looks forward to:

- ✓ The imminent launch of tourism re-branding for the community
- ✓ Further preparations for the 2007 cruise ship season, ensuring new and existing operators are "export ready" and meet the rigorous requirements of the cruise ship industry
- ✓ Pursuing alternate funding to increase the economic viability and impact of the tourism industry through expanded destination marketing as well as much needed infrastructure and product development

Fire Protection Services provides emergency response services out of two fire stations – No. 1 Hall on 13th Avenue and No. 2 Hall on Larwood Road. Fire suppression and prevention is supplied through twenty suppression firefighter positions, fifty auxiliary firefighters, two fire prevention officers, and three Chief Officers. Services provided include fire suppression, hazardous materials, confined space rescue, first medical responder, vehicle extrication, environmental protection, and technical rescue.

Fire dispatch is delivered under contract to the North Island 911 Corporation. This centre is staffed with eleven dispatchers and provides professional dispatch service to fifty fire departments from Nanoose north on Vancouver Island and also part of the Sunshine Coast including Powell River.

Our career staff continues to train in specialized services such as confined/rope rescue and handling hazardous materials. This specialized training is in addition to the regular suppression and rescue duties they routinely provide.

2005 Highlights

- ✓ Responded to 1,556 calls
- ✓ Firefighters took refresher training in hazardous materials response
- ✓ Two career firefighters achieved the technician level for hazardous material response
- ✓ Suppression staff conducted 3,000 inspections
- ✓ Awarded a Heavy Search and Rescue Grant for approximately \$4,500 to purchase equipment
- ✓ Four firefighters achieved the technician level for Rope Rescue
- ✓ Provided woodstove inspections, trained public in the use of fire extinguishers, provided tours of No. 1 Fire Hall, presented information for babysitting courses and visited all grade three classes with the Fire Safety House
- ✓ Open House during Fire Prevention Week included demonstrations by firefighters
- ✓ Computer dispatch software upgraded for fire dispatch
- ✓ Planning continued for relocation of No. 1 Fire Station

Progress report on 2005 objectives

- ✓ Established emergency preparedness and planning services through the Regional District of Comox-Strathcona
- ✓ Completed the Community Wildland Interface Fire Protection Plan and implemented the Fire Smart program and inter-agency mutual aid agreements with the Ministry of Forests



2006 Objectives and measures

Objective	Strategy	Measure
Increase public awareness of fire safety and prevention.	Host two fire department open house programs.	Increased number of homes with smoke detectors/alarms and carbon monoxide detectors.

2007 Objectives and measures

Objective	Strategy	Measure
To improve the management of resources to support the planned replacement of fire apparatus over a 20-year horizon.	Develop and adopt a sustainable fire apparatus replacement plan in cooperation with Financial Services and the Public Safety Committee.	Council's approval of the Fire Equipment Replacement Plan.

Police Protection Services The Campbell River RCMP continued in 2005 to work in partnership with the City of Campbell River and a number of other service organizations. The detachment's five-year Strategic Plan is reviewed annually and focuses on three primary goals – property crimes, drugs and traffic law enforcement.

2005 Highlights

- ✓ DARE continues to be the main focus of our drug prevention program teaching approximately 550 youth by seven volunteer RCMP members. Approximately \$12,000 was donated to the Campbell River DARE program.
- ✓ Thirteen fully-trained new RCMP auxiliaries were added to the detachment complement in 2005 for a total strength of 22 who contributed 3,963 volunteer hours in the areas of crime prevention, foot and bicycle patrols.
- ✓ The Home Security Team, which is a partnership program with Citizens on Patrol, continues to offer service to the community. A priority for 2006 will be to recruit and train several new team members to supplement the current group of four.
- ✓ Citizens on Patrol continue to provide an excellent service comprised of 120 active volunteers who patrol our streets on a regular basis. They provided 2,532 hours of community service patrolling high crime areas plus they provided 652 hours towards the speed watch program. Total volunteer hours provided was 5,000.
- ✓ A First Nations position was added to enhance our service delivery to the three First Nation communities.
- ✓ The detachment partnered with ICBC to implement a Bait Car Program to reduce car thefts.
- ✓ The Crimestoppers program continues to be an effective tool in helping the police solve crime. A total of 226 TIPS were reported to Crimestoppers with the majority being drug or property crime related.
- ✓ A successful investigation resulted in the removal of criminals involved in the drug trade in our community.
- ✓ Our Crime Prevention/Victim Service unit is responsible for the coordination of all the detachment crime prevention programs and community volunteer services. Year 2005 saw our detachment sponsor Crime Prevention Week, Identity Theft, Robbery Prevention, Home Security, Senior Safety and Bike Patrols. The School Liaison officer offered programs related to bullying, substance abuse and traffic safety.
- ✓ Restorative Justice, a partnership program between the RCMP, City of Campbell River and the John Howard Society was implemented. This community based alternative to the criminal justice system is new to Campbell River, and saw sixteen community volunteers take the training to become facilitators.
- ✓ Campbell River detachment is one of two pilot project sites on Vancouver Island for "Bridging the Gap". This is a development program to enhance skills, knowledge and productivity for members.
- ✓ The Crime Free Multi-Housing program saw resurgence of interest with 80 apartment owners/managers participating in ongoing workshops.
- ✓ The City of Campbell River hired an RCMP Municipal Manager responsible for managing the municipal employees who provide administrative and support services to the detachment. This position also oversees the administration of the municipal budget.



2006 and 2007 Objectives and measures

Objective	Strategy	Measure
Reduce the availability of illegal drugs and create an environment wherein the purchasing and/or selling of drugs is dissuaded.	Through partnerships with community groups we will provide and increase drug awareness educational program. In addition, greater emphasis will be placed on targeted enforcement of those who are most active in the local drug culture.	Evaluation and measurement will be based on the number of partnerships developed/maintained, the intelligence gathered, the number of targets identified, and the resulting enforcement action. The gathered information will be compared on a year to year basis.
Reduce property crime in Campbell River by 6% each year for a five year period.	Continue efforts to reduce property crimes, with emphasis on break and enters, through education, and efficient use of community resources and increased enforcement. Safe homes are a priority, and by focusing our resources on habitual offenders/organized crime groups, a reduction in property crime offenses will be realized.	Reduction of 6% in property crime each year. Identify number of targets charged.
Reduce the number of fatal and serious injury accidents in the City of Campbell River and surrounding area.	In concert with the National Road Safety Vision 2010 we will offer educational programs and increase enforcement in those areas deemed high traffic accident zones. Our enforcement will target seat belt use, impaired driving and intersections.	Comparison of traffic statistical information for each year. Monthly monitoring of unit and individual member performance in traffic law enforcement.

CORPORATE SERVICES DIVISION provides financial, legal, and technical support for the City. Its mandate is to

- Provide internal support services as required to all City departments on a timely and accurate basis,
- Provide superior customer service and communication on a consistent, timely and accurate basis,
- Ensure all business transactions comply with current legal practices and legislation,
- Capitalize on technology where it is proven to be the most effective means of delivering service.

Financial Services manages the City's financial activities, including the provision of accounting services such as payroll, accounts payable, taxation, utility billing, investments, debt management, and other revenue collections. The department is responsible for enforcing policies and procedures in matters related to finance. The department has ten full-time equivalent staff, and is responsible for assembling and compiling the annual five-year financial plan and annual financial statements in accordance with generally accepted accounting principles.

2005 Highlights

- ✓ Prepared award-winning 2004 Annual Report and Financial Statements
- ✓ Implemented Crystal Reports software for legacy financial system
- ✓ Initiated processes review and planning for integrated financial systems replacement
- ✓ Implemented special taxation scheme for properties included in boundary extension
- ✓ Reorganized staffing to increase focus on financial planning function
- ✓ Recruited and hired new Finance Manager and staff accountant

Progress report on 2005 objectives

- ✓ Adopted 2005 Financial Plan that reduced dependence on taxation from major industry to less than 32% of total tax levy
- ✓ Implemented electronic payment through PC/telephone banking systems for all significant revenue streams; the volume of electronic payments is steadily increasing



2006 Objectives and measures

Objective	Strategy	Measure
Continue to reduce dependency on taxation from major industry.	Adopt a financial plan that reduces dependency on major industry taxation by reducing costs, finding new sources of revenue, shifting the tax burden, or some combination of the above.	Reduction in major industry class tax levy to no more than 30% of the total tax levy.
Increase opportunity to customers for electronic interaction.	Partner with BC Online to make tax certificates available electronically; implementation of E-Commerce initiatives.	Increased volume of electronic transactions.
Increase functionality of financial recording and reporting.	Research and analyze financial systems options to find best fit for current and future needs; start implementation process.	Selection of financial systems; core modules implemented.

2007 Objectives and measures

Objective	Strategy	Measure
Continue to reduce dependency on taxation from major industry.	Adopt a financial plan that reduces dependency on major industry taxation by reducing costs, finding new sources of revenue, shifting the tax burden, or some combination of the above.	Reduction in major industry class tax levy so that the burden borne by this class is no more than 25% by the year 2009.
Increase functionality of financial recording and reporting.	Complete implementation of new financial systems.	Reduction in number of days from end of month to distribution of management financial reports.

Legislative Services is responsible for the corporate administration of the City.

This includes statutory powers, duties and functions specified in the *Community Charter*. The City Clerk is the designated Freedom of Information Coordinator to administer the *Freedom of Information and Protection of Privacy Act* and is responsible for managing general access to information.

Legislative Services has 4.5 full-time equivalent staff who are involved in supervising the preparation and maintenance of official records of the City, including general access to information related to the council meetings for Council, staff, and the public, and advising Council, its committees, department managers and others regarding resolutions, enactments, bylaws and other official decisions of the City.

In this capacity, the Clerk is required to draft and execute bylaws, contracts, policies and procedures, and to interpret and report on a variety of legislative and administrative decisions.

2005 Highlights

- ✓ Managed the City and School District elections
- ✓ Provided staff support in achieving and implementation of City status
- ✓ Provided staff support to the Grants-in-Aid Task Force and Community Partnership Commission
- ✓ Prepared a new Council Handbook as a reference tool for Council and candidates
- ✓ Managed applications for boundary expansion



Information Services 2005 was a year of great change for Information Services. Campbell River became a City in the spring of 2005, so we finished a major infrastructure project changing from the DCR domain to the Campbell River domain in our e-mail addresses, network access and City website.

2005 Highlights

- ✓ Implemented Blackberry as a communication tool for the organization providing calendar, e-mail, cell phone and contacts services
- ✓ Emergency repairs were done on the Exchange System. At the same time, we implemented Webmail, changed e-mail addresses to campbellriver.ca and changed to Campbell River domain
- ✓ Replaced the departmental filer Zeus with a more secure and faster server
- ✓ A Web based registration system for municipal elections was implemented. We replaced cable modem service at the Community Center and Sportsplex with ADSL lines to ensure uptime availability during the election and advance polls

2006 Objectives and Measures

Objective	Strategy	Measure
Continue to improve operational stability of the Wide Area Network.	Replace cable model services with a dedicated E-10 line into City Hall, combined with inlaid fibre and radio wireless equipment.	Number of technical services calls are currently measured. We expect the number of calls to be less numerous and less severe in 2006.
Improve communication tools for City staff in 2006, leveraging the power of the web.	Replace intranet with Sharepoint Office 12. Replace internet site with Sharepoint Office 12, including content management. Develop a community portal for the Campbell River Community Portal Partners.	Increase Number of visitors to the City webpage. We will be able to service customers of the City through expanded e-government services (e.g. electronic home owner grant, payment of utility bills online, etc.).
Improve stability of our utility monitoring network through an expanded SCADA System that will be commissioned in 2006.	SCADA System has been in implementation since 2000. We are in construction for the SCADA towers. The project is scheduled to be completed with the commissioning of the new towers by September 30, 2006.	Project completion in 2006 with Information Services taking operational responsibility at the time of commissioning.

2007 Objectives and Measures

Objective	Strategy	Measure
Continue to improve operational stability of the Wide Area Network	In 2006, we will have purchased tools that will allow us to better manage the network. Throughout 2007 we will continue to familiarize ourselves with the services available to us through use of these tools. We will continue to automate and streamline network operations.	Number of technical services calls are currently measured. In 2007, we expect our calls to follow the existing trend towards reduced severity and to be more of a service nature (i.e. Is it possible to...? It would be nice if we could...).
Improve communication tools for staff and the public by leveraging the power of the web.	In 2007, we will continue to enhance our City website and the community portal through cooperation with our Campbell River Community Portal Partners. In 2007, we expect to be in full force application delivery for both staff and the public using the power of the web.	We have electronic tools to measure the number of unique visitors to our City website and to the Community Portal. As we deliver applications and data on the City website, the number of visitors to each section of each site is a strong indicator of demand for services. This demand will help us plan service delivery.

<p>Continue to improve our service to City staff by providing a secure, up to date desktop environment.</p>	<p>Service support devices (e.g. printers, fax) on a regular maintenance schedule. Replace workstations on a predefined 3 – 4 year cycle. Leverage Sharepoint / Office 12 Toolkit to tie the latest desktop productivity tools to organization-wide document search functionality, etc.</p>	<p>Reduced severity of helpdesk calls indicates a more stable desktop environment. Regular maintenance extends the service life of shared devices. A combination of automated inventory and service call history triggers a schedule on which devices are due for replacement.</p>
---	--	---



Materials Management's primary functions are that of building maintenance, general vehicle fleet planning, purchasing and stores. The department works closely with all other City departments and building tenants, and manages all major contracting competitions for goods and services for the City.

2005 Highlights

- ✓ Completed an updated audit and inventory records of City facilities to determine immediate and long-term needs
- ✓ Administered the building maintenance and repair budget of approximately \$1,200,000, covering 20 major facilities
- ✓ Conducted a city-wide fleet management review, and presented the findings to Council
- ✓ Conducted negotiations and competitions for numerous City projects for a total value in excess of \$2,500,000. The volume of competitions we conducted remained steady at 65 in 2005

Bylaw Enforcement/Property Services provides bylaw enforcement, business licensing, property and risk management, and building inspection services to the City. This includes responding to complaints from the public regarding noise, animal control, and other bylaw infractions. The department also issues parking tickets and business licenses, and provides investigative support for other departments. Building inspection is a significant service provided by this department, handling nearly \$75 million in construction in 2005.

2005 Highlights

- ✓ Obtained the Haig-Brown heritage house and property from the Provincial government
- ✓ Added a new Building Inspector position, recruited and hired new inspector
- ✓ Issued most number of building permits since mid-1990s
- ✓ Reduced the building permit 6-8 week wait time down to 3-4 weeks



2006 Objectives and measures

Objective	Strategy	Measure
To process 90% of all building permit applications within 10 working days from the receipt of fully completed application.	Streamline the application process; monitor the number of applications and inspections, and if necessary, hire another building inspector.	Reduction in the building permit process time from 15-20 working days down to 10 working days.

2007 Objectives and measures

Objective	Strategy	Measure
Increase functionality of the building permit and inspection process and reporting.	Implement new computer program for the building inspection function to replace the current paper-based process.	Reduction in person-hours required to complete and file inspection reports.

Public Transit In partnership, BC Transit and the City have contracted with Watson and Ash Transportation Ltd. to provide public transit to all areas of the City and a portion of Area “D” of the Regional District of Comox-Strathcona. Service is provided six days a week, approximately twelve hours per day. It includes conventional transit service on an operating schedule, as well as a custom service for persons with special needs.



2005 Highlights

Conventional transit

- ✓ 17,070 hours of service provided, up slightly over the prior year
- ✓ Ridership was 405,559, up 12% over last year; Campbell River’s transit system has the highest ridership among transit systems serving populations between 25,000 and 50,000

Custom transit

- ✓ Ridership was 23,720, up 4% over the prior year
- ✓ Revenue was \$53,000, up 11% over the prior year

OPERATIONS DIVISION is responsible for the long-term physical planning of Campbell River through the management of five departments. The Planning Services department lays out the land use plans for the community, the Engineering Services department designs and constructs the infrastructure to match the land use plan and the Public Works department maintains the infrastructure. The Division also manages the “people services” including the Parks and Recreation department and the Campbell River Airport.

Engineering Services focuses on providing specialized service in the areas of drinking water, rainwater management, liquid waste management, transportation services, environmental management and development services. The department's role within each of these areas includes long term planning, detailed design, construction administration and records management.

2005 Highlights

- ✓ Hired new Manager and Supervisor
- ✓ Reorganized department with focus on engineering specializations
- ✓ Completed Integrated Stormwater Management Plans for 3 watersheds and marine foreshore
- ✓ Managed design/construction of \$5.5 million in capital works

Progress report on 2005 objectives

- ✓ Developed and implemented a comprehensive water conservation education program which contributed to a decrease of 13.7% in per capita water consumption when compared to 2003.

2006 Objectives and measures

Objective	Strategy	Measure
Expand departmental annual reporting to include transportation and environment.	Using the existing annual water report as a template, annual reports will be developed in-house for the areas of transportation and the environment.	2006 annual reports presented to Council in spring of 2007 and increased use of reports as web-based tool.
Improve customer service.	Develop enhanced web-based services for information, permits, procedures and standards. Upgrade the engineering services front counter to be more user friendly.	Increased utilization of web-based tools. Fewer hours spent at front counter.
Improve capital works communications.	Develop in-house monthly project update reports.	Increased use of reports as web-based tools. Reduced public confusion.

Parks and Recreation oversees the operation of the Sportsplex, Community Centre, Centennial Pool, Discovery Pier, McIvor Lake and all of Campbell River's Parks and Public Open Spaces. The Department works to enhance the lifestyle and health of the community of Campbell River through a variety of quality programs and services based on public consultation. To meet this goal, the Department works with the Community Services Board, Youth Advisory Committee, Campbell River Access Awareness Committee, Field User Fee Advisory Group, Happy Wanderers Committee and a variety of focus groups specific to program interests. Campbell River Parks and Recreation is committed to providing recreation and parks services for people of all ages, stages and abilities.



2005 Highlights

The Parks and Recreation Department was able to complete the following projects with minimal impact on the financial plan:

- ✓ Worked with the local BMX Association to secure a site for a BMX track
- ✓ Worked with the local Lacrosse Association to secure a site for future outdoor lacrosse box.
- ✓ Worked with the community to bring Katimavik to Campbell River
- ✓ Completed Phase I of Dick Murphy Park and a connecting walkway to Discovery Harbour shopping centre.
- ✓ Implemented a Community Beautification Plan
- ✓ Working with a Community committee, secured the funds to construct a skate park in Willow Point Park
- ✓ Secured \$131,000 from a variety of granting sources for plantings in Baikie Island and creation of a marsh
- ✓ Initiated the process for creating a Parks Master Plan
- ✓ Placed 18 benches and 3 picnic tables through the Legacy Landmarks program

2006 and 2007 Objectives and measures

Objective	Strategy	Measure
To increase the level of participation of the general public in fitness activities by 20% by 2010.	Form an Active Communities Committee that develops initiatives to increase participation in fitness.	Conduct a base line and annual surveys to determine participation levels and trends.

Planning Services deals with the preparation of land use policies and regulations, the processing of applications for bylaw amendments and permits, and dealing with daily inquires for the use and development of property. The preparation of policies and regulations includes the preparation and adoption of the Official Community Plan (OCP) the Zoning Bylaw, the Subdivision Bylaw, development cost charges, and others.

2005 Highlights

- ✓ Preparation and initiation of Tyee Spit Lease Area Plan
- ✓ Completion and adoption of new Official Community Plan
- ✓ Processed high volume of planning applications, including new subdivisions, and exceeded revenue expectations

2006 Objectives and measures

Objective	Strategy	Measure
Prepare and adopt new zoning bylaw.	Prepare draft zoning bylaw with review through APC and DLG, then review with public, prior to initiation of formal adoption process.	Completion and adoption of new Zoning Bylaw.
Complete and implement Downtown Area Study.	Complete study and present to public, then adopt into zoning bylaw.	Adoption into zoning bylaw.
Review and implement Smart Growth Principles.	Research and report, provide educational seminar, initiate pilot study for North Campbell River and adopt as appendix into the OCP.	Completion of pilot study and adoption of recommendations into appendix of the OCP.

2007 Objectives and measures

Objective	Strategy	Measure
Complete and implement review of long range policies for the Quinsam Heights Area.	Complete study and present to public, then adopt into OCP and Zoning bylaw.	Adoption into OCP and Zoning bylaw.

Public Works is responsible for maintaining the City’s infrastructure, including water, sewer, storm sewer and drainage systems, roads, traffic signals and signs, street lights, parks, and open spaces.

2005 Highlights

Departmental

- ✓ Responded to 2,175 service requests
- ✓ Finalized staffing changes in Water section
- ✓ Created and filled Infrastructure Technologist position within department
- ✓ Continued with the Equipment Operator Training and Certification process
- ✓ Completed the design work for the Municipal Services Centre renovation



Safety

- ✓ Working with Safety Consultant, began the process of integrating the City’s Safety Modules into everyday operational procedures
- ✓ Purchased the first sections of mid-sized modular shoring
- ✓ Reconfigured the departmental safety committee to include representatives from all areas of Public Works operations
- ✓ Training for staff included Muscular-Skeletal Injury Prevention, WHMIS and excavation safety

Roads

- ✓ Pavement overlays on the intersections of Hwy. 19A and St. Ann’s Road and Cedar St. and 11th Ave.
- ✓ Began reconstruction of roadway on Hwy. 19A through Willow Point

Water treatment and distribution

- ✓ Treated and delivered 11 billion litres of potable water
- ✓ Working with Engineering, continued the design work for the new Ultra-Violet Disinfection Facility

Sanitary sewer collection and treatment

- ✓ Collected, pumped, treated and discharged 185,637 cubic metres of sanitary sewage
- ✓ Maintained A+ rating in effluent quality at Norm Wood Environmental Centre
- ✓ Finalized design of new Willow Creek Pumping Station
- ✓ Continued the Bio-Solids Management Project at Norm Wood Environmental Centre
- ✓ Refurbished odour control system at Maritime Heritage Centre

Storm water drainage

- ✓ Completed the construction of a storm drainage system through the Hwy. 19A reconstruction project

Equipment pool

- ✓ Purchased Aerial work truck for electrician and parks crew
- ✓ Developed specifications and issued tenders for the purchase of a new vacuum sweeper and a sidewalk sweeper (both delivered early in 2006)
- ✓ Refurbished existing crane truck into a more functional boom truck

Objectives and measures for 2006 and 2007

Objective	Strategy	Measure
Effectively manage infrastructure maintenance costs.	Optimize maintenance procedures using new equipment and technologies.	Cost increase will be limited to the equivalent of the year's CPI for Canada.
Improve Public Works image.	Reconfigure Municipal Services Centre to create a more approachable and business-like environment.	Monitor employee and public feedback once work is complete.

Campbell River Airport is a federally licensed airport owned and operated by the City. The airport adheres to all Canadian Aviation Regulations for the operation of an airport and recovers 100% of its costs from user fees and other revenue. The Airport Manager develops short and long term planning for economic development and capital improvements at the airport, with funding assistance through the Transport Canada Airport Capital Assistance Program. No City tax dollars are used to support airport operations or capital programs.

2005 Highlights

The City Airport received provincial funding and signed agreements with project partners that allowed the water and sewer project to begin construction. Additionally, provincial funding was provided for the construction of a new taxiway accessing the lands adjacent to the east side of the airport. Construction was started on a new Nav Canada tower; one new hanger complex was completed on airside lands. The airport continues to operate within the Council mandated self-sufficiency model.



2006 Objectives and measures

Objective	Strategy	Measure
Provide adequate water supply to meet domestic and fire flow demands for current and future airport users.	Plan, organize, implement and monitor construction of water supply system, in coordination with Engineering Services.	New system operational by late 2006 or early 2007.
Provide sanitary sewage disposal system to meet current and future needs of airport users.	Plan, organize, implement and monitor construction of sewage disposal system, in coordination with Engineering Services.	New system operational by late 2006 or early 2007.

2007 Objectives and measures

Objective	Strategy	Measure
Increase activity at airport.	Develop and implement recommendations arising out of the five-year marketing plan.	Increased usage statistics.



FINANCIAL STATEMENTS



Discovery Harbour Walkway

Financial Reporting Responsibility

The accompanying statements of the City of Campbell River are the responsibility of management. To ensure their integrity, objectivity and reliability, management has selected appropriate accounting policies that are in accordance with Canadian generally accepted accounting principles for local governments as recommended by the Public Sector Accounting Board (PSAB) of the Canadian Institute of Chartered Accountants.

The City of Campbell River maintains a system of internal accounting controls designed to provide reasonable assurance for the safekeeping of assets and the reliability of financial records. The audit firm of Meyers Norris Penny LLP, the City's independent auditors, has audited the accompanying financial statements. Their audit opinion letter is incorporated in the financial statements.

The Council is responsible for ensuring that management fulfills its responsibilities for financial reporting and internal control and exercises this responsibility through the Audit and Finance Committee of Council. This committee meets periodically with management and the independent auditors to satisfy themselves that management's responsibilities are properly discharged, and to review and approve the consolidated financial statements. The external auditors have full and unrestricted access to Council to discuss the audit and their related findings as to the integrity of the financial reporting process.

In management's opinion, these statements have been properly prepared within the framework of the accounting policies summarized in the Notes to the Consolidated Financial Statements and fairly present the financial position of the City of Campbell River as at December 31, 2005.



Douglas D. Raines
City Manager



Tom Stevens, B.Sc., B.Comm., CMA
Corporate Services Director
Chief Financial Officer



MEYERS NORRIS PENNY LLP

Auditors' Report

To the Mayor and Council of the City of Campbell River:

We have audited the consolidated statement of financial position of the City of Campbell River as at December 31, 2005 and the consolidated statements of changes in financial position and financial activities for the year then ended. These financial statements are the responsibility of the City's management. Our responsibility is to express an opinion on these financial statements based on our audit.

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

In our opinion, these consolidated financial statements present fairly, in all material respects, the financial position of the City as at December 31, 2005 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Our audit was made for the purpose of forming an opinion on the consolidated financial statements taken as a whole. The supplementary information, including schedules 1 to 4, is presented for purposes of additional analysis. Such supplementary information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the consolidated financial statements taken as a whole.

Campbell River, British Columbia

May 26, 2006

Meyers Norris Penny LLP

Chartered Accountants

STATEMENT A

Consolidated Statement of Financial Position
As at December 31, 2005

	<u>2005</u>	<u>2004</u> Restated (Note 1)
FINANCIAL ASSETS		
Cash	\$ 636,549	\$ 243,923
Investments (Note 2)	41,933,808	39,705,364
Property taxes receivable	871,580	910,296
Accounts receivable (Note 4)	2,273,589	2,300,007
Inventory held for resale	60,399	-
Land held for resale	1,291,456	619,359
Tax sale properties	-	38,434
MFA debt reserve fund (Note 8)	3,761,659	3,783,351
Deposits	9,080	9,144
	<u>50,838,120</u>	<u>47,609,878</u>
FINANCIAL LIABILITIES		
Accounts payable and accrued liabilities (Note 5)	8,221,545	6,786,952
Deferred revenue (Note 7)	7,394,340	5,850,757
MFA debt reserve fund (Note 8)	3,761,659	3,783,351
Capital lease (Note 9) (Schedule 4)	2,539,713	2,829,146
Long-term debt (Note 10) (Schedule 4)	22,938,813	25,117,181
	<u>44,856,070</u>	<u>44,367,387</u>
NET FINANCIAL ASSETS	5,982,050	3,242,491
PHYSICAL ASSETS (Note 12)	<u>265,118,257</u>	<u>253,843,962</u>
	<u>271,100,307</u>	<u>257,086,453</u>
FINANCIAL POSITION		
Operating funds (Note 13) (Schedule 1)	23,546,351	23,725,405
Capital funds (Note 13) (Schedule 2)	6,620,290	6,178,045
Reserve funds (Note 13) (Schedule 3)	1,293,935	1,285,368
	<u>31,460,576</u>	<u>31,188,818</u>
Equity in physical assets (Note 14)	<u>239,639,731</u>	<u>225,897,635</u>
	<u>\$ 271,100,307</u>	<u>\$ 257,086,453</u>

Outstanding commitments and contingent liabilities (Notes 15 and 16)
The Notes to Consolidated Financial Statements are an integral part of this statement



Tom Stevens, B.Sc., B.Comm., CMA
Corporate Services Director, Chief Financial Officer

STATEMENT B

**Consolidated Statement of Changes in Financial Position
 For the Year Ended December 31, 2005**

	<u>2005</u>	<u>2004</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Net revenue/(expenditure)	\$ 2,518,084	\$ 2,225,679
Add non-cash items		
Increase in deferred revenue	<u>1,543,583</u>	<u>757,960</u>
	<u>4,061,667</u>	<u>2,983,639</u>
Decrease (Increase) in		
Property taxes receivable	38,716	216,373
Accounts receivable	26,418	(490,128)
Inventory held for resale	(60,399)	-
Land held for resale	(672,097)	64,065
Tax sale properties	38,434	(24,459)
Deposits	64	(96)
Increase (Decrease) in		
Accounts payable and accrued liabilities	<u>1,434,593</u>	<u>579,257</u>
	<u>805,729</u>	<u>345,012</u>
	<u>4,867,396</u>	<u>3,328,651</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
New debt issued	2,500,000	3,168,700
Debt and lease principal repaid	(4,967,801)	(4,960,462)
MFA debt reserve fund refund and surplus repatriation	<u>221,475</u>	<u>203,051</u>
	<u>(2,246,326)</u>	<u>(1,588,711)</u>
CHANGE IN CASH AND EQUIVALENTS DURING THE YEAR	2,621,070	1,739,940
CASH AND EQUIVALENTS		
Beginning of year	<u>39,949,287</u>	<u>38,209,347</u>
End of year	<u>42,570,357</u>	<u>39,949,287</u>
REPRESENTED BY		
Cash	636,549	243,923
Investments	<u>41,933,808</u>	<u>39,705,364</u>
	<u>\$ 42,570,357</u>	<u>\$ 39,949,287</u>

The Notes to Consolidated Financial Statements are an integral part of this statement

STATEMENT C

Consolidated Statement of Financial Activities
For the Year Ended December 31, 2005

	<u>2005 Actual</u>	<u>2005 Budget</u> Unaudited	<u>2004 Actual</u>
REVENUE			
Taxes and user fees	\$ 27,304,335	\$ 27,218,749	\$ 26,412,932
Payments in lieu of taxes	950,247	942,043	965,886
Services provided to other governments	636,141	620,300	619,452
Sale of services	2,443,755	2,196,481	2,638,591
Other revenue from own sources	3,298,950	2,855,927	2,377,994
Interest on investments	957,265	594,700	668,369
Deferred revenue realized	1,690,099	3,446,000	110,717
Land sale proceeds	124,050	100,000	210,727
Gifts and contributions	4,476,981	335,000	3,630,764
Unconditional transfers from other governments	434,291	434,000	523,890
Conditional transfers from other governments	1,893,816	4,446,622	1,574,987
Actuarial adjustment on debt	1,255,044	-	1,132,238
	<u>45,464,974</u>	<u>43,189,822</u>	<u>40,866,547</u>
EXPENDITURE			
General government	3,928,840	4,201,111	3,098,599
Protective services	10,793,196	11,289,441	10,019,687
Transportation services	13,027,136	23,152,079	9,818,584
Environmental health services	553,079	570,871	531,998
Public health services	69,091	92,497	79,245
Development services	1,976,981	2,085,276	884,789
Recreation and cultural services	5,567,034	6,607,682	5,931,876
Sewer utility	3,997,415	7,956,120	4,203,369
Water utility	3,034,118	4,117,793	4,072,721
	<u>42,946,890</u>	<u>60,072,870</u>	<u>38,640,868</u>
NET REVENUE/(EXPENDITURE)	<u>2,518,084</u>	<u>(16,883,048)</u>	<u>2,225,679</u>
DEBT			
Debt issued	2,500,000	12,025,338	3,168,700
Debt and lease principal repayments	(3,712,757)	(3,748,378)	(3,828,224)
Actuarial adjustment on debt	(1,255,044)	-	(1,132,238)
MFA debt reserve fund refund	50,617	-	-
MFA surplus repatriation	170,858	-	203,051
	<u>(2,246,326)</u>	<u>8,276,960</u>	<u>(1,588,711)</u>
CHANGE IN FUND BALANCE	271,758	(8,606,088)	636,968
FUND BALANCE			
Beginning of year			
As previously reported	30,712,809	30,712,809	30,075,841
Prior period restatement (Note 1)	476,009	-	476,009
As restated	<u>31,188,818</u>	<u>30,712,809</u>	<u>30,551,850</u>
End of year, as restated	<u>\$ 31,460,576</u>	<u>\$ 22,106,721</u>	<u>\$ 31,188,818</u>

The Notes to Consolidated Financial Statements are an integral part of this statement

Notes to Consolidated Financial Statements

Year Ended December 31, 2005

The City of Campbell River was incorporated as a municipal district in 1947 under the provisions of the *British Columbia Municipal Act*, and was reincorporated as a City by letters patent in 2005. Its principal activities are the provision of local government services to the residents of the City, as governed by the *Community Charter* and the *Local Government Act*.

The notes to the consolidated financial statements are an integral part of these statements. They provide detailed information and explain the significant accounting and reporting policies and principles that form the basis for these statements. They also provide relevant supplementary information and explanations which cannot be conveniently expressed in the consolidated financial statements.

1. Significant accounting policies

The City's consolidated financial statements are prepared by management in accordance with generally accepted accounting principles for local governments, as recommended by the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants. The following is a summary of the City's significant policies:

a) Basis of presentation

The consolidated financial statements reflect the assets, liabilities, revenues, expenditures, and changes in fund balances and financial position of the City. The financial statements are comprised of all organizations and enterprises accountable for the administration of their financial affairs and resources to the City and which are owned or controlled by the City. This includes Campbell River Economic Development Corporation (Rivercorp). The Cemetery Trust Funds administered by the City are specifically excluded from the consolidated financial statements and are reported separately. The consolidated financial statements reflect the removal of internal transactions and balances.

The City follows the normal practice for local government accounting according to the principle of 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. Currently in use are:

Capital Funds are used to account for physical assets and unfunded work-in-progress offset by related long-term debt and investment in physical assets. The Industrial Park Development Fund is used to account for the costs of developing and carrying the Industrial Park and to account for sales of Industrial Park land.

General Operating Fund is used to account for all financial resources except those required to be accounted for in another fund.

Airport, Water, and Sewer Operating Funds are used to account for operations that are financed and operated in a manner similar to private business, where the intent is that the costs of providing the services on a continuing basis be financed or recovered at least partially through user charges.

Reserve Funds are established for specific purposes with the approval of the Minister of Community Services. The reserve funds are governed by City bylaws defining their purpose and are funded primarily by sales of real property and charges against developers.

The budget figures used are based on the five-year financial plan approved by Council on April 26, 2005 in Bylaw 3164. They are presented on the basis used for actual results.

1. Significant accounting policies (continued)

b) Basis of accounting

All revenues and expenditures are recorded on a full accrual basis using guidelines issued by the Public Sector Accounting Board.

Deferred payroll costs are reported as accrued liabilities on the Consolidated Statement of Financial Position at 100% of the current obligation. Employees are entitled to accumulate benefits related to sick leave and overtime, and may defer vacation entitlements. Sick leave credits are paid out on retirement in accordance with the provisions of collective agreements. Sick leave, overtime and deferred vacation are valued at current wage rates. Pensions are provided by the Pension Corporation, and the City expenses its contribution to the plan annually and does not accrue any liability for future cost obligations (see Note 16 Contingent Liabilities).

Liabilities to other governments are recorded as liabilities at the time the obligation occurs, and reported as a liability on the Statement of Financial Position.

c) Revenue recognition

Revenues are recorded in the period in which the transaction or events occurred that gave rise to the revenues.

Deferred revenues received in advance of expenditures which will be incurred in a later period are deferred until they are earned by being matched against those expenditures. These amounts are reported as deferred revenue on the Statement of Financial Position.

Expenditures are recorded in the period the goods and services are acquired and a liability is incurred, or transfers are due.

Government transfers are recognized as revenues or expenditures in the period that the events giving rise to the transfer occur.

d) Investments

Investments are held with the Municipal Finance Authority. The Money Market Fund provides a method by which municipalities in British Columbia can access high quality investments not otherwise available to them while retaining a high degree of security and liquidity. The interest rate is variable and the funds are redeemable upon 24 hours notice. The carrying value of investments is based on the cost method whereby the cost of the investment is adjusted to reflect investment income, which is accruing, and any permanent decline in market value. The investments balances detailed in Note 2 are reported at market value which is also cost on December 31, 2005.

e) Inventory is expensed unless held for resale.

f) Land held for resale is recorded at the lower of cost and market value.

g) Physical assets

Physical assets (see Note 12) are recorded at cost, with the exception of the January 1, 1996 Municipal Airport acquisition. The Municipal Airport engineering structures and buildings are recorded at values determined by British Columbia Assessment Authority, machinery and equipment is recorded at market value determined for insurance purposes, and land is recorded at appraised value, all at the time of acquisition, January 1, 1996. Physical assets are not depreciated.

1. Significant accounting policies (continued)

h) Long-term debt

Interest payments related to long-term debt obligations are recorded on an accrual basis. Actuarial adjustments are the budgeted earnings on a member's principal payments made to the Municipal Finance Authority (MFA) that annually reduce the outstanding debt obligation. Each year, as the MFA receives principal payments from its members on an issue, it invests these monies in a sinking fund to be used to retire the debt at maturity. In this regard, the MFA annually recognizes an actuarial reduction to a member's borrowing based on the annual budgeted earnings of their cumulative principal payments made to date. These actuarial amounts are reported on a member's amortization/repayment schedule for an issue and are reflected in the reducing balance outstanding at each annual principal payment date. Actuarial reduction amounts are recognized and compounded annually following the first year of principal payments received on an issue. For all existing MFA issues, this rate is 5%; however, for debt issues 92 and 93 launched in the spring of 2005 this rate is set at 4%. The MFA reserves the ability to adjust existing actuarial rates if market conditions dictate that a set earnings rate can no longer be achieved.

i) Financial instruments

The City's financial instruments consist of cash, investments, accounts receivable, accounts payable and accrued liabilities, capital lease, and long-term debt. Unless otherwise noted, it is management's opinion that the City is not exposed to significant interest, currency, or credit risk arising from these financial instruments. Interest rate risk is minimized for the capital lease and long-term debt since interest rates are fixed for these instruments. Foreign currency risk is minimal since the City does not have significant foreign currency denominated transactions. Credit risk is minimal since accounts receivable are due from a broad base of customers, and property taxes receivable collections are assured through the tax sale process.

j) Property tax collections for other governments

The City is required by legislation to bill and collect property taxes on behalf of other governments (see Note 17). These revenues and payments are not included in the City's financial statements.

k) Comparative figures

Certain previous years' comparative figures have been restated to match this year's presentation. Included in this restatement is the reclassification of \$595,443 accrued liabilities as equity, and \$36,930 equity as deferred revenue. Accounts receivable and equity amounts have been reduced by \$82,504 to match current year's presentation of allowance for doubtful accounts.

l) Use of estimates

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, the disclosure of contingent assets and liabilities, and the reported amounts of revenues and expenditures during the reporting period. Actual results will depend on future economic events and could differ from the estimates. Adjustments, if any, will be reflected in the period of settlement or upon a change in the estimate. Accounts where estimates were used include allowance for doubtful accounts, accrued liabilities and actuarial adjustments to MFA debenture debt.

2. Investments

	<u>2005</u>	<u>2004</u>
General Capital Fund	\$ 318,926	\$ 310,674
General Operating Fund	36,008,840	33,240,618
General Reserve Fund	736,122	701,607
Parkland Reserve Fund	354,067	328,788
Facility Reserve Fund	203,746	254,973
Development cost charges deferred revenue	4,312,107	4,868,704
	<u>\$ 41,933,808</u>	<u>\$ 39,705,364</u>

3. Trust funds

The City holds trust funds under British Columbia law for the purposes of maintaining public cemeteries. These funds are excluded from the Consolidated Statement of Financial Position and are comprised of the following:

	<u>2004</u>	Receipts and Interest	Expenditures	<u>2005</u>
Campbell River Municipal Cemetery	\$ 306,472	\$ 9,129	\$ 8,169	\$ 307,432
Elk Falls Memorial Cemetery	116,351	9,569	-	125,920
	<u>\$ 422,823</u>	<u>\$ 18,698</u>	<u>\$ 8,169</u>	<u>\$ 433,352</u>

4. Accounts receivable

	<u>2005</u>	<u>2004</u>
User fees	\$ 306,438	\$ 309,873
Due from Federal Government	358,397	907,168
Due from Provincial Government	28,744	428,503
Due from Regional District and other governments	3,762	13,856
Airport	103,634	83,126
Development cost charges	365,860	297,178
Other	1,106,754	260,303
	<u>\$ 2,273,589</u>	<u>\$ 2,300,007</u>

5. Accounts payable and accrued liabilities

	<u>2005</u>	<u>2004</u>
Due to other governments	\$ 1,528,986	\$ 426,905
Trade accounts payable	2,667,653	2,501,034
Accrued wages and benefits	2,637,388	2,585,118
Accrued interest	419,388	440,926
Deposits and holdbacks	968,130	832,969
	<u>\$ 8,221,545</u>	<u>\$ 6,786,952</u>

6. Restricted assets

Included in the consolidated assets are short-term investments of \$4,312,107 (2004 – \$4,868,704) and installments receivable of \$365,860 (2004 – \$297,178). These assets can only be used for expenditures as permitted by the Development Cost Charges Bylaw and the relevant sections of the *Local Government Act*, unless otherwise authorized by the Ministry of Community Services.

7. Deferred revenue

Included in deferred revenue are contributions from developers collected under the Development Cost Charges Bylaw. These contributions will be recognized as revenue in future years when the related capital projects for which they were collected are completed.

	<u>Deferred Revenue</u>	<u>Deferred Payments</u>	<u>2005</u>	<u>2004</u>
Development cost charges				
Roads	\$ 2,795,285	\$ 96,763	\$ 2,892,048	\$ 4,119,028
Public open space	401,993	39,936	441,929	322,839
Water	677,970	154,613	832,583	419,594
Storm water drainage	143,927	-	143,927	104,340
Sanitary sewer	226,783	52,386	279,169	141,283
Other parks	66,149	22,162	88,311	58,798
	<u>4,312,107</u>	<u>365,860</u>	<u>4,677,967</u>	<u>5,165,882</u>
Other deferred revenue				
Prepaid property taxes	187,493	-	187,493	229,970
Future local improvement projects	613,833	-	613,833	361,368
Conditional transfers	1,760,000	-	1,760,000	-
Other	155,047	-	155,047	93,537
	<u>2,716,373</u>	<u>-</u>	<u>2,716,373</u>	<u>684,875</u>
	<u>\$ 7,028,480</u>	<u>\$ 365,860</u>	<u>\$ 7,394,340</u>	<u>\$ 5,850,757</u>

8. 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 December 31, 2005 the total of the City's MFA Debt Reserve Fund was comprised of:

	<u>2005</u>	<u>2004</u>
General	\$ 2,140,496	\$ 2,038,592
Sanitary Sewer	1,244,483	1,374,931
Waterworks	376,680	369,828
	<u>\$ 3,761,659</u>	<u>\$ 3,783,351</u>

9. Capital Lease

The City has a lease with ICI/Windley Group for the Community Centre at an annual cost of \$490,270, including GST, until December 15th, 2012. At that time the City has the option to purchase the facility for \$1.

10. Long-term debt

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

The principal payments for the next five years are:

	<u>General</u>	<u>Sewer</u>	<u>Water</u>	<u>Total</u>
2006	\$ 2,441,626	\$ 896,294	\$ 119,257	\$ 3,457,177
2007	2,203,392	896,294	119,257	3,218,943
2008	1,628,865	669,706	119,257	2,417,828
2009	1,294,160	669,706	119,257	2,083,123
2010	907,669	431,192	-	1,338,861
	<u>\$ 8,475,712</u>	<u>\$ 3,563,192</u>	<u>\$ 477,028</u>	<u>\$ 12,515,932</u>

11. Consolidated expenditures by object

	2005	2004	2003	2002	2001
Salaries, wages and benefits	\$14,804,997	\$12,642,651	\$11,390,833	\$11,360,905	\$10,698,853
Interest and debt issue expense	3,277,764	3,258,604	3,513,631	3,754,186	4,161,665
Operating expenditures	13,469,871	12,278,784	13,683,161	12,761,857	12,037,964
Purchase of physical assets	11,394,258	10,460,829	8,052,998	3,523,246	5,299,405
	<u>\$42,946,890</u>	<u>\$38,640,868</u>	<u>\$36,640,623</u>	<u>\$31,400,194</u>	<u>\$32,197,887</u>

12. Physical assets

	General	Airport	Sanitary Sewer	Water	2005 Total	2004 Total
Engineering structures	\$ 107,149,334	\$ 11,856,941	\$ 60,431,246	\$ 30,655,211	\$ 210,092,732	\$ 199,987,538
Buildings	24,599,997	1,657,712	-	66,008	26,323,717	26,237,335
Machinery and equipment	9,296,753	1,846,782	268,088	563,319	11,974,942	11,223,191
Land	12,831,636	2,868,200	1,001,063	25,967	16,726,866	16,395,898
	<u>\$ 153,877,720</u>	<u>\$ 18,229,635</u>	<u>\$ 61,700,397</u>	<u>\$ 31,310,505</u>	<u>\$ 265,118,257</u>	<u>\$ 253,843,962</u>

13. Fund balances

	2005	2004
Operating funds		
General	\$ 10,489,255	\$ 10,515,965
Airport	1,455,007	1,569,376
Sanitary Sewer	5,953,401	5,759,198
Water	5,624,615	5,859,347
Rivercorp	24,073	21,519
	<u>23,546,351</u>	<u>23,725,405</u>
Capital funds		
General	5,020,774	4,719,166
Sanitary Sewer	754,347	594,797
Water	253,713	244,723
Industrial Park	591,456	619,359
	<u>6,620,290</u>	<u>6,178,045</u>
Reserve funds		
General	736,122	701,607
Parkland	354,067	328,788
Facility	203,746	254,973
	<u>1,293,935</u>	<u>1,285,368</u>
	<u>\$ 31,460,576</u>	<u>\$ 31,188,818</u>

14. Equity in physical assets

	<u>2005</u>	<u>2004</u>
Capital expenditures	\$ 6,934,966	\$ 6,831,955
Contributions from others	4,459,292	3,628,874
Debt issued	(2,500,000)	(3,168,700)
Debt principal repayments	4,967,801	4,960,462
Disposals	(119,963)	(15,056)
Change in equity in physical assets	13,742,096	12,237,535
Balance, beginning of year	225,897,635	213,660,100
Balance, end of year	<u>\$ 239,639,731</u>	<u>\$ 225,897,635</u>

15. Outstanding commitments

<u>Bylaw</u>	<u>Description</u>	<u>Authorized</u>	<u>Expended in 2005</u>	<u>Balance Remaining</u>
Development Cost Charges				
2835	Willis Road	\$ 1,717,943	\$ 30,170	\$ 1,687,773
3080	Hwy 19A Design	200,000	63,929	136,071
3114/3147	Hwy 19A Willow Point	1,596,000	1,596,000	-
Facility Reserve Fund				
3145	Nunns Creek Park Washroom	30,000	-	30,000
General Reserve Fund				
3212	Purchase of land	738,000	100,000	638,000

The City has leased a fire truck from MFA Leasing Corporation at an annual cost of \$50,065, including taxes. The lease expires on July 28th, 2009, at which time the City acquires title.

16. Contingent liabilities

a) Museum loan

The Campbell River & District Museum & Archives Society owes the Royal Bank \$39,342 as at December 31st, 2005. While no formal guarantee agreement exists, should future donations to the Society and related fund-raising projects not produce sufficient funds to repay the outstanding principal and interest, the City may assume liability for the remaining debt.

b) Maritime Heritage Centre loan guarantee

The City has made known its intention to provide assistance to the Daybreak Building Society in the form of a loan guarantee in the amount of \$600,000. The loan guarantee is for a time period of not more than five years.

16. Contingent liabilities (continued)

c) Centre for Aquatic Health Sciences operating line of credit

The City has entered into an agreement with the Centre for Aquatic Health Sciences Society to provide an operating line of credit to a maximum of \$350,000, limited to the total of grant funds that the Centre is entitled to receive from external funding agencies. The outstanding balance as of December 31, 2005 is \$100,000 (2004 – \$0).

d) Pension liability

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

Every three years an actuarial valuation is performed to assess the financial position of the plan and the adequacy of plan funding. The most recent valuation as at December 31, 2003 indicated an unfunded liability of \$789 million for basic pension benefits. The next valuation will be as at December 31, 2006 with results available in 2007. The actuary does not attribute portions of the unfunded liability to individual employers. The City paid \$843,817 (2004 – \$749,471) for employer contributions to the plan in fiscal 2005. The employees' contributions during 2005 amounted to \$665,814 (2004 – \$579,483).

e) Regional District debt

Debt issued by the Regional District of Comox-Strathcona is a direct joint and several liability of the Regional District and each member municipality, including the City of Campbell River.

f) Claims for damages

In the normal course of a year, the City is faced with lawsuits and other claims for damages. It is the opinion of management that at year end, the City's estimated exposure for such liabilities is not considered to be significant. Any ultimate settlements will be recorded in the year the settlements occur.

g) Property assessment appeals

As at December 31, 2005, there were various assessment appeals pending with respect to properties. The outcome of those appeals may result in adjustments to property taxes receivable for the current and prior years. The City has made a general provision for refund of municipal taxes as the outcomes are presently indeterminable.

17. Property tax collections for other governments

	<u>2005</u>	<u>2004</u>
Provincial School Levy	\$ 13,591,821	\$ 13,160,284
Comox-Strathcona Regional Hospital District	1,054,755	1,083,139
Regional District of Comox-Strathcona	3,016,905	2,974,273
Municipal Finance Authority	655	561
BC Assessment Authority	337,585	328,753
	<u>\$ 18,001,721</u>	<u>\$ 17,547,010</u>

SCHEDULE 1

Operating Funds
Consolidated Schedule of Financial Activities
For the Year Ended December 31, 2005

	<u>2005</u> <u>Actual</u>	<u>2005</u> <u>Budget</u> <small>Unaudited</small>	<u>2004</u> <u>Actual</u>
REVENUE			
Taxes and user fees	\$ 27,304,335	\$ 27,218,749	\$ 26,412,932
Payments in lieu of taxes	950,247	942,043	965,886
Services provided to other governments	636,141	620,300	619,452
Sale of services	2,443,755	2,196,481	2,638,591
Other revenue from own sources	3,281,243	2,855,927	2,364,497
Interest on investments	802,379	555,000	543,692
Unconditional transfers from other governments	434,291	434,000	523,890
Conditional transfers from other governments	1,415,111	876,964	787,253
Actuarial adjustment on debt	<u>1,255,044</u>	<u>-</u>	<u>1,132,238</u>
	<u>38,522,546</u>	<u>35,699,464</u>	<u>35,988,431</u>
EXPENDITURE			
General government	3,820,898	4,139,311	3,007,159
Protective services	10,287,063	10,767,941	9,928,918
Transportation services	5,233,538	5,988,052	4,982,188
Environmental health services	553,079	570,871	531,998
Public health services	69,091	92,497	79,245
Development services	1,943,992	2,035,276	820,724
Recreation and cultural services	5,103,899	4,999,449	4,391,945
Sewer utility	2,827,232	3,044,863	3,013,642
Water utility	<u>1,678,086</u>	<u>1,836,073</u>	<u>1,360,155</u>
	<u>31,516,878</u>	<u>33,474,333</u>	<u>28,115,974</u>
NET REVENUE	<u>7,005,668</u>	<u>2,225,131</u>	<u>7,872,457</u>
DEBT AND TRANSFERS			
Net transfer from (to) reserves	158,000	121,000	-
Net transfer from (to) capital	(2,374,921)	(6,942,541)	(3,769,663)
Debt principal repayments	(3,712,757)	(3,748,378)	(3,828,224)
Actuarial adjustment on debt	<u>(1,255,044)</u>	<u>-</u>	<u>(1,132,238)</u>
	<u>(7,184,722)</u>	<u>(10,569,919)</u>	<u>(8,730,125)</u>
CHANGE IN FUND BALANCE	(179,054)	(8,344,788)	(857,668)
FUND BALANCE			
Beginning of year			
As previously reported	23,249,396	23,249,396	24,107,064
Prior period restatement (Note 1)	<u>476,009</u>	<u>-</u>	<u>476,009</u>
As restated	<u>23,725,405</u>	<u>23,249,396</u>	<u>24,583,073</u>
End of year, as restated	\$ <u>23,546,351</u>	\$ <u>14,904,608</u>	\$ <u>23,725,405</u>

SCHEDULE 2

Capital Funds
Consolidated Schedule of Financial Activities
For the Year Ended December 31, 2005

	<u>2005</u> <u>Actual</u>	<u>2005</u> <u>Budget</u> <small>Unaudited</small>	<u>2004</u> <u>Actual</u>
REVENUE			
Interest on investments	\$ 121,043	\$ 9,700	\$ 100,172
Gifts and contributions	4,476,981	335,000	3,630,764
Land sale proceeds	108,350	100,000	-
Deferred revenue realized	1,690,099	3,446,000	110,717
Conditional transfers from other governments	478,705	3,569,658	787,734
Other revenue from own sources	1,182	-	1,047
	<u>6,876,360</u>	<u>7,460,358</u>	<u>4,630,434</u>
EXPENDITURE			
General government	105,177	61,800	91,440
Protective services	506,133	521,500	90,769
Transportation services	7,793,598	17,164,027	4,836,396
Development services	32,989	50,000	64,065
Recreation and cultural services	463,135	1,608,233	1,539,931
Sewer utility	1,170,183	4,911,257	1,189,727
Water utility	1,356,032	2,281,720	2,712,566
	<u>11,427,247</u>	<u>26,598,537</u>	<u>10,524,894</u>
NET EXPENDITURE	<u>(4,550,887)</u>	<u>(19,138,179)</u>	<u>(5,894,460)</u>
DEBT AND TRANSFERS			
Net transfer from (to) reserves	(103,264)	(50,000)	-
Net transfer from (to) operating	2,374,921	6,942,541	3,769,663
Debt issued	2,500,000	12,025,338	3,168,700
MFA debt reserve fund refund	50,617	-	-
MFA surplus repatriation	170,858	-	203,051
	<u>4,993,132</u>	<u>18,917,879</u>	<u>7,141,414</u>
CHANGE IN FUND BALANCE	442,245	(220,300)	1,246,954
FUND BALANCE			
Beginning of year	6,178,045	6,178,045	4,931,091
End of year	\$ <u>6,620,290</u>	\$ <u>5,957,745</u>	\$ <u>6,178,045</u>

Reserve Funds
Consolidated Schedule of Financial Activities
For the Year Ended December 31, 2005

	2005 Actual	2005 Budget	2004 Actual
		Unaudited	
REVENUE			
Interest on investments	\$ 33,843	\$ 30,000	\$ 24,505
Land sale proceeds	15,700	-	210,727
Other revenue from own sources	16,525	-	12,450
	66,068	30,000	247,682
EXPENDITURE			
Cost of land sales	2,765	-	-
NET REVENUE	63,303	30,000	247,682
TRANSFERS			
Net transfer from (to) operating	(158,000)	(121,000)	
Net transfer from (to) capital	103,264	50,000	-
	(54,736)	(71,000)	-
CHANGE IN FUND BALANCE	8,567	(41,000)	247,682
FUND BALANCE			
Beginning of year	1,285,368	1,285,368	1,037,686
End of year	\$ 1,293,935	\$ 1,244,368	\$ 1,285,368

**Consolidated Schedule of Long-term Liabilities
As at December 31, 2005**

Bylaw	Description	Maturity Date	Interest Rate %	Balance at Dec 31 2004	Debt Issued	Principal Payments	Actuarial Adjust	Balance at Dec 31 2005
Chartered banks								
Land Acquisition Loans								
2477	Works Yard Land	31/05/06	8.07	\$ 124,400	\$ -	\$ 64,000	\$ -	\$ 60,400
2548	2658 S. Isl Hwy	02/12/06	5.99	61,000	-	30,000	-	31,000
2607	2147 S. Isl Hwy	09/11/07	5.97	114,000	-	35,000	-	79,000
				<u>299,400</u>	<u>-</u>	<u>129,000</u>	<u>-</u>	<u>170,400</u>
Short Term Capital Borrowing								
3092	Tyee Spit Dev	30/06/09	4.39	728,700	-	118,700	-	610,000
				<u>1,028,100</u>	<u>-</u>	<u>247,700</u>	<u>-</u>	<u>780,400</u>
Total chartered banks borrowing								
Municipal Finance Authority								
Storm Drains Construction								
2325	Issue #60	12/04/05	8.66	43,908	-	28,304	15,604	-
2459	Issue #63	01/06/06	7.75	102,823	-	33,948	16,210	52,665
2468	Issue #64	25/09/06	7.25	46,716	-	15,424	7,364	23,928
2571	Issue #65	24/04/07	6.90	204,198	-	46,033	18,740	139,425
2672	Issue #68	24/03/08	5.50	272,775	-	47,226	16,061	209,488
2735	Issue #70	01/06/09	5.49	409,862	-	58,117	16,057	335,688
2805	Issue #72	27/03/10	6.45	667,185	-	80,697	17,391	569,097
2880	Issue #74	01/06/11	5.90	7,494	-	795	125	6,574
2958	Issue #78	03/12/12	5.25	37,666	-	3,578	367	33,721
3011	Issue #79	03/06/12	5.25	29,456	-	2,544	127	26,785
				<u>1,822,083</u>	<u>-</u>	<u>316,666</u>	<u>108,046</u>	<u>1,397,371</u>
Local Improvements								
2326	Issue #60	12/04/05	8.66	56,982	-	36,731	20,251	-
2460	Issue #63	01/06/06	7.75	358,795	-	118,462	56,560	183,773
2572	Issue #65	24/04/07	6.90	306,826	-	69,169	28,159	209,498
2673	Issue #68	24/03/08	5.50	915,219	-	158,453	53,889	702,877
2736	Issue #70	01/06/09	5.49	1,116,889	-	158,373	43,756	914,760
2806	Issue #72	27/03/10	6.45	2,045,596	-	247,418	53,320	1,744,858
2879	Issue #74	01/06/11	5.90	290,752	-	30,848	4,862	255,042
2932	Issue #77	01/06/11	5.90	696,397	-	66,148	6,780	623,469
3012	Issue #79	03/06/12	5.25	820,161	-	70,839	3,542	745,780

Bylaw	Description	Maturity Date	Interest Rate %	Balance at Dec 31 2004	Debt Issued	Principal Payments	Actuarial Adjust	Balance at Dec 31 2005
2968	Issue #81	22/04/14	4.86	137,000	-	10,892	-	126,108
2969	Issue #81	22/04/14	4.86	225,000	-	17,889	-	207,111
3050	Issue #81	22/04/14	4.86	78,000	-	6,201	-	71,799
3073	Issue #85	02/12/14	4.90	2,000,000	-	159,009	-	1,840,991
2964	Issue #92	06/04/15	4.55	-	10,500	-	-	10,500
2966	Issue #92	06/04/15	4.55	-	8,500	-	-	8,500
2967	Issue #92	06/04/15	4.55	-	46,000	-	-	46,000
2968	Issue #92	06/04/15	4.55	-	27,500	-	-	27,500
3071	Issue #92	06/04/15	4.55	-	257,000	-	-	257,000
3073	Issue #92	06/04/15	4.55	-	2,122,500	-	-	2,122,500
3074	Issue #92	06/04/15	4.55	-	28,000	-	-	28,000
				<u>9,047,617</u>	<u>2,500,000</u>	<u>1,150,432</u>	<u>271,119</u>	<u>10,126,066</u>
Other								
2152	Sportsplex	19/11/08	8.00	1,024,875	-	139,027	98,756	787,092
2569	Police Facility	24/04/07	6.90	1,904,435	-	429,325	174,778	1,300,332
2933	Cambridge Park	01/06/12	5.90	27,203	-	2,584	265	24,354
				<u>2,956,513</u>	<u>-</u>	<u>570,936</u>	<u>273,799</u>	<u>2,111,778</u>
Sanitary Sewer								
2182	MFA Issue #58	10/05/14	8.95	5,576,508	-	272,183	171,175	5,133,150
2326	MFA Issue #60	12/04/05	8.66	189,323	-	122,039	67,284	-
2626	MFA Issue #66	11/05/07	5.85	1,005,119	-	226,588	92,244	686,287
2737	MFA Issue #70	01/06/09	5.49	1,682,061	-	238,514	65,897	1,377,650
2804	MFA Issue #72	27/03/10	6.45	1,314,651	-	159,009	34,268	1,121,374
				<u>9,767,662</u>	<u>-</u>	<u>1,018,333</u>	<u>430,868</u>	<u>8,318,461</u>
Waterworks Utility								
30	Grtr Campbell River Wtrwks	30/06/07	6.90	328,476	-	-	104,195	224,281
2708	District of Campbell River	01/06/09	5.49	841,030	-	119,257	32,948	688,825
				<u>1,169,506</u>	<u>-</u>	<u>119,257</u>	<u>137,143</u>	<u>913,106</u>
Accrued actuarial adjustment				<u>(674,300)</u>	<u>-</u>	<u>-</u>	<u>34,069</u>	<u>(708,369)</u>
Total Municipal Finance Authority borrowing				<u>24,089,081</u>	<u>2,500,000</u>	<u>3,175,624</u>	<u>1,255,044</u>	<u>22,158,413</u>
Total long-term debt				<u>25,117,181</u>	<u>2,500,000</u>	<u>3,423,324</u>	<u>1,255,044</u>	<u>22,938,813</u>
Capital lease								
	Community Centre Building (Note 9)	15/12/12	5.97	2,829,146	-	289,433	-	2,539,713
Total long-term liabilities				<u>\$ 27,946,327</u>	<u>\$ 2,500,000</u>	<u>\$ 3,712,757</u>	<u>\$ 1,255,044</u>	<u>\$ 25,478,526</u>



STATISTICS



View from Quadra Ferry

Demographics

1	General
<p>Incorporated in 1947, Campbell River has a total land area of 133.34 square km (2001 Census). By highway the City is 264 km north of Victoria and 44 km north of Courtenay. Campbell River is in the Comox-Strathcona Regional District.</p>	

2	Population Estimates	Age Distribution							
Annual Estimates					Age and Gender - 2001 Census				
(as of July 1, includes estimate of Census undercount)					Campbell Riv			% Distribution *	
Year	Campbell Riv	% Change Prev. Year	BC	% Change Prev. Year	Male	Female	Campbell Riv	BC	
					All ages	14,120	14,335	100.0	100.0
2001	29,700	-	4,078,447	-	0 - 14	2,900	2,820	20.1	18.1
2002	29,684	-0.1	4,115,413	0.9	15 - 24	1,980	1,875	13.5	13.2
2003	30,023	1.1	4,154,591	1.0	25 - 44	3,990	4,260	29.0	30.1
2004	30,250	0.8	4,201,867	1.1	45 - 64	3,835	3,635	26.3	25.1
2005	30,810	1.9	4,254,522	1.3	65 +	1,420	1,735	11.1	13.6

Source: BC STATS

Source: Statistics Canada

* distribution based on published totals, both sexes

3	Selected 2001 Census Characteristics					
Labour Force by Industry (NAICS)			Summary Characteristics			
	Campbell River	%	BC %		Campbell River	BC
Total labour force	14,975	100.0	100.0	Population, 2001	28,456	3,907,738
Industry - Not applicable	435	2.9	2.2	Population (by citizenship)	28,295	3,868,875
All industries (Experienced LF)	14,540	100.0	100.0	Non-immigrant	24,680	2,821,870
111-112 Farms	370	2.5	1.9	Immigrant	3,530	1,009,820
113 Forestry and logging	1,075	7.4	1.2	Labour force (15+ yrs.)	14,975	2,059,950
114 Fishing, hunting and trapping	185	1.3	0.3	Employees	12,635	1,715,600
1151/2 Support activities for farms	10	0.1	0.1	Self-employed	535	95,185
1153 Support activities for forestry	155	1.1	0.5	Participation rate	% 66.4	% 65.2
21 Mining and oil and gas extraction	400	2.8	0.7	Unemployment rate	% 12.7	% 8.5
22 Utilities	60	0.4	0.6	Population, 20 yrs. & over	20,250	2,890,730
23 Construction	865	5.9	5.9	Less than grade 9	1,290	190,905
31-33 Manufacturing	1,420	9.8	9.6	Some high school	4,755	511,600
311 Food manufacturing	215	1.5	1.1	High school graduate	3,060	354,130
321 Wood product manufacturing	295	2.0	2.3	Trades certificate	3,300	370,170
322 Paper manufacturing	625	4.3	0.8	College without diploma	1,485	208,385
41 Wholesale trade	440	3.0	4.1	College diploma	3,485	482,050
44-45 Retail trade	1,840	12.7	11.6	Some university	1,300	264,450
441 Motor vehicle and parts dealers	240	1.7	1.1	University degree	1,580	509,030
445 Food and beverage stores	695	4.8	3.0	Census families	8,275	1,086,030
448 Clothing & clothing accessories	145	1.0	1.2	Lone-parent families	1,485	168,420
452 General merchandise stores	125	0.9	1.3	Households	11,305	1,534,335
48-49 Transportation & warehousing	640	4.4	5.7	1-family households	8,070	1,012,925
51 Information and cultural industries	245	1.7	3.1	Multi-family households	105	35,050
52 Finance and insurance	345	2.4	4.0	Non-family households	3,135	486,355
53 Real estate & rental/leasing	250	1.7	2.1	Median Income	\$ 21,338	\$ 22,095
54 Prof'sonal, scientific & tech. serv.	615	4.2	6.8	Males	\$ 32,001	\$ 28,976
55 Mgmt. of companies/ent'prises	-	-	0.1	Females	\$ 15,261	\$ 17,546
56 Admin+support, waste mgmnt srv.	495	3.4	4.0	Median Family Income	\$ 54,289	\$ 54,840
61 Educational services	765	5.3	6.9	Economic Families	8,200	1,044,850
62 Health care and social assistance	1,320	9.1	9.9	Incidence, low income	% 14.8	% 13.9
71 Arts, entertainment and recreation	335	2.3	2.3	Unattached persons, 15+	3,880	576,825
72 Accommodation and food services	1,465	10.1	8.3	Incidence, low income	% 42.7	% 38.1
721 Accommodation services	415	2.9	1.9	Population in private hh.	28,175	3,785,270
722 Food services & drinking places	1,055	7.3	6.4	Incidence, low income	% 18.3	% 17.8
81 Other services (excl. public admin.)	620	4.3	4.9	Dwellings	11,310	1,534,335
91 Public administration	625	4.3	5.6	Owned	7,940	1,017,485
Agriculture, Food and Beverage	410	2.8	3.0	Rented	3,350	512,360
Fishing and Fish Processing	375	2.6	0.5	Average gross rent	\$ 651	\$ 750
Logging and Forest Products	2,145	14.8	4.7	Average owners' payments	\$ 771	\$ 904
Mining and Mineral Products	485	3.3	2.0	Avg. value, owned dwell.	\$ 141,911	\$ 230,645

Source: Statistics Canada, incomes are for 2000; rent/owner's payments are restricted to non-farm, non-reserve private dwellings.

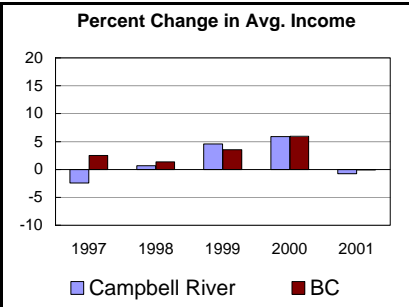
Demographics

4	Values of Building Permits								
	Residential				Non-Residential		Total		Year
	Number of Units		Value \$'000		Value \$'000		Value \$'000		
	Campbell Riv	BC	Campbell Riv	BC	Campbell Riv	BC	Campbell Riv	BC	
2001	43	17,542	7,489	2,829,874	12,239	2,124,898	19,728	4,954,772	
2002	63	24,772	10,687	3,888,147	4,994	1,771,268	15,681	5,659,415	2002
2003	92	27,163	14,893	4,514,185	6,534	1,880,053	21,427	6,394,238	2003
2004	202	34,898	31,424	5,868,937	3,085	2,069,790	34,509	7,938,727	2004
2005	316	37,452	63,856	6,978,962	10,826	3,212,137	74,682	10,191,099	2005

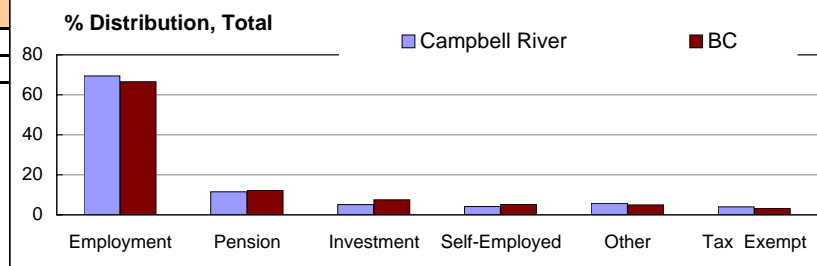
Source: Statistics Canada

Note: Detailed non-residential permits data can be found on our Website: www.bcstats.gov.bc.ca
A dash can indicate a nil report, a value of less than \$500, or non-reporting.

5	Personal Taxation Statistics						Percent Change in Avg. Income	
	Total Income of Taxable Returns							
	Year	Taxable Returns (#)		Average Income (\$)		% Change avg. income		
	Campbell Riv	BC	Campbell Riv	BC	Campbell Riv	BC		
1996	17,080	1,879,340	37,689	36,961				
1997	17,160	1,898,700	36,767	37,894	-2.4	2.5		
1998	16,900	1,915,220	37,010	38,398	0.7	1.3		
1999	16,840	1,937,520	38,702	39,758	4.6	3.5		
2000	16,730	1,928,560	40,992	42,121	5.9	5.9		
2001	16,980	1,981,530	40,690	42,095	-0.7	-0.1		

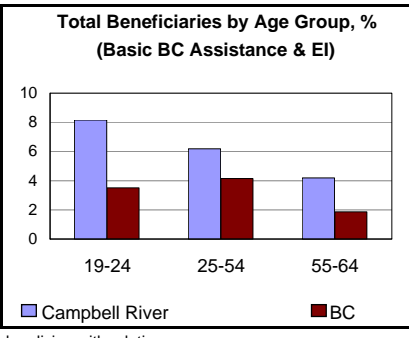


Source of Total Income 2001				% Distribution, Total						
	Campbell Riv		BC							
	\$Thousands	% of Total	\$Thousands	% of Total						
Employment	521,908	69.5	66.5	66.5	80					
Pension	86,180	11.5	12.3	12.3	60					
Investment	38,608	5.1	7.6	7.6	40					
Self-Employed	30,844	4.1	5.3	5.3	20					
Other	42,957	5.7	4.9	4.9	0					
Tax Exempt	30,031	4.0	3.4	3.4						
Total	750,538	100.0	100.0	100.0						



Source: Canada Customs and Revenue Agency. Areas are defined by postal codes and may not match municipal boundaries.

6	Dependency on the Safety Net						Total Beneficiaries by Age Group, % (Basic BC Assistance & EI)		
	Percentage of Population by Age Receiving Benefits - September 2005								
	Age Group	BC Basic* Income Assistance Recipients (%)		Employment Insurance Beneficiaries (%)		Total of BC Basic Income Assistance & EI Beneficiaries (%)			
	Campbell Riv	BC	Campbell Riv	BC	Campbell Riv	BC			
Under 19	3.8	2.5							
19-24	3.7	1.4	4.5	2.1	8.2	3.5			
25-54	2.4	1.3	3.8	2.9	6.2	4.2			
55-64	1.4	0.5	2.8	1.3	4.2	1.9			
19-64	2.4	1.2	3.7	2.5	6.1	3.7			



* On temporary assistance only. Excluded are those on Continuous Assistance, aboriginals living on reserve, seniors/OAS, & children living with relatives.

Source: BC STATS. Prepared using administrative files from the BC Ministry of Human Resources, and Human Resources Development Canada

7	Business Formations and Failures								
	Incorporations			Bankruptcies					
	Number		Year	Campbell Riv		Courtenay		BC	
Campbell Riv	BC	Business		Consumer	Business	Consumer	Business	Consumer	
2001	126	19,474	2001	16	191	11	152	1,100	9,474
2002	101	20,987	2002	13	198	11	170	1,105	9,527
2003	123	22,531	2003	20	182	13	148	1,002	9,394
2004	116	24,703	2004	14	132	10	146	921	8,386
2005	137	30,937	2005	8	144	8	130	786	8,179

Source: Ministry of Finance, B.C. Government

Source: Office of the Superintendent of Bankruptcy, Govt of Canada

Incorporations are counted in municipality of the registered office address which may differ from the actual business location.

Note: Bankruptcy is counted where it is filed. Bankruptcy data is available for urban areas only.

Property Taxes

Taxable assessments for municipal purposes

	2005	2004	2003	2002	2001
Residential	\$ 1,761,187,900	\$ 1,471,354,000	\$ 1,358,852,100	\$ 1,317,081,650	\$ 1,344,351,900
Utilities	32,801,300	31,688,700	31,633,000	31,981,500	32,794,200
Major Industry ⁽¹⁾	121,896,000	116,441,000	120,375,000	119,261,000	115,310,500
Light Industry	14,230,538	13,819,038	15,172,438	15,470,738	16,712,438
Business/Other	270,321,930	257,335,750	252,937,950	280,232,050	294,211,200
Managed Forest ⁽²⁾	8,823,800	6,155,100	5,721,800	5,653,500	5,835,700
Rec/Non-Profit	7,112,100	6,775,500	6,402,400	6,071,400	5,788,200
Farm	150,800	137,100	131,200	105,700	112,500
	\$ 2,216,524,368	\$ 1,903,706,188	\$ 1,791,225,888	\$ 1,775,857,538	\$ 1,815,116,638

Tax rates for residential properties (\$ per \$1000 of assessed property value)

	2005	2004	2003	2002	2001
Municipal	4.9572	5.5123	5.6221	5.4547	5.0171
Regional District	0.7605	0.8657	0.8814	0.8803	0.7788
School	3.7410	4.3235	4.6060	4.7053	4.5901
Regional Hospital	0.3412	0.3958	0.4148	0.4227	0.3478
Municipal Finance	0.0003	0.0003	0.0003	0.0003	0.0003
BC Assessment	0.0920	0.1057	0.1159	0.1245	0.1267
	9.8922	11.2033	11.6405	11.5878	10.8608

Tax rates for other property classes (\$ per \$1000 of assessed property value)

	2005	2004	2003	2002	2001
Utilities	35.0002	35.2821	34.9212	33.7716	32.0082
Major Industry ⁽¹⁾	73.0700	75.9254	75.0018	74.5325	74.5473
Light Industry	27.4484	28.4438	28.8931	26.7757	25.0829
Business	27.1238	28.0674	28.4987	26.3738	24.7522
Managed Forest ⁽²⁾	20.7979	22.9539	23.4248	22.9706	16.0696
Rec/Non-Profit	10.4685	10.6063	10.7970	10.6692	10.4959
Farm	12.9511	13.6797	13.3495	14.4410	13.5046

(1) Includes properties affected by boundary extension as per Supplementary Letters Patent (rate capped at 25.2961 for 2005)

(2) Includes properties affected by boundary extension as per Supplementary Letters Patent (rate capped at 5.9733 for 2005)

Property Taxes

Total tax levies

	2005	2004	2003	2002	2001
Municipal	\$ 18,569,046	\$ 18,004,347	\$ 17,662,075	\$ 16,855,098	\$ 16,068,818
School	13,591,821	13,160,284	13,118,775	13,339,974	13,176,406
Regional District	3,016,905	2,974,273	2,921,082	2,870,068	2,644,695
Regional Hospital District	1,054,755	1,083,139	1,086,827	1,122,532	941,879
Library	889,024	894,147	891,735	890,195	874,757
BC Assessment Authority	337,585	328,753	348,830	382,691	398,150
Municipal Finance Authority	655	561	530	548	560
	<u>\$ 37,459,791</u>	<u>\$ 36,445,504</u>	<u>\$ 36,029,854</u>	<u>\$ 35,461,106</u>	<u>\$ 34,105,265</u>

Average residential home property taxation

	2005	2004	2003	2002	2001
Residential assessed value (1)	\$ 1,617,835,600	\$ 1,351,509,800	\$ 1,241,649,700	\$ 1,202,829,450	\$ 1,219,965,500
Residential units (folios)	10,317	10,191	10,144	10,104	10,049
Average Assessment	<u>156,813</u>	<u>132,618</u>	<u>122,402</u>	<u>119,045</u>	<u>121,402</u>

Average property taxes and user fees

City taxes and user fees

Storm water parcel tax	\$ 12	\$ 12	\$ 12	\$ 12	\$ 12
Water parcel tax	10	10	10	10	10
Sewer parcel tax	64	64	64	64	64
Garbage user fees	107	107	107	107	107
Water user fees	96	96	96	96	96
Sewer user fees	234	222	210	198	192
Property taxes	<u>777</u>	<u>731</u>	<u>688</u>	<u>649</u>	<u>609</u>
	<u>1,300</u>	<u>1,242</u>	<u>1,187</u>	<u>1,136</u>	<u>1,090</u>

Taxes for other taxing authorities (2)

Total other taxes	774	755	737	730	709
Less Home Owner Grant (3)	<u>(470)</u>	<u>(470)</u>	<u>(470)</u>	<u>(470)</u>	<u>(470)</u>
	<u>304</u>	<u>285</u>	<u>267</u>	<u>260</u>	<u>239</u>

Total taxes and user fees	<u>\$ 1,604</u>	<u>\$ 1,527</u>	<u>\$ 1,454</u>	<u>\$ 1,396</u>	<u>\$ 1,330</u>
----------------------------------	-----------------	-----------------	-----------------	-----------------	-----------------

- (1) Includes only improved residential single family and strata titled units. Does not include vacant land, ALR, farm or other properties.
- (2) Includes school taxes, and taxes collected on behalf of the Regional District, Regional Hospital, BC Assessment Authority and Municipal Finance Authority.
- (3) Represents the Provincial Home Owner Grant for taxpayers who both own and reside on the property. The actual amount varies based on circumstances. The amount shown is the basic grant for those under 65 years of age.

Property Taxes

Tax collections

	2005	2004	2003	2002	2001
Total current year levy ⁽¹⁾	\$ 43,730,214	\$ 42,516,303	\$ 41,937,561	\$ 41,324,115	\$ 39,671,808
Per capita	1,419	1,409	1,416	1,452	1,262
Current collections	43,235,858	41,980,642	41,406,357	40,614,320	38,939,752
Percent of current levy	98.9%	98.7%	98.7%	98.3%	98.2%
Total collected (including arrears)	43,970,102	42,954,465	42,440,812	41,624,977	40,189,279
Percent of current levy	100.5%	101.0%	101.2%	100.7%	101.3%

Unpaid taxes

Current	\$ 644,463	\$ 704,962	\$ 829,472	\$ 895,717	\$ 908,937
Arrears	236,508	205,334	293,553	380,531	373,538
	<u>\$ 880,971</u>	<u>\$ 910,296</u>	<u>\$ 1,123,025</u>	<u>\$ 1,276,248</u>	<u>\$ 1,282,475</u>
Per Capita	\$ 28.59	\$ 30.17	\$ 37.92	\$ 44.85	\$ 40.80

Dimension of city (hectares)

Land area subject to taxation	14,460	14,467	13,403	13,403	13,403
Parks and playground	117	116	106	106	106
Streets and lanes	206	201	200	199	199
Other lands	52	51	51	51	51
Water areas	1,204	1,204	1,144	1,144	1,144
	<u>16,039</u>	<u>16,039</u>	<u>14,904</u>	<u>14,903</u>	<u>14,903</u>

Services

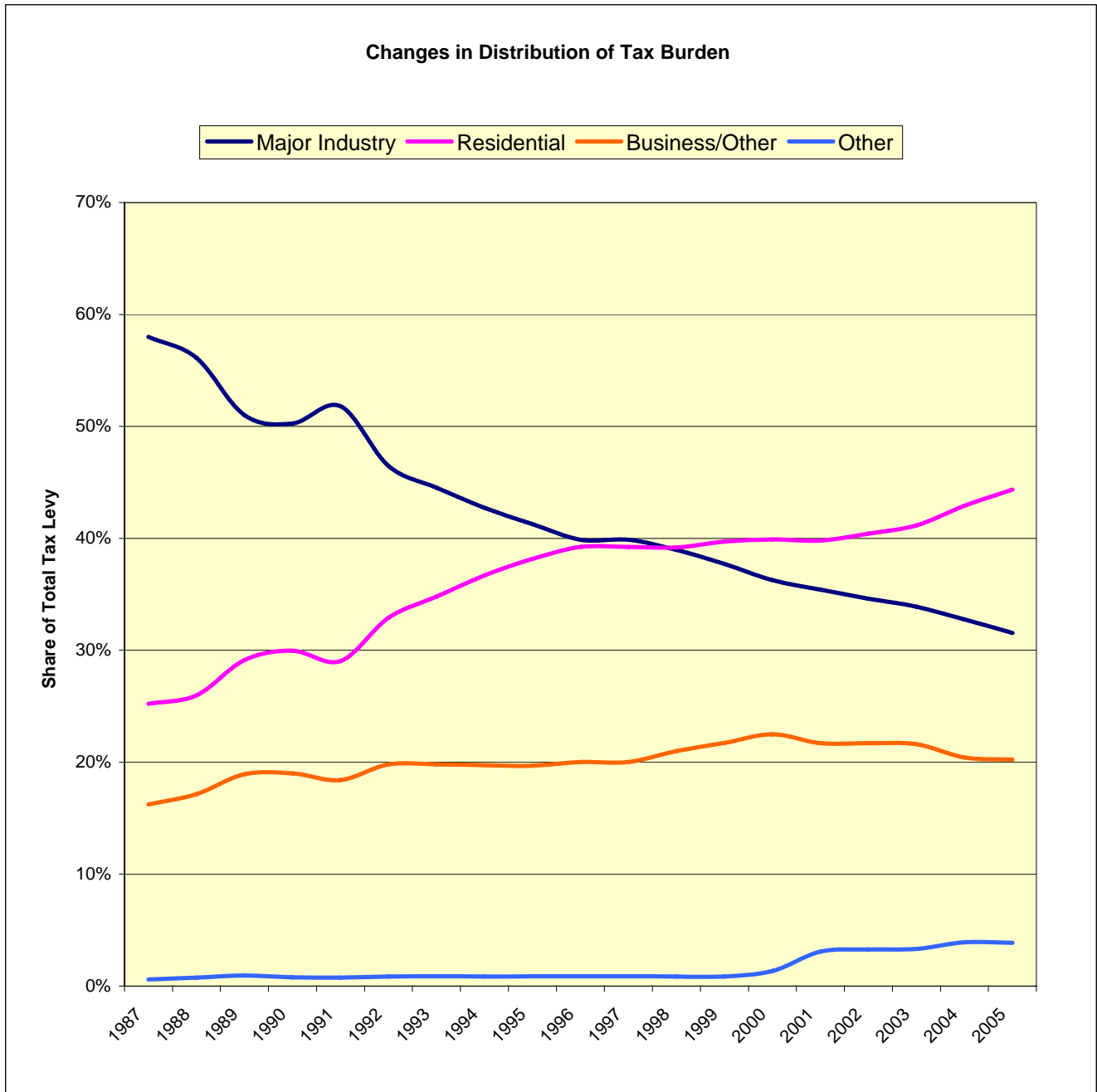
Paved roads (km)	193	190	188	187	187
Gravel roads (km)	56	56	56	56	56
Storm sewers (km)	140	135	131	129	129
Sanitary sewers-mains (km)	219	215	212	211	211
Water-mains (km)	235	232	228	227	227
Sani-sewer service connections	9,880	9,647	9,494	9,403	9,467
Water service connections	9,163	8,930	8,777	8,685	9,126
Hydrants (including private)	1,178	1,011	988	979	968

Population	30,810	30,170	29,617	28,456	31,437
	(3)	(3)	(3)	(2)	(3)

(1) Includes sewer & water user fees, garbage fee, and parcel taxes

(2) Statistics Canada 2001 Census

(3) BC Stats



2005 Property Tax Permissive Exemptions Granted

Organization	Civic Address	Property Class	Value of Exemptions		
			City	Other	Total
Association Francophone de Campbell River	891 - 13th Avenue	6	\$ 284	\$ 209	\$ 493
Association Francophone de Campbell River	891 - 13th Avenue	1	99	172	271
Campbell River & District Senior Housing Society	81 Dogwood St.	1	408	337	745
Campbell River & District Winter Club	260 Cedar St.	6	2,043	1,500	3,543
Campbell River Judo	B-450-Mereroft Rd.	8	3	3	6
Campbell River Judo	B-450-Mereroft Rd.	6	233	171	404
Campbell River Youth Soccer	450 Mereroft Rd.	8	3	3	6
Campbell River Youth Soccer	450 Mereroft Rd.	6	176	130	306
Campbell River & North Island Transition Society	608 Alder St.	1	547	450	997
Campbell River Gun Club Society	2600 Quinsam Rd.	8	36	36	72
Campbell River Gun Club Society	2600 Quinsam Rd.	6	68	50	118
Campbell River Trail Riders	900 Parkside Dr.	6	239	175	414
Campbell River Trail Riders	900 Parkside Dr.	8	274	276	550
Campbell River & Dist Assoc for Mentally Handicapped	1153 Greenwood St.	6	3,467	2,544	6,011
Campbell River & Dist Assoc for Mentally Handicapped	1185 Greenwood St.	6	1,290	946	2,236
Campbell River Air Youth Assoc.	Bldg #13 CR Airport	6	875	641	1,516
Campbell River Child Care Society	1048 Hemlock St.	6	956	701	1,657
Campbell River Child Care Society	394 Leishman Rd.	6	1,040	762	1,802
Campbell River Fish and Wildlife	2641 Campbell River Rd.	8	212	213	425
Campbell River Fish and Wildlife	2641 Campbell River Rd.	6	228	166	394
Campbell River Golf and Country	700 Petersen Rd.	6	3,167	2,324	5,491
Campbell River Golf and Country	700 Petersen Rd.	8	1,406	1,419	2,825
Campbell River Gymnastics Association	1981 14th Avenue.	6	941	691	1,632
Campbell River Motocross Association	7021 Gold River Highway	6	84	61	145
Campbell River Wado Karate Club	B-450-Mereroft Rd.	8	3	3	6
Campbell River Wado Karate Club	B-450-Mereroft Rd.	6	246	181	427
Haig Brown Kingfisher Creek Society	2250 Campbell River Rd.	8	600	605	1,205
John Howard Society of North Island	401 - 11th Avenue	6	569	417	986
Legion-J Perkins Memorial Housing Society	931 - 14th Avenue.	1	3,653	3,009	6,662
North Island Supportive Recovery Society	647 Birch St.	1	378	312	690
St. John Council for BC	170 Dogwood St.	6	1,741	1,277	3,018
St. John Society BC and Yukon	675 2nd Avenue	6	407	298	705
Storey Creek Golf Society	300 McGimpsey Rd.	6	2,231	1,638	3,869
Storey Creek Golf Society	300 McGimpsey Rd.	8	2,054	2,072	4,126
The Campbell River Alano Club	301 - 10th Avenue.	6	889	652	1,541
The Navy League of Canada	911/931 - 13th Avenue	8	402	405	807
The Navy League of Canada	911/931 - 13th Avenue	6	567	417	984
Willow Point Lions Club Society	2165 S. Island Hwy.	6	1,197	879	2,076
Willow Point Supportive Living Society	100 - 142 Larwood Rd.	1	2,980	2,454	5,434
Willow Point Supportive Living Society	12 - 142 Larwood Rd.	6	2,412	1,770	4,182
			\$ 38,408	\$ 30,369	\$ 68,777

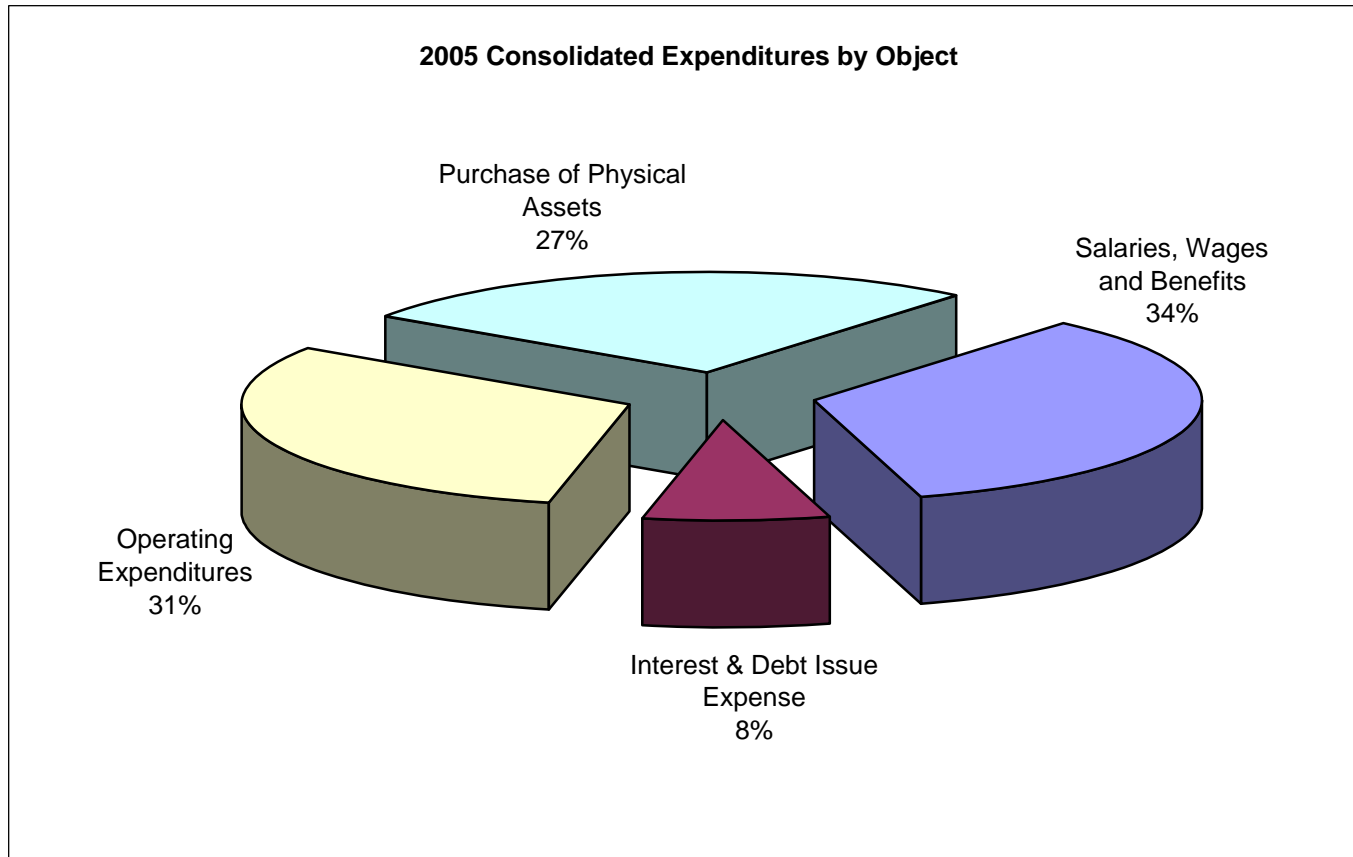
Consolidated Operating Revenues and Expenditures

	2005	%	2004	%	2003	%	2002	%	2001	%
Revenue										
Taxes and user fees	\$ 27,304,335	71%	\$ 26,412,932	73%	\$ 25,998,379	71%	\$ 24,957,078	73%	\$ 23,892,573	70%
Payments in lieu of taxes	950,247	2%	965,886	3%	929,992	3%	954,984	3%	924,832	3%
Services provided to other governments	636,141	2%	619,452	2%	1,099,841	3%	285,681	1%	265,357	1%
Sale of services	2,443,755	6%	2,638,591	7%	2,477,308	7%	2,325,286	7%	2,424,113	7%
Other revenue from own sources	3,281,243	9%	2,364,497	7%	2,063,201	6%	2,399,012	7%	2,320,078	7%
Interest on investments	802,379	2%	543,692	2%	1,150,775	3%	1,017,793	3%	1,786,937	5%
Unconditional transfers from other gov'ts	434,291	1%	523,890	1%	195,476	1%	247,122	1%	237,569	1%
Conditional transfers from other gov'ts	1,415,111	4%	787,253	2%	1,867,023	5%	875,173	3%	965,757	3%
Actuarial adjustment on debt	1,255,044	3%	1,132,238	3%	972,811	3%	1,230,453	4%	1,437,647	4%
	38,522,546	100%	35,988,431	100%	36,754,806	100%	34,292,582	100%	34,254,863	100%
Expenditure										
General government	3,820,898	12%	3,007,159	11%	3,430,032	12%	3,508,781	13%	3,361,914	12%
Protective services	10,287,063	33%	9,928,918	35%	9,626,033	34%	9,239,827	33%	8,560,415	32%
Transportation services	5,233,538	17%	4,982,188	18%	3,788,134	13%	3,614,875	13%	3,363,570	13%
Environmental health services	553,079	2%	531,998	2%	523,355	2%	471,592	2%	453,998	2%
Public health services	69,091	0%	79,245	0%	88,042	0%	78,008	0%	70,829	0%
Development services	1,943,992	6%	820,724	3%	917,450	3%	965,655	3%	869,549	3%
Recreation and cultural services	5,103,899	16%	4,391,945	16%	4,493,309	16%	4,194,245	15%	3,924,432	15%
Sewer utility	2,827,232	9%	3,013,642	11%	1,294,635	5%	1,276,524	5%	1,530,697	6%
Water utility	1,678,086	5%	1,360,155	5%	913,004	3%	709,726	3%	601,413	2%
Interest and debt issue expense*	-	0%	-	0%	3,513,631	12%	3,754,186	13%	4,161,665	15%
	31,516,878	100%	28,115,974	100%	28,587,625	100%	27,813,419	100%	26,898,482	100%
Net revenue	\$ 7,005,668		\$ 7,872,457		\$ 8,167,181		\$ 6,479,163		\$ 7,356,381	

*Consolidated by function from 2004 forward

Consolidated Expenditures by Object

	2005	%	2004	%	2003	%	2002	%	2001	%
Salaries, wages and benefits	\$ 14,804,997	34.47%	\$ 12,642,651	32.72%	\$ 11,390,834	31.09%	\$ 11,360,905	36.18%	\$ 10,698,853	33.23%
Interest and debt issue expense	3,277,764	7.63%	3,258,604	8.43%	3,513,632	9.59%	3,754,186	11.96%	4,161,665	12.93%
Operating expenditures	13,469,871	31.36%	12,278,784	31.78%	13,683,162	37.34%	12,761,857	40.64%	12,037,964	37.39%
Purchase of physical assets	11,394,258	26.53%	10,460,829	27.07%	8,052,995	21.98%	3,523,246	11.22%	5,299,405	16.46%
Total	\$ 42,946,890	100.00%	\$ 38,640,868	100.00%	\$ 36,640,623	100.00%	\$ 31,400,194	100.00%	\$ 32,197,887	100.00%



Consolidated Capital Acquisitions and Sources of Financing

Acquisitions	2005	2004	2003	2002	2001
General government	\$ 105,177	\$ 91,440	\$ 60,791	\$ 112,071	\$ 49,308
Protective services	506,133	90,769	96,738	81,560	53,832
Transportation services					
Airport	350,063	237,796	266,270	201,880	220,280
Roads, storm drains and other	7,443,535	4,598,600	2,140,834	1,941,093	2,151,668
Development services	-	-	27,551	-	-
Recreation and cultural services	463,135	1,539,931	2,513,909	317,822	407,546
Sewer utility	1,170,183	1,189,727	914,447	296,076	1,345,848
Water utility	1,356,032	2,712,566	2,032,455	572,744	1,070,923
	\$ 11,394,258	\$ 10,460,829	\$ 8,052,995	\$ 3,523,246	\$ 5,299,405
Sources of Financing					
Transfer from operating	\$ 2,374,921	\$ 3,769,663	\$ 2,590,959	\$ 1,236,467	\$ 2,543,509
Deferred revenue realized	1,690,099	110,717	61,745	601,002	90,226
Government Grants	478,705	787,734	133,632	169,453	321,289
Gifts and contributions	4,476,981	3,628,874	3,878,932	50,000	568,390
New debt issued	2,143,552	2,163,841	1,387,727	1,448,913	1,459,143
Other	230,000	-	-	17,411	316,848
	\$ 11,394,258	\$ 10,460,829	\$ 8,052,995	\$ 3,523,246	\$ 5,299,405

Major Property Taxpayers

2005 Taxation Year

Registered Owner	Taxes	Primary Property
Elk Falls Pulp and Paper Ltd.	\$ 8,911,272	Pulp Mill
B.C. Hydro & Power Authority	1,145,244	John Hart Dam
Discovery Harbour Holdings Ltd.	624,058	Discovery Harbour Mall
B.C. Hydro & Power Authority	614,193	Ladore Dam
Timberwest Forest IV Limited	492,075	Sawmill
Raven Forest Products Ltd.	199,557	Merecroft Village Mall
Tyee Plaza Development Inc.	196,168	Tyee Plaza
Knockmaroon Holdings Ltd.	190,287	Save-On-More Plaza
Elk Falls Pulp and Paper Ltd.	176,157	Water Intake/Pumphouse
Oak Bay Marina Ltd.	158,456	Painter's Lodge



City Hall circa 1960