



# City of Courtenay

BRITISH COLUMBIA, CANADA

2010 Annual Report



# City of Courtenay, British Columbia



## 2010 Annual Report

January 1 - December 31, 2010

This document was prepared by the City of Courtenay's  
Community Services and Financial Services Departments

*Front cover photo:* East Courtenay Greenway between Hawk Drive and McDonald Road

*Back cover photo:* Puntledge River

# Table of Contents



Ron Pogue Photo

Mayor and City Council .....	5	Financial Statements.....	19
Courtenay Organizational Chart.....	7	Management’s Responsibility for Financial Reporting.....	19
City of Courtenay Vision and Mission .....	8	Auditor’s Report.....	20
Operational Services .....	9	Consolidated Statement Of Financial Position -	
Planning Services .....	10	Statement A .....	21
Climate Action.....	11	Consolidated Statement Of Operations - Statement B .....	22
Courtenay Fire Department .....	12	Consolidated Statement Of Change in Net Debt -	
Public Safety.....	13	Statement C.....	23
Community Services .....	14	Consolidated Statement Of Cash Flow - Statement D.....	24
Human Resources .....	16	Notes to Financial Statements.....	25
Financial Services .....	17	Consolidated Schedule of Segment Disclosure by Service -	
Property Tax Exemptions.....	18	Schedule 1 .....	35
		Consolidated Schedule Of Accumulated Surplus -	
		Schedule 2 .....	38
		Consolidated Statement of Tangible Capital Assets -	
		Schedule 3 .....	39
		Consolidated Schedule of Debenture and	
		Other Long-Term Debt - Schedule 4 .....	40
		Consolidated Schedule Of Investments - Schedule 5.....	41
		A Vision for the Future .....	42

# Message from the Mayor



Open for business!

That message is getting out and the City of Courtenay is well on its way to rebounding from the recent recession. That is not to say there are not challenges ahead. Costs of just about everything continue to climb, and your Council is mindful of the fact that many families are still struggling to cope. We have done our best to hold tax increases to a reasonable rate, plus we have lowered the tax multiplier for business in order that they remain viable. A strong local business community is essential to our long term growth.

Also essential to our future is sustainable growth. Council has introduced many policy initiatives to address climate change, as mandated by the provincial government. All new development in the city must now meet rigorous new environmental standards. For housing developments, this means more environmental protection including more parks and interconnected trails. For business, this means protecting native species where possible, dealing with water drainage on site and more environmentally friendly buildings. Courtenay is not only our home; through good planning and land use it will continue to be a great home for our children and our grandchildren.

A handwritten signature in black ink that reads "Gregory T. Phelps". The signature is written in a cursive, flowing style.

Gregory T. Phelps  
Mayor, City of Courtenay





## Mayor and City Council

**Top row (left to right:)** Larry Jangula, Jon Ambler, Doug Hillian, Ronna-Rae Leonard

**Bottom row (left to right:)** Murray Presley, Greg Phelps, Manno Theos

Courtenay Council members are elected for three year terms. The next election will occur in November 2011.

Each member of council represents the City at large. Councillors serve on various boards, including the Comox Valley Regional District, Vancouver Island Regional Library and the Comox Valley Water Supply Commission.

Members of the public are welcome and encouraged to attend open Council meetings. Council Meetings are generally held on the first three Mondays of each month, and Strategic Planning meetings occur on the last Monday of the month. To view the Council meeting schedule, go to [www.courtenay.ca](http://www.courtenay.ca)

# Message from the Chief Administrative Officer



Like many other communities, Courtenay was affected by the economic downturn in recent years, but careful fiscal management ensured the City weathered the worst of the storm with minimal impact on services. In 2010 we saw the signs of an economic recovery, with a significant increase in residential and commercial building projects.

The City pursued large projects to help boost the local economy, including a \$1.9 million renovation of the Native Sons Hall. Thanks to funding from the Government of Canada, the Province of B.C. and the Vancouver Foundation, this unique 1928 heritage building has been restored to its former glory. This facility is a key part of our vibrant downtown cultural and recreation precinct, and this renovation will ensure it remains so for many years to come.

The Cliffe Avenue widening project was our largest infrastructure project, with funding assistance from the federal and provincial Infrastructure Stimulus Fund as well as ICBC. This project greatly improved traffic flow on this busy corridor. It also increased water capacity in the area and significantly upgraded and expanded the Arden sanitary sewer trunk.

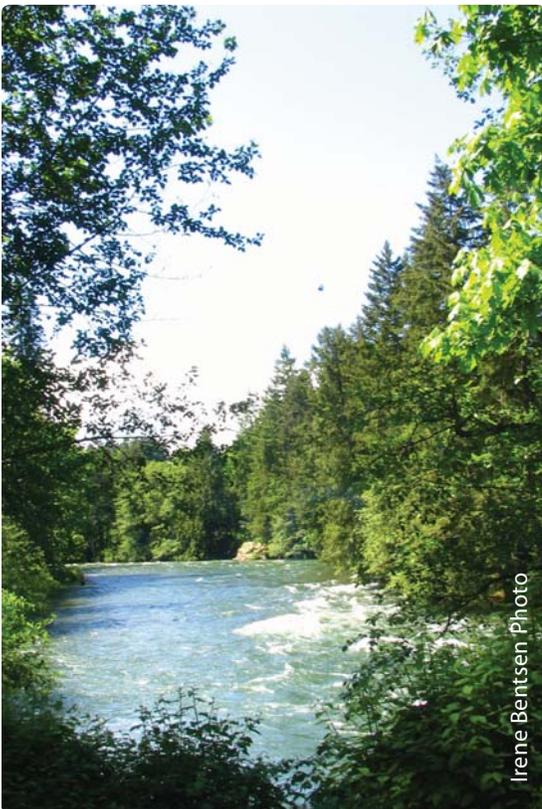
Community spirit was instrumental in the construction of the Rotary Skypark, a universally accessible playground at the Courtenay Airpark. The Rotary Club of Strathcona Sunrise took on major fundraising and volunteer duties, and many other organizations, businesses and individuals had a part to play in making this project a reality. The Skypark has been a popular destination for kids since opening in September.

The City also took big steps in environmental sustainability, hiring an environmental planner in the summer of 2010. This new position is focused on improving cycling corridors, parks, connectivity between parks and incorporating sustainable development practices and environmental goals in the City. We're also working on reducing our corporate greenhouse gas emissions, and have a climate action analyst on staff to seek out efficiencies and help prioritize projects.

I hope you will take the time to review some of the many other initiatives council and staff worked on over 2010. The team in Courtenay work hard to keep our City running smoothly, recognizing the need to balance the provision of current services while providing core funding necessary to maintain our wide array of infrastructure, facilities and properties. We look forward to another great year in 2011.

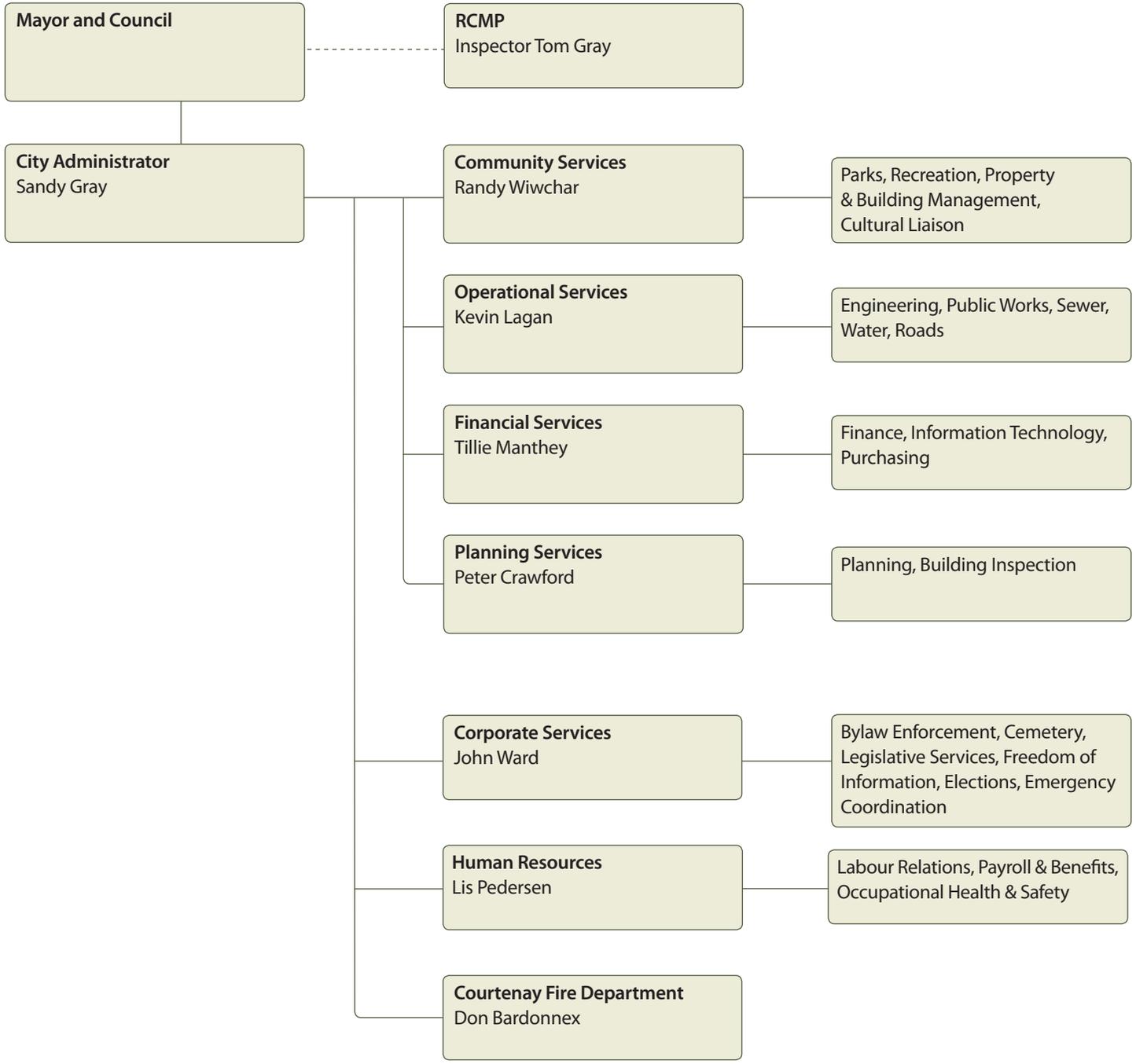
A handwritten signature in black ink, appearing to read 'Sandy Gray'.

Sandy Gray  
City Administrator



Irene Bentsen Photo

# Courtenay Organizational Chart



# City of Courtenay Vision and Mission



## Vision

All effective action leads toward a vision. The vision for the City of Courtenay held by Mayor and Council includes the following:

- **Economically:** Courtenay will be an innovative and vibrant City, as the primary area of commerce in the Comox Valley, where people desire to live and businesses want to grow and invest.
- **Socially:** We aspire to be a community that works together to provide opportunities and excellent infrastructure and services.
- **Environmentally:** Courtenay will continue to be an area of diverse, expanding parklands, natural areas and agricultural lands.
- **Culturally:** As a City, we will be a leader in arts and culture, promote educational opportunities and care about the health, well-being and safety of our citizens, businesses and environment.
- **Governance:** As a City government, we will be, proactive, accountable, open, effective and fiscally responsible.

## Mission

- To fulfill its responsibilities under the Local Government Act to set policies, regulations and make decisions to ensure that the City is well-governed and that its civic assets are well-managed;
- To effectively lobby and influence other levels of government and stakeholders with respect to Courtenay's interests; and
- To educate and inspire the residents of Courtenay to participate in and support efforts to make Courtenay a great place to live.

# Operational Services



this work, in particular the residents along the Fitzgerald Avenue detour. The project has resulted in significant improvements to traffic flow on Cliffe Avenue.

As in previous years, the City tried to direct as much work as possible to local contractors and engineering design firms and to position itself for early tender and construction of future projects in 2011. The City's Engineering co-op student program continued to benefit both the City and the students.

The City took an active role in the provincial *Water Balance Model* and also participated in the *Convening for Action Initiative* with other Comox Valley local governments. These initiatives have positioned the City well in its dealings with developers and reduced the environmental impact of development.

Staff worked on developing a Geographical Information System (GIS) and further work is scheduled for 2011. A GIS will greatly assist the City to monitor and manage its infrastructure in a timely manner as well as provide the ability to more accurately plan for all aspects of service delivery and capital projects in future years.

The City has been taking steps to reduce water consumption and the amount of liquid waste headed to the sewage treatment plant. The City of Courtenay partnered with the Comox Valley Regional District in 2009 and 2010 to offer a cash rebate for homeowners wishing to convert to low flush toilets. This program will continue in 2011.

To improve access for those with mobility issues, the City worked on smoothing the grade between road surface and sidewalks. Several streets were repaved to improve road surface conditions and extend the life of street infrastructure. Road works often create disruption to the movement of traffic, and the City thanks the public for their patience and consideration.

Through the existing City Transportation Study, location-specific traffic studies and liaison with the RCMP and ICBC, the City was able to prioritize locations for new traffic control devices.

## Engineering Division

Design, mapping, drafting, subdivision control, traffic and transportation planning, infrastructure planning, design and contract management, solid waste management.

250-334-4441 • [engineering@courtenay.ca](mailto:engineering@courtenay.ca)

## Public Works Division

### Utility Section:

Water distribution, sanitary sewer and storm drainage collection.

### Transportation Section:

Roads, sidewalks, equipment and vehicle maintenance, stores, traffic marking, signals, street lighting

250-338-1525 • [publicworks@courtenay.ca](mailto:publicworks@courtenay.ca)

The City continually upgrades aging storm, water and sanitary sewer systems to maintain our infrastructure. In 2010, some of these projects included storm drainage work on 21st Street between Piercy and Tull Avenues as well as between Urquhart and Willemar Avenues. The City installed a new water main on Cliffe Avenue as well as a new trunk sanitary sewer between Cliffe Avenue and 20th Street (west of Willemar Avenue) with the assistance of a federal/provincial Infrastructure Stimulus Fund Grant. This project will provide capacity in west Courtenay for development and also renew the existing sewer system.

The largest project in 2010 was the Cliffe Avenue widening and improvements at the east end of the 17th Street Bridge at Comox Road. While this is a provincial highway (Hwy 19A), the City entered into an agreement with the Ministry of Highways and Infrastructure to manage the design and construction of the work. A combination of City funding, a federal/provincial Infrastructure Stimulus Fund Grant and funds from ICBC made this project a reality. The public was very accommodating during

# Planning Services

## Planning

Long range planning, Official Community Plan, Local Area Plans, zoning development permits, development variance permits, heritage conservation, tree management and protection, riparian areas and streamside protection, parks and greenways design and planning, bicycle planning strategy, boundary extensions.

## Building

Building and plumbing code, permits

250-334-4441 • [planning@courtenay.ca](mailto:planning@courtenay.ca)

## Development Statistics Summary

Over the past decade, the City has experienced significant changes in annual building permit values, ranging from a low of \$16 million in 2000 to a high of \$99 million in 2006. These increases may have been influenced by such projects as the Inland Island Highway (1999), Westjet flights to the Comox Valley (2001), New Air Terminal (2004) and retail stores such as Walmart (2001), Safeway (2004), Home Depot (2004) and Costco (2010).

Development activity in 2010 continued at a strong and balanced level with an increase in total building permit values from \$36,243,674 (2009) to \$56,433,261 (2010). This was highlighted by two major construction projects - the North Island College Trades Building (\$5.5 million) and Costco (\$11 million). There was also a significant increase in residential units under construction from 38 (2009) to 68 (2010) for single residential and from 5 (2009) to 41 (2010) for multi-residential.

Projects under review or anticipated in 2011 and beyond include:

- expanded commercial development in the vicinity of Ryan and Lerwick Roads and Crown Isle Drive
- Farmer's Market facility on Comox Road
- Implementation of South Courtenay Local Area Plan – Buckstone Residential Development (32 hectares)
- Implementation of Arden Road residential developments (450 units)

## Regional Growth Strategy

In 2008, the Province mandated the creation of a Regional Growth Strategy (RGS) to build consensus among local governments on future policies regarding land use activities and development over the next 20 years.

The RGS provides a framework for future decision-making and land use with the aim of preserving our region's high quality of life. Specifically, the following key elements form the RGS as required by Provincial legislation:

- Vision statement on the future of the region over a 20 year time frame
- Population and employment projections
- Actions to be taken in relation to specific issues: housing; ecosystems, natural areas and parks; local economic development, transportation, infrastructure, food systems, public health and safety, and climate change
- Direction on managing growth through specific land use designations and policies
- Protect areas on the fringes of the City that should eventually be incorporated through boundary extensions.

The RGS recognized the City of Courtenay as the largest urban area in the Comox Valley, and, as such, is home to a number of businesses, commercial/retail areas and cultural facilities. Courtenay should develop and grow consistent with its function as the Comox Valley's largest urban area. New development should provide for a wide diversity of housing and employment opportunities and should allow for the highest densities within the Comox Valley.



# Climate Action

## Corporate Initiatives

The City of Courtenay signed the Province of B.C.'s Climate Action Charter in October 2007 along with the Union of B.C. Municipalities (UBCM) and over 178 other BC local governments. The charter commits local governments to develop strategies and take action to make municipal operations carbon neutral by 2012.

The City has taken several positive steps towards meeting the requirements of the Climate Action Charter. Staff formed a Corporate Climate Action Committee and prepared a Corporate Climate Action Strategy outlining greenhouse gas reduction goals and targets. This strategy was adopted by Courtenay City Council in February 2009. The document covers facilities, vehicle fleet, purchasing, green policies and strategic planning.

The City of Courtenay's greenhouse gas emissions by municipal operations in 2010 were 925 tonnes.

### Municipal Buildings

The City completed a comprehensive building audit of its major facilities, funded in part by a \$25,000 grant from BC Hydro. This audit helped identify retrofits that would increase energy efficiency and decrease emissions. Staff prioritized projects based on their return on investment.

The first phase included water efficiency retrofits, lighting retrofits, motion sensors and waste reduction measures.

### Fleet

The City's "Green Fleet" policy looks for the most fuel efficient and appropriately sized vehicles for the job. Staff share vehicles between departments where appropriate. Many corporate vehicles are using a B20 blend (20% biodiesel).

A Vehicle Optimization program at City Hall monitors each vehicle's usage throughout the month. The resulting analysis is used to investigate opportunities for downsizing and right-sizing the fleet. A similar program was also initiated at Public Works.

### Parks

The City of Courtenay has installed in-ground waste containers and recycle containers in all major parks. This has reduced the frequency of pick up and increased recycling and diversion from the landfill.

### Purchasing

The City adopted energy efficient purchasing principles and a Low Carbon Information Technology (IT) Program.

The City's purchasing department has been active in pursuing high efficiency upgrades. Recycled high efficiency lighting from the 2010 Vancouver Olympics now illuminate Bill Moore Park. Also, a full electric vehicle may soon join City Hall's fleet.

### Looking Forward

The City of Courtenay Climate Action Committee will continue to champion the city's corporate culture on environmental awareness by promoting green initiatives. We will continue to work alongside staff and senior government on funding and programs that will assist in meeting our targets and goals.

## Community Initiatives



The City is committed to reducing community-wide greenhouse gases (GHGs) as mandated under the Local Government (Green Communities) Statutes Amendment Act (Bill 27, 2008). The City's Official Community Plan (OCP) now contains a community-wide GHG target as well as a number of policies and strategies to work towards this goal. The target is 20% lower GHG emissions below 2007 levels by 2020.

Courtenay's greatest contributor to GHGs is personal transportation. As a result the City is working towards improving alternative transportation options, such as a proposal for a cycling lane along Fitzgerald Avenue. A community wide cycling implementation plan has also begun. Finally, the Rails with Trails project along the E&N corridor will provide opportunity for cyclists and pedestrians alike.

Protection of the natural environment remains a high priority. The Environmental Development Permit Areas are being reviewed and the Tree Cutting Permit Bylaw will be examined to ensure these regulatory instruments provide consistent and adequate protection for all of Courtenay's environmentally sensitive features.

Community outreach and education are essential components to achieving environmental protection and GHG goals; the actions of individuals are key to achieving community-wide success. The planning department has been promoting an environmentally conscious message through presentations to high schools and the public. A Climate Action Committee will soon be established in which citizens will have the opportunity to participate in informing how best to achieve our environmental goals.

# Courtenay Fire Department



*Courtenay Fire Department at a recent training exercise*

## Fire and Emergency Services

Fire and rescue services, fire preventions and inspections, burning permits.

250-334-2513 • [fire@courtenay.ca](mailto:fire@courtenay.ca)

The Courtenay Fire Department had one of the quietest years in recent history in 2010. We responded to 716 incidents in the City of Courtenay and fire protection districts.

The drop in the number of incidents the fire department responded in 2010, was also experienced by many of the fire departments in the surrounding communities. We did experience a milder climate in both the winter and summer months last year which is most likely responsible for this reduction in activity.

During the past year the Courtenay Fire Department took a step forward in our firefighter training program by hiring a full time Assistant Fire Chief/Training Officer. In a short time we have been able to implement significant improvements to our firefighter training program, which the membership has responded to very positively.

In the past year we have taken delivery of our new Scott Self Contained Breathing Apparatus. These new air packs have improved safety features such as a tracking system that will allow us to locate a downed firefighter more efficiently, a heads up display for improved air management, larger capacity cylinders which will increase both productivity and safety, and quick connects on the air lines to allow for emergency filling of cylinders in emergency situations.

Our Fire Prevention Program was once again an area of high activity over the past year. Along with inspecting over 1450 properties, our prevention staff also provided the public with numerous public education opportunities. Events such as the RBC Life Safety Expo targeting Grade 7 school kids, fire extinguisher training, fire hall tours, car seat inspections, as well as running every grade three class through the fire safety house were put on last year by our staff. These events provide the department with an opportunity to spread fire and life safety messages, and have been very successful to date.

# Public Safety

## Emergency Operations

In January 2010, Courtenay experienced a significant storm event which resulted in localized flooding, primarily in the area adjacent to the Courtenay and Tsolum rivers.

To ensure the safety of area residents and to deal with the potential for property damage to homes and businesses, Mayor Phelps declared a State of Local Emergency pursuant to the Local Government Act. Emergency evacuations were conducted in the Headquarters Road area, and several City roads were closed.

In order to provide support for resources in the field, the City opened its Emergency Operations Centre (EOC) at City Hall. The EOC accommodated representatives from

several agencies including Comox Valley Ground Search and Rescue, Fire Department, RCMP, Comox Valley Regional District and Ministry of Highways. This allowed for excellent communication between agencies and a consistent organized response.

In December, Courtenay once again experienced a series of storms resulting in flooding concerns in low lying areas. Evacuation alerts were issued to businesses and residents adjacent to the Courtenay, Tsolum and Puntledge rivers. Dove Creek Road near Headquarters Road was closed for several hours due to flooding.

The City opened its EOC to provide support and coordinate resources in the field and gave regular updates to local media. Updates on the City's website also kept the public informed, even on Christmas Day.



The EOC has provisions for back-up electricity in the event of a power outage. It's not only used for emergencies, it's also a multi-purpose training, conference and meeting room. Given the limitations on local government finances, this maximizes the use of space by combining many functions in one area, while providing an excellent EOC when required.

## RCMP

The City contracts police services with the RCMP, and in 2010 there were 30 members working for Courtenay, up by 2 members from 28 in 2009. This represents nearly half of the total number of officers in the Comox Valley.

Over the past year the Comox Valley RCMP detachment has worked in partnership with the City of Courtenay on numerous issues, including graffiti prevention and accountability. RCMP officers work in conjunction with the City's bylaw enforcement officer. While graffiti is still an issue, a combination of community outreach and increased penalties have had a positive effect.

The RCMP detachment has increased their Violence in Relationship unit and now consists of two full-time positions. The members in this section have worked

in collaboration with other community groups and offered assistance to many people who have been victims of domestic abuse. With this combined effort it is hoped that we can continue to make our City a safer community for all of our families.

In the community, this was a record year for involvement with the Cops For Cancer, Tour de Rock fundraiser which saw four participants from the Comox Valley, three from the RCMP detachment. Team members rode 1,000 kilometres from the north end of Vancouver Island to the south, raising money to fight childhood cancer.

The RCMP detachment continued to be involved in the local schools teaching DARE and speaking on other topics to help children and youth in the community make healthy and positive choices.



Cst. Daina Basso, Aux/Cst. Bill Borland and team captain Aux/Cst. Rick Gaiga and their teammates at the 2010 Tour de Rock

The RCMP appreciates the opportunity to serve, and looks forward to many more years of working alongside the City of Courtenay to enhance the community.

# Community Services



## General Enquiries

250-334-4441 • [recreation@courtenay.ca](mailto:recreation@courtenay.ca)

## Recreation Division

Program registrations, memberships & rentals, playing field bookings.

250-338-5371 • [lewis@courtenay.ca](mailto:lewis@courtenay.ca)

Evergreen Seniors, fitness & leisure programs, hall & meeting room rentals.

250-338-1000 • [filberg@courtenay.ca](mailto:filberg@courtenay.ca)

## Parks Division

Parks maintenance, construction.

250-338-1525 • [recreation@courtenay.ca](mailto:recreation@courtenay.ca)

## Property Management

Repairs, maintenance and capital upgrading of City owned buildings.

250-334-4441 • [recreation@courtenay.ca](mailto:recreation@courtenay.ca)

## Cultural Liaison

Sid Williams Theatre  
Courtenay & District Museum  
Comox Valley Centre for the Arts

## Native Sons Hall

The historic Native Sons Hall went through a big transformation in 2010. As the largest free-span log building in Canada, originally constructed in 1928, this unique building required creative solutions to preserve and strengthen the building.

From the Courtenay Free Press, August 27, 1928:

*"This wonderful new hall is the only one of its kind in all of Canada.*

*It stands on a massive foundation overlooking the Comox Valley. It is constructed of beautiful cedar poles combined with giant timbers. The floor is wholly of Canadian Eastern Hard Maple. The Hall is truly a majestic, sturdy and native structure.*

*A hundred years hence people from far and near will come to view what will then be as priceless a novelty as the bastions and forts of a hundred years gone by."*

The restoration of the Native Sons Hall is a testament to the skill and craftsmanship that still exists within the trades in British Columbia. Repairing damaged logs took ingenuity and creativity. New wood was spliced into existing logs, with seams barely discernable. Metal support beams were camouflaged within the structure to avoid disturbing the original design.

Kitchen and bar facilities upstairs feature all new equipment. New windows replicate the look of the originals, but are now thermal paned for better insulation from the elements. Behind the scenes, new wiring, plumbing and heating systems keep the building functioning smoothly and safely.

The official grand reopening took place in August 2010. For information on booking the Native Sons Hall for your event, please contact the Florence Filberg Centre at 250-338-1000.



Photos, clockwise from top right: Mile of Flowers Plant-In, 2010 BC Seniors Games; Galloway Park; Sandra Williams Memorial Garden; Rotary Skypark



### Rotary Skypark

Courtenay's new accessible playground has one of the best views in town. The Rotary Skypark on Mansfield Drive is beside the scenic Courtenay Riverway and Airpark.

The park's equipment includes a rotating net, arch swing, accessible merry-go-round, see-saw, diggers and spinners.

A wheelchair accessible recycled rubber tire surface over the entire park ensures everyone can get to each station. As it may be parents or caregivers with mobility issues, this playground will allow them to take part in the action instead of being stuck watching from the sidelines.

The Rotary Club of Strathcona Sunrise was instrumental in building the park. In addition to raising thousands of dollars, their members volunteered during the parks' construction. The City of Courtenay is grateful for their support, along with the many local businesses who donated money, time and materials to this project.

### 2010 BC Seniors Games

Courtenay, Comox, Cumberland, Campbell River, along with the Comox Valley and Strathcona Regional Districts, hosted the 2010 BC Seniors Games in September. Thousands of participants from around the province took part in a variety of competitions including swimming, ice hockey and golf, providing a tremendous economic boost to our region.

Approximately 1,500 volunteers made this event possible. The City of Courtenay gratefully acknowledges their support, as well as the hard work of the organizing committee led by president Mo Mackendrick.

### Mile of Flowers Plant-In

Each year, hundreds of volunteers get together in late May to plant the Mile of Flowers along Cliffe Avenue. This annual tradition was started in 1967 by Katherine Kirk. It takes approximately 35,000 flowers to fill the Mile.

### Sandra Williams Memorial Garden

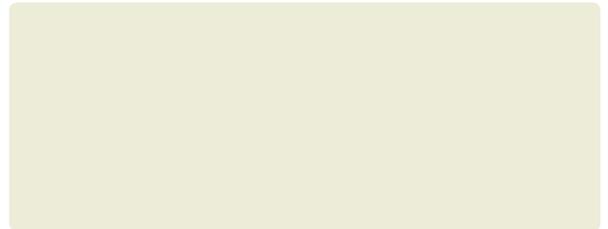
Y.A.N.A. (You Are Not Alone) is a local organization assisting families with care and expenses due to a child's illness and treatment away from home. Founder Sandra Williams sadly passed away in 2009.

To recognize her enormous contribution to our community, the City named its new scattering garden in the Courtenay Cemetery in her honour. The garden is designed as a resting place for cremated remains, and ensures a permanent record is kept by the City. For more information, please call 250-334-4441 or visit [www.courtenay.ca](http://www.courtenay.ca), click on Residents, then Cemetery Information.

### Galloway Park

South Courtenay is home to a new neighbourhood park. Located on the corner of Galloway Crescent and Hornby Place, the park features a rotating net, climbers and spinners. Neighbours provided input on the park's equipment and design.

# Human Resources



The Human Resources department includes occupational health and safety, payroll and benefits, and employee and labour relations components. 2010 was another busy year for Human Resources.

The Joint Occupational Health and Safety Committee (JOHS) focussed on education, including drug awareness (dealing with grow-ops and methamphetamine labs) as well as training opportunities on first aid, fire extinguishers, traffic control, forklift and hydraulic cranes.

Fifty City employees attended Day of Mourning ceremonies in April, held in recognition of employees in British Columbia who have lost their lives through workplace accidents. At City Hall, attendees held a minute of silence and heard speeches by the Mayor, Worksafe BC (WSBC) and Union.

The JOHS Committee's highlight of the year was NAOSH Week (North American Occupational Safety and Health) from May 2 to 8. The committee produced a pamphlet that asked employees "How safe are you at

work, home and play?" They also organized information sessions on a variety of safety topics such as assessing hazardous situations and preventing muscle strains and sprains. Senior management visited various work sites throughout the week to see safety in action first-hand.

The week's highlight was guest presenter Nick Perry, who told employees his story about struggling to put his life back together following a workplace accident more than a decade ago.

The City of Courtenay was subsequently recognized for its efforts and commitment to safety during NAOSH Week, receiving an honorable mention and plaque at a luncheon held by the NAOSH Committee for Safety & Health.

The Human Resources department continued to be actively involved with environmental initiatives through the City's Green Team. In addition, the Workplace Health and Wellness Program continued to work to improve employee's physical and

emotional well-being. The Health and Wellness Program organized staff fundraisers, collecting \$3,800 mainly for local charities. In addition, employees donated toiletries, food, clothing and other gifts. City staff also sponsored several families through the local "Share the Christmas Spirit" Hamper Program. Other initiatives included Comox Valley Bike to Work Week and Healthy Workplace Week, which focused on personal organization and also gave staff access to blood pressure and cholesterol testing.

The Collective Agreement between the City of Courtenay and CUPE Local 556 expired at the end of 2010 and Human Resources spent a significant portion of the year preparing for and participating in collective bargaining. Human Resources continued to work on improving and enhancing the City's recruitment and selection processes as well as ensuring there was ongoing training and development for Managers in the areas of Labour and Employee Relations.

# Financial Services

Collection of revenue including property taxes and utility fees, purchasing, processing of all expenditures, preparation of financial plans, information systems, preparation of financial statements.

250-334-4441 • finance@courtenay.ca

Financial Services includes long-term financial planning, annual budget development, investments, accounting, treasury and cash management and all statutory financial reporting.

All purchasing and stores requirements such as tendering and purchase orders are coordinated through this division. Financial Services staff also calculate and levy property taxes, water, sewer and garbage billings, as well as process other payments made to the City.

The Information Technology Division is also part of the Financial Services Department. The IT staff support all of the City's integrated software applications, network hardware and software, and coordinate telecommunications requirements such as telephones, cell phones and pagers.



## Important 2011 Property Tax Dates

<b>May 24, 2011 (week of)</b>	<ul style="list-style-type: none"> <li>• 2011 Property Tax Notices mailed</li> </ul>
<b>July 4, 2011</b>	<ul style="list-style-type: none"> <li>• Tax payments due</li> <li>• Provincial Home Owner Grant applications due</li> <li>• Tax Deferment applications due</li> <li>• Last day to avoid 10% penalty on unpaid current taxes and unclaimed grants</li> </ul>
<b>July 5, 2011</b>	<ul style="list-style-type: none"> <li>• 10% penalty added to all unpaid current taxes and unclaimed grants</li> </ul>
<b>August 1, 2011</b>	<ul style="list-style-type: none"> <li>• Tax Installment Preauthorized Payment Plan (TIPP) deductions start for the next taxation year</li> </ul>
<b>September 26, 2011</b>	<ul style="list-style-type: none"> <li>• Statutory property tax sale for all properties three years in arrears of taxes</li> </ul>
<b>December 31, 2011</b>	<ul style="list-style-type: none"> <li>• Last day to pay current year taxes prior to rollover into arrears category. (Arrears and delinquent category taxes are subject to a daily interest penalty)</li> </ul>

# Property Tax Exemptions

Every year, the City of Courtenay receives applications from non-profit organizations that qualify for tax exemption under the requirements of Provincial legislation. In 2010, the following exemptions were approved by Council.

Council adopted Permissive Tax Bylaws to exempt the following City owned properties - managed/occupied by non-profit societies - from property taxes in 2010

Registered Owners	Exempt Property Tax Amounts
Eureka Support Society	\$2,419
Royal Cdn. Legion, Courtenay No. 17	6,294
Comox Valley Child Dev. Association	8,324
Alano Club of Courtenay	2,004
Old Church Theatre Society	5,086
Comox Valley Pregnancy Care Centre	919
Comox Valley Recovery Centre Society	3,713
Comox Valley Boys and Girls Club	2,527
Comox Valley Family Services Assoc.	3,599
Glacier View Lodge Society	56,104
Courtenay & District Historical Society	1,606
Comox Valley Curling Club	10,565
Island Corridor Foundation	8,234
St. John the Divine Abbeyfield House Soc.	3,033
Comox Valley Kiwanis Village Society	7,751
L'Arche Comox Valley	789
Comox Valley Transition Society	814
Canadian Red Cross Society	1,415
Aaron House Ministries	2,115
Youth for Christ Comox Valley	541
Stepping Stones Recovery House for Women	856
<b>Total Non-Profit Tax Exemptions</b>	<b>\$128,708</b>

Comox Valley Centre of the Arts	\$22,552
Sid Williams Theatre	23,093
Courtenay & District Museum	17,126
Courtenay Marina	12,550
Courtenay Airpark	90,982
<b>Total City owned properties</b>	<b>\$166,303</b>

Provincial Legislature (the Community Charter) statutorily exempts the building and the land on which the building stands, for places of worship, specific seniors' housing, hospitals and private schools. Council may, by bylaw, permissively exempt the land surrounding the building. In 2010, Council adopted a bylaw to exempt the following surrounding lands.

Grace Baptist Church	\$92
Anglican Synod Diocese of BC	1,157
Central Evangelical Free Church	262
Elim Gospel Hall	568
St. George's Church	572
Calvary Community Church	651
Salvation Army Canada West	304
Lutheran Church	449
Valley United Pentacostal Church	296
Bishop of Victoria-Catholic Church	819
Kingdom Hall of Jehovah Witnesses	471
Seventh Day Adventist Church	306
LDS Church	976
Foursquare Gospel Church of Canada	4,624
<b>Total Permissive Surrounding Statutory Land Tax Exemptions</b>	<b>\$11,547</b>

**Total Permissive Exemptions - Overall** **\$306,558**

# The Corporation of the City of Courtenay

## Management's Responsibility for Financial Reporting

The preparation of information in these Financial Statements is the responsibility of management. The consolidated financial statements have been prepared in accordance with accounting principles generally accepted for British Columbia municipalities and are outlined under "Significant Accounting Policies" in the notes to the financial statements.

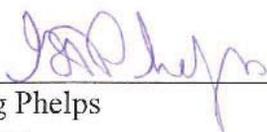
Management maintains a system of internal accounting controls to provide reasonable assurance that assets are safeguarded and that transactions are authorized, recorded, and reported properly. Management also maintains a program of proper business compliance.

Meyers Norris Penny LLP, the City's independent auditors, have audited the accompanying financial statements. Their reports accompany this statement.



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T. Manthey, BA, CGA  
Director of Financial Services



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Greg Phelps  
Mayor

# Meyers Norris Penny

## Auditor's Report



### Independent Auditors' Report

MEYERS NORRIS PENNY LLP

To the Mayor and Council of the City of Courtenay:

We have audited the consolidated statement of financial position of The Corporation of the City of Courtenay as at December 31, 2010, the consolidated statements of operations, change in net debt and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes.

#### *Management's Responsibility for Consolidated Financial Statements*

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

#### *Auditor's Responsibility*

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

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

We believe the audit evidence obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### *Opinion*

In our opinion, these consolidated financial statements present fairly, in all material respects, the financial position of the City as at December 31, 2010 the results of its operations, changes in its net debt, and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Courtenay, BC

April 11, 2011

*Meyers Norris Penny LLP*  
Chartered Accountants



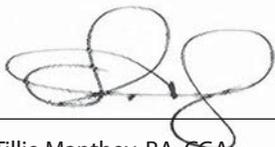
CHARTERED ACCOUNTANTS & BUSINESS ADVISORS  
467 CUMBERLAND ROAD, COURTENAY, BC V9N 2C5  
1-800-445-9988 PH. (250) 338-5464 FAX (250) 338-0609 www.mnp.ca

# The Corporation of the City of Courtenay

## Consolidated Statement Of Financial Position - Statement A

As at December 31, 2010

	2010	2009
<b>FINANCIAL ASSETS</b>		<i>(restated-Note 15)</i>
Cash on hand and on deposit (Schedule 5)	\$26,057,010	\$12,376,406
Receivables	6,074,009	2,993,848
Term Deposits (Schedule 5)	2,087,060	13,112,639
Property acquired for taxes	301	-
	<b>34,218,380</b>	<b>28,482,893</b>
<b>LIABILITIES</b>		
Accounts Payable	7,096,171	5,169,935
Trust and Other Deposits	4,133,797	1,911,889
Deferred Revenue - Federal Gas Tax (Note 5)	2,086,971	2,145,700
Deferred Revenue - Development Cost Charges (Note 7)	2,930,047	3,961,664
Deferred Revenue - Other (Note 10)	394,583	514,427
Long-Term Debt (Schedule 4)	17,554,972	18,403,362
	<b>34,196,541</b>	<b>32,106,977</b>
<b>NET DEBT/NET FINANCIAL ASSETS</b>	21,839	(3,624,084)
<b>NON-FINANCIAL ASSETS</b>		
Inventories	277,662	230,125
Prepaid Expenses	131,159	384,563
Tangible Capital Assets (Schedule 3)	106,779,327	96,134,293
	<b>107,188,148</b>	<b>96,748,981</b>
<b>ACCUMULATED SURPLUS (Schedule 2)</b>	<b>\$107,209,987</b>	<b>\$93,124,897</b>



Tillie Manthey, BA, CGA  
Director of Financial Services

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

# The Corporation of the City of Courtenay

## Consolidated Statement Of Operations - Statement B

For the year ended December 31, 2010

	2010 Budget	2010	2009
	<i>(Unaudited)</i>		
<b>REVENUE</b>			
Taxes for Municipal Purposes	\$19,780,065	\$19,815,702	\$19,446,464
Sale of Services	8,687,964	8,768,903	8,637,281
Revenue from own sources	3,189,150	3,320,416	2,817,102
Federal transfers	1,290,000	1,200,767	150,672
Provincial transfers	3,558,018	4,389,565	1,513,815
Other local government transfers	1,284,256	1,555,197	199,845
Contributions	7,000,242	3,275,224	635,471
DCC Revenue	-	2,777,787	652,217
Investment income and taxation penalties	653,500	622,491	820,132
Other	342,720	357,217	304,569
Gain on sale of capital assets	-	4,374	-
<b>TOTAL REVENUE</b>	<b>45,785,915</b>	<b>46,087,643</b>	<b>35,177,568</b>
<b>EXPENSES</b>			
General government services	3,113,118	2,916,382	2,902,787
Protective services	7,404,238	6,905,541	6,449,394
Transportation services	5,628,113	5,077,115	5,358,252
Sewer and water facilities	7,320,958	6,688,981	6,369,778
Environmental health services	2,180,405	2,180,686	2,134,851
Public health and welfare services	217,225	242,781	222,126
Environmental development services	502,283	396,302	465,228
Recreational and cultural services	7,927,548	7,594,765	7,529,163
<b>TOTAL EXPENSES</b>	<b>34,293,888</b>	<b>32,002,553</b>	<b>31,431,579</b>
<b>ANNUAL SURPLUS</b>	<b>\$11,492,027</b>	<b>\$14,085,090</b>	<b>\$3,745,989</b>
<b>ACCUMULATED SURPLUS AT BEGINNING OF YEAR</b>	<b>93,124,897</b>	<b>93,124,897</b>	<b>89,378,908</b>
<b>ACCUMULATED SURPLUS AT END OF YEAR</b>	<b>\$104,616,924</b>	<b>\$107,209,987</b>	<b>\$93,124,897</b>

The accompanying notes are an integral part of these financial statements

# The Corporation of the City of Courtenay

## Consolidated Statement Of Change in Net Debt - Statement C

For the year ended December 31, 2010

	2010 Budget	2010	2009
	<i>(Unaudited)</i>		
ANNUAL SURPLUS	\$11,492,027	\$14,085,090	\$3,745,989
Acquisition of tangible capital assets	(18,548,058)	(11,288,956)	(5,841,807)
Amortization of tangible capital assets	3,445,832	3,445,832	3,423,961
Gain/loss on sale of tangible capital assets	14	14	84,768
Proceeds on sale of tangible capital assets	1,910,000	1,024	73,729
Developer tangible capital asset contribution	(2,802,950)	(2,802,950)	(97,000)
	(15,995,162)	(10,645,036)	(2,356,349)
Acquisition of supplies inventories		(66,920)	(19,385)
Acquisition of prepaid expense		(131,159)	(384,563)
Consumption of supplies inventories		19,385	7,888
Use of prepaid expense		384,563	357,967
		205,869	(38,093)
<b>CHANGE IN NET FINANCIAL ASSETS/NET DEBT</b>	<b>(4,503,135)</b>	<b>3,645,923</b>	<b>1,351,547</b>
<b>NET FINANCIAL ASSETS/NET DEBT AT BEGINNING OF YEAR</b>	<b>(3,624,084)</b>	<b>(3,624,084)</b>	<b>(4,975,631)</b>
<b>NET FINANCIAL ASSETS/NET DEBT AT END OF YEAR</b>	<b>\$(8,127,219)</b>	<b>\$21,839</b>	<b>\$(3,624,084)</b>

The accompanying notes are an integral part of these financial statements

# The Corporation of the City of Courtenay

## Consolidated Statement Of Cash Flow - Statement D

For the year ended December 31, 2010

	2010	2009
<b>CASH PROVIDED BY (USED IN)</b>		
<b>OPERATING TRANSACTIONS</b>		
Annual Surplus	\$14,085,090	\$3,745,989
Changes in non-cash items including amortization		
Increase in amortization	3,445,832	3,423,961
Increase in receivables	(3,080,161)	10,113
Increase in property acquired for taxes	(301)	-
Increase in accounts payable	1,926,236	(648,746)
Increase in trust and other deposits	2,221,908	(520,055)
Decrease in deferred revenue	(1,210,190)	575,696
Increase in inventories	(47,537)	(11,496)
Decrease (Increase) in prepaids	253,404	(26,596)
Loss on disposal of capital assets	14	84,768
Developer Tangible Capital Asset Contribution	(2,802,950)	(97,000)
Actuarial adjustment	(214,550)	(289,822)
Cash Provided by Operating Transactions	14,576,795	6,246,812
<b>CAPITAL TRANSACTIONS</b>		
Cash used to acquire tangible capital assets	(11,288,956)	(5,841,807)
Proceeds on sale of tangible capital assets	1,024	73,729
Cash Applied to Capital Transactions	(11,287,932)	(5,768,078)
<b>INVESTING TRANSACTIONS</b>		
Term deposits	11,025,579	(13,112,639)
Cash Provided by (applied to) Investing Transactions	11,025,579	(13,112,639)
<b>FINANCING TRANSACTIONS</b>		
Repayment of long-term debt	(1,233,838)	(1,229,362)
Long-term debt proceeds	600,000	3,150,000
Cash Provided by Financing Transactions	(633,838)	1,920,638
<b>INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>13,680,604</b>	<b>(10,713,267)</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>	<b>12,376,406</b>	<b>23,089,673</b>
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	<b>\$26,057,010</b>	<b>\$12,376,406</b>
Interest paid on outstanding debt and included in annual surplus above	\$992,673	\$1,000,533

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

# The Corporation of the City of Courtenay

## Notes to Financial Statements

For the year ended December 31, 2010

The Corporation of the City of Courtenay was incorporated in 1915 under the provisions of the British Columbia Municipal Act. Its principal activities are the provision of local government services to the residents of the Municipality.

### 1. SIGNIFICANT ACCOUNTING POLICIES

#### (a) Basis of Presentation

It is the policy of the City to follow accounting principles accepted for British Columbia municipalities and to apply such principles consistently. The consolidated financial statements include the operations of General, Water Utility, Sewer, Capital, Reserve Funds, and the Sid Williams Theatre Society. They have been prepared using guidelines issued by the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants. The financial resources and operations of the City have been consolidated for financial statement purposes and include the accounts of all of the funds and equity in tangible capital assets of the City. As part of the supplementary information, the resources and operation of the City are segregated into various funds for accounting and financial reporting purposes, each being treated as a separate entity with responsibility for the stewardship of the assets allocated to it.

#### (b) Revenue and Expense Recognition

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

Amortization is based on the estimated useful lives of tangible capital assets.

Revenue is recorded in the period in which the transactions or events that gave rise to the revenue occur. Amounts that have been received in advance of services being rendered are recorded as deferred revenue until the City discharges the obligations that led to the collection of funds. Following are the types of revenue received and a description of their recognition:

Taxes for Municipal Purposes are recognized in the year levied.

Sale of Services are recognized in the year that the service is provided or the amount is earned, provided the amount can be estimated and collection is reasonably assured.

Government Transfers are recognized as revenues in the period in which the events giving rise to the transfer occur and only recorded once authorized, eligibility criteria is met, and the amount can be reasonably estimated.

Contributions are recorded when the event giving rise to the contribution occurs.

DCC Revenue is recorded in the year that it is used to fund a capital project and has been authorized by bylaw.

Investment income, taxation penalties, and actuarial earnings are recorded in the year they are earned.

#### (c) Accrued Payroll Benefits

Earned but unpaid vacation is fully accrued and recorded in the financial statements.

Post employment benefits are accrued and recorded in the financial statements. This amount is provided by an Actuary that the City has engaged.

#### (d) Use of Estimates

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Accounts Receivable are stated after evaluation of their collectability. Post employment benefits are calculated by an Actuary. Prior year tangible capital asset historical costs and related amortization have been calculated

# The Corporation of the City of Courtenay

## Notes to Financial Statements

For the year ended December 31, 2010

by a professional appraiser. Amortization is based on the estimated useful lives of tangible capital assets. These estimates and assumptions are reviewed periodically and as adjustments become necessary they are reported in earnings in the periods in which they become known.

### (e) Inventories

Inventories are valued at the lower of cost and net realizable value.

### (f) Tangible Capital Assets

Tangible capital assets are recorded at cost, net of capital asset disposals, write-downs and amortization. Tangible capital asset expenditures exceeding the following thresholds per major category are capitalized. The average useful life is applied straight line to calculate amortization. In the year of acquisition and disposal, amortization is taken at one-half of the calculated amounts.

Major Asset Category	Threshold	Average Useful Life
Land	\$1	Indefinite
Land Improvements	\$10,000	Varies from 10 to 40 years
Building	\$10,000	Varies from 25 to 60 years
Vehicles, Machinery/Equipment	\$5,000 to \$10,000	Varies from 5 to 25 years
Engineering Structures		
Roads	\$5,000 to \$50,000	Varies from 10 to 60 years
Water	\$5000 to \$10,000	Varies from 8 to 80 years
Sewer	\$10,000	Varies from 8 to 60 years
Other – Includes Storm	\$10,000	Varies from 25 to 75 years
Other Tangible Capital Assets (includes IT software)	\$5,000	5 years

Carrying costs directly attributable to the acquisition, construction or development activity, excluding interest costs, are capitalized to the point in time the asset is substantially complete and ready for use. Contributed tangible capital assets are recorded at their fair value on the date of contribution. Assets under construction are not amortized until the asset is in use.

### (g) Financial Instruments

Financial Instruments consist of cash on hand and deposit, receivables, accounts payable, trusts and other deposits, and long-term debt. It is management's opinion that the Municipality is not exposed to significant interest, currency, exchange, or credit risk arising from these financial instruments.

### (h) Debt Charges

Interest payments are charged against current fund balances in the period they become payable and have been accrued to December 31, 2010. Actuarial adjustments are offset against interest charged. Principal payments are applied directly to loan balances in the period they accrue.

# The Corporation of the City of Courtenay

## Notes to Financial Statements

For the year ended December 31, 2010

### (i) Receivables

Following is a breakdown of receivables outstanding at December 31, 2010 with 2009 comparatives:

	2010	2009
Federal Government	\$2,383,493	\$ 127,824
Provincial Government	1,312,166	330,969
Regional and other Local Governments	542,927	143,434
Property Taxes	648,242	1,402,576
Other	1,187,181	989,045
<b>Total Receivables</b>	<b>\$ 6,074,009</b>	<b>\$ 2,993,848</b>

### (j) Accounts Payable

Following is a breakdown of accounts payable and accrued liabilities outstanding at December 31, 2010 with 2009 comparatives:

	2010	2009
Federal Government	\$1,132,610	\$ 8,063
Provincial Government	1,338,063	85,591
Regional and other Local Governments	448,712	416,095
Trades and accrued liabilities	4,176,786	4,660,186
<b>Total Accounts Payable</b>	<b>\$ 7,096,171</b>	<b>\$ 5,169,935</b>

## 2. CONTINGENT LIABILITIES AND COMMITMENTS

- (a) Regional District debt is, under the provisions of the Local Government Act (Section 836), a direct, joint and several liability of the District and each member municipality within the District, including the Corporation of the City of Courtenay.
- (b) Principal repayments on long-term debt in each of the next five years are estimated as follows:

2011	1,399,193
2012	1,306,613
2013	1,335,997
2014	2,335,211
2015	2,335,211
	<b>\$ 8,752,225</b>

# The Corporation of the City of Courtenay

## Notes to Financial Statements

For the year ended December 31, 2010

(d) The Municipality is obligated to collect and transmit the tax levies of the following bodies:

Provincial Government – Schools  
Comox Valley Regional District  
Comox-Strathcona Regional Hospital District  
Municipal Finance Authority  
British Columbia Assessment Authority  
Downtown Courtenay Business Improvement Area

These levies are not included in the revenues of the Municipality.

- (e) As at December 31, 2010, there existed outstanding claims against the City. These claims have been referred to legal council and to the City's liability insurers. It is not possible to determine the City's potential liability, if any, with respect to these matters. Management has determined that any potential liabilities arising from these outstanding claims are not significant.
- (f) As at December 31, 2010, the City has guaranteed a loan, with an outstanding balance of \$149,093 (2009 - \$167,254), for the Community Futures Development Corporation for the purposes of renovating the Comox Valley Centre for the Arts. Payment under this guarantee is required if the debt holder becomes no longer able to make the required monthly payments. As at December 31, 2010, no liability has been recorded associated with this guarantee.
- (g) As at December 31, 2010, there exists an outstanding loan payable of \$473,988 (2009 - \$709,136) to PT Courtenay Enterprises Ltd. representing the expenses incurred by the company to complete the required off site works around the Chances Courtenay Gaming Centre. This amount is to be reimbursed interest free by the City at the greater of \$150,000 per year or one-third of the gross gaming revenue transferred from the Province of British Columbia annually until the amount is paid in full.

### 3. PENSION LIABILITY

The municipality and its employees contribute to the Municipal Pension Plan (Plan), a jointly trustee pension plan. The Board of Trustees, representing plan members and employers, is responsible for overseeing the management of the Plan, including investment of the assets and administration of benefits. The Plan is a multi-employer contributory pension plan. Basic pension benefits provided are defined. The Plan has about 163,000 active members and approximately 60,000 retired members. Active members include approximately 35,000 contributors from local governments.

Every 3 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, 2009 indicated an unfunded liability of \$1,024 million for basic pension benefits. The next valuation will be as at December 31, 2012 with results available in 2013. The actuary does not attribute portions of the unfunded liability to individual employers. The City of Courtenay paid \$558,605 for employer contributions to the plan in fiscal 2010 (\$523,134 in 2009).

### 4. HOST FINANCIAL ASSISTANCE AGREEMENT

The City of Courtenay is a host community for a casino gaming facility operated under agreement with the British Columbia Lottery Corporation. The City receives a percentage of the net gaming income generated by the Chances Courtenay Gaming Centre to be used for public benefit through a quarterly unrestricted transfer from the Province of British Columbia.

# The Corporation of the City of Courtenay

## Notes to Financial Statements

For the year ended December 31, 2010

### 5. FEDERAL GAS TAX AGREEMENT FUNDS

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

The City of Courtenay received the first contribution of Gas Tax funding in 2005 and reports the balance as deferred revenue until it is used to fund the specified projects outlined in the funding agreement. Interest is accrued and allocated monthly to the balance.

Following is a schedule of Gas Tax receipts and disbursements received in 2010 with comparatives to 2009.

	2010	2009
<b>Opening balance of unspent funds</b>	\$ 2,145,700	\$ 1,201,776
<b>Additions:</b>		
Amounts received during the year	936,961	950,770
Interest earned	6,950	2,989
<b>Deductions:</b>		
Amount spent on projects	(1,002,641)	(9,835)
Amount spent on administration	-	-
<b>Closing balance of unspent funds</b>	<b>\$ 2,086,971</b>	<b>\$ 2,145,700</b>

### 6. DEBENTURE AND OTHER LONG-TERM DEBT

Funding of certain general debenture and other long-term principal and interest debt repayment is provided by sources other than general taxation. Other sources include short term loan proceeds used to bridge the gap for debenture debt proceeds, and lease and rental revenues, which reduce the requirement to fund debt repayment from general taxation revenues. This source of funding detail at the time of the annual tax levy, with 2009 comparatives, is as follows:

	2010	2009
Municipal debt levy, general taxation	\$1,473,313	\$1,671,598
Lease and rental revenues	298,071	299,477
<b>Total funding required – general debt repayment</b>	<b>\$1,771,384</b>	<b>\$1,971,075</b>

# The Corporation of the City of Courtenay

## Notes to Financial Statements

For the year ended December 31, 2010

### 7. DEFERRED REVENUE - DEVELOPMENT COST CHARGES

In order to conform with the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants, the unspent development cost charges in the following financial statements have been recorded as a liability. Following is a breakdown of cash increases and decreases for the General, Water, and Sewer development costs charge reserves for 2009 and 2010.

#### 2010 Development Cost Charge Reserves

	General BL #2017	Water Utility BL #2017	Sewer Utility BL #2017	Sewer Utility BL #1638	Total
<b>Balance Forward</b>	\$2,918,039	\$291,101	\$720,223	\$32,301	\$3,961,664
<b>Increases</b>					
Interest	8,766	893	2,100	87	11,847
Other Contributions	580,097	60,126	91,217	-	731,440
	588,863	61,019	93,317	87	743,286
<b>Decreases</b>					
Revenue Recognized to Fund Capital Projects	(1,236,721)	(56,197)	(481,985)	-	(1,774,903)
Reclassifications, redemptions, refunds				-	-
	(1,236,721)	(56,197)	(481,985)	-	(1,774,903)
<b>Ending Balance Deferred Revenue - DCC</b>	<b>\$2,270,181</b>	<b>\$295,923</b>	<b>\$331,555</b>	<b>\$32,388</b>	<b>\$2,930,047</b>

#### 2009 Development Cost Charge Reserves

	General BL #2017	Water Utility BL #2017	Sewer Utility BL #2017	Sewer Utility BL #1638	Total
<b>Balance Forward</b>	\$3,277,660	\$258,822	\$679,060	\$32,221	\$4,247,763
<b>Increases</b>					
Interest	8,233	651	1,704	80	10,668
Other Contributions	257,118	41,812	56,521	-	355,451
	265,351	42,463	58,225	80	366,119
<b>Decreases</b>					
Revenue Recognized to Fund Capital Projects	(623,707)	(9,931)	(16,616)	-	(650,254)
Reclassifications, redemptions, refunds	(1,265)	(253)	(446)	-	(1,964)
	(624,972)	(10,184)	(17,062)	-	(652,218)
<b>Ending Balance Deferred Revenue - DCC</b>	<b>\$2,918,039</b>	<b>\$291,101</b>	<b>\$720,223</b>	<b>\$32,301</b>	<b>\$3,961,664</b>

# The Corporation of the City of Courtenay

## Notes to Financial Statements

For the year ended December 31, 2010

### 8. ENVIRONMENTAL REGULATIONS

The City makes every reasonable effort to comply with all environmental regulations that apply to its operations. These regulations may require future expenditures to meet applicable standards. Amounts required to meet these obligations will be charged to operations when incurred or set aside as future reserves when they can be reasonably estimated.

### 9. TRUST AND ENDOWMENT FUNDS

(a) The Cemetery Perpetual Care Fund has been assigned to the City to be administered as directed by statute. The City holds the assets for the benefit of, and stands in fiduciary relationship to, the beneficiary. Following is a summary of the financial position and activities for 2009 and 2010, which has been excluded from the City's financial statements.

CEMETERY PERPETUAL CARE FUND FINANCIAL POSITION			CEMETERY PERPETUAL CARE FUND FINANCIAL ACTIVITIES		
	2010	2009		2010	2009
<b>Financial Assets</b>			<b>Revenue</b>		
Cash on Hand	\$27,721	\$18,487	Fees Levied	\$12,290	\$13,172
Investments - MFA	222,550	221,225	Interest Revenue	1,494	3,226
<b>Liabilities</b>			<b>Expenditure</b>		
Interest Payable to City	1,494	3,226	Interest Expense	1,494	3,226
Net Financial Position	\$248,776	\$236,486	Excess Revenue over Expenditure	\$12,290	\$13,172

(b) The Sid Williams Theatre has endowment funds on deposit with the Comox Valley Community Foundation in the amount of \$322,834 (2009 - \$322,834). The principal amount of this endowment cannot be utilized or withdrawn and as such are not considered assets of the City of Courtenay. The endowment funds are not reported as an asset on the balance sheet.

### 10. DEFERRED REVENUE – OTHER

Other Deferred Revenue recorded in the Liability section of the City's Financial Statements consists of the revenues related to Development Cost Charge instalment payments owing from Developers and to be received in future years, business license revenue levied and to be recognized in future years, sewer connection instalment payments owing from property owners and to be recognized in future years, Government transfers received prior to revenue recognition criteria being met, gift certificates issued and to be redeemed in future years at the Sid Williams Theatre, and Surcharge revenue to be recognized in future years at the Sid Williams Theatre. Following is a breakdown of the change in this balance for 2009 and 2010:

	2010	2009
<b>Opening Balance</b>	<b>\$514,427</b>	<b>\$596,556</b>
Additions to Deferred Revenue	383,333	503,254
Payments Collected/Revenue Recognized	(503,177)	(585,383)
<b>Ending Balance Deferred Revenue Other</b>	<b>\$394,583</b>	<b>\$514,427</b>

# The Corporation of the City of Courtenay

## Notes to Financial Statements

For the year ended December 31, 2010

### 11. MFA DEBT RESERVE FUNDS

The City secures its long term borrowing through the Municipal Finance Authority. As a condition of these borrowings a portion of the debenture proceeds are retained by the Authority as a debt reserve fund. These funds are not reported in the financial statements as they are eliminated upon consolidation. As at December 31, 2010 the City had debt reserve funds of \$1,110,504 (\$1,072,556 in 2009).

### 12. EMPLOYEE RETIREMENT BENEFIT LIABILITY

Employees with 10 years of continuous service retiring under the terms of the Municipal Superannuation Act are entitled to a payout of up to 72 days of their accumulated unused sick leave bank and up to a maximum of 8 additional severance days for each year of service in which the employee used no sick leave. Additionally, upon death of the employee, the bank, up to a maximum of 72 days, will be payable to the employee's life benefit beneficiary. The value of this liability is calculated by an Actuary engaged by the City and reflects the likelihood that all eligible City employees will become entitled to this benefit. Actuarial valuation assumptions for 2010 were based on an interest (discount) rate of 4.25% per annum and inflation rate of 2.50% per annum. The unfunded portion of the estimated employee retirement benefit liability at December 31, 2010 is nil. (nil, 2009). The total estimated employee retirement benefit liability at December 31, 2010 is \$709,441 (\$646,872 in 2009) and is included in the accounts payable balance on statement A. Employee retirement benefit payments are funded with a monthly accrual charged to wage expense throughout the year.

### 13. CONSOLIDATED SEGMENT DISCLOSURE BY SERVICE

The City of Courtenay Consolidated Financial Statements includes the financial activities of various services made available to the community. Following is a description of the types of services included in each of the main service segments of the City's financial statements. A detailed summary of the 2010 revenues and expenses with 2009 comparatives for each segment can be found in Schedule 1 of the accompanying financial statements.

#### General Government Services

Provide services related to general corporate and legislative administration as well as human resources, information technology, financial management, and revenues received from the Province related to gaming.

#### Protective Services

Includes services related to providing fire protection, bylaw enforcement, and building inspection to the City, as well as the City's share of expenses related to providing police protection to the Comox Valley.

#### Transportation Services

Includes the delivery of municipal public works services related to planning, development and maintenance of roadway systems, street lighting, and other public works and engineering related services.

#### Environmental Health Services

Includes services related to the collection of garbage, recycling, and yard waste, as well as environmental testing and monitoring.

#### Public Health and Welfare Services

Includes cemetery services.

#### Environmental Development Services

Includes services related to planning, zoning, and sustainability.

# The Corporation of the City of Courtenay

## Notes to Financial Statements

For the year ended December 31, 2010

### Recreational and Cultural Services

Provides recreation and leisure services to the community and includes parks and facilities that allow for fitness, aquatic, cultural, and other activities for the public to enjoy.

### Water Utility Services

Provides for the delivery of water to users and includes the planning, development and maintenance of the City's water infrastructure.

### Sewer Utility Services

Provides for the delivery of sewerage removal and includes the planning, development and maintenance of the City's sewer infrastructure.

### Other Services

Includes the operations of the Sid Williams Theatre.

## 14. TANGIBLE CAPITAL ASSET DETAILS

(See Schedule 3 for further details)

Tangible Capital Assets consist of the following:

	2010	2009
Land	\$20,608,212	\$19,056,543
Land Improvements	2,403,302	1,916,737
Buildings	13,739,282	12,003,588
Equipment, Furniture, & Vehicles	5,418,901	5,722,462
Engineering Structures:		
Roads	42,882,400	39,530,240
Water	8,148,689	7,515,045
Sewer	5,210,286	2,895,501
Other (Includes Storm)	8,234,603	7,371,898
Other Tangible Capital Assets	133,652	122,279
	<b>\$106,779,327</b>	<b>\$96,134,293</b>

The net book value of capital assets not being amortized and under construction in 2010 is \$12,102,095 (\$2,479,476 in 2009).

Contributed capital assets received and recognized in the year from developers, for various infrastructure works and related land and parks, and recorded on the financial statements in 2010 is \$2,802,950 (\$97,000 in 2009)

Tangible capital assets include land under the City's roads, recorded at a nominal amount.

Art and historic treasures are displayed at various city facilities and consist of paintings, historical photographs, sculptures, carvings, and other cultural artefacts. These items have not been included in tangible capital assets due to the inability of estimating future benefits associated with such property.

# The Corporation of the City of Courtenay

## Notes to Financial Statements

For the year ended December 31, 2010

### 15. COMPARATIVE FIGURES

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

### 16. PRIOR PERIOD RESTATEMENT

The budget amounts presented throughout these financial statements are based upon the Five Year Financial Plan approved by Council on May 10, 2010, except in regard to budget amounts for amortization, developer contributions for tangible capital assets and gains and losses on tangible capital asset disposals.

The budget amounts presented throughout these financial statements for the tangible capital asset related budgets are the actual values determined at the completion of the municipalities' tangible capital asset accounting process. These values have been added to the May 10, 2010 budget and actual values in the Financial Statements.

The summary below shows the adjustments to the May 10, 2010 budget approved by Council after adjusting the budget values by the actual revenues and expenses incurred for tangible capital asset related items (amortization, developer contributions for tangible capital assets, and gains and losses on tangible capital asset disposals) that were not included in the approved 2010 budget.

#### Adjustments to 2010 Budgeted Annual Surplus

Annual surplus, as approved May 10, 2010	\$(4,503,115)
Add:	
Revenue from contributed tangible capital assets	2,802,950
Reversal of budgeted capital expenses	18,548,058
Less:	
Increase in amortization expense	(3,445,852)
Increase in loss on disposal of tangible capital assets	(1,910,014)
<b>Annual surplus, as restated</b>	<b>\$11,492,027</b>

# The Corporation of the City of Courtenay

## Consolidated Schedule of Segment Disclosure by Service - Schedule 1

For the year ended December 31, 2010 (Audited)

(Note 13)  
Page 1 of 3

	General Government Services		Protective Services		Transportation Services		Environmental Health Services	
	2010	2009	2010	2009	2010	2009	2010	2009
<b>REVENUE</b>								
Taxation	\$19,815,701	\$19,446,464						
Sales of Services		-	813,687	803,553		-	2,154,707	2,104,920
Revenue from Own Sources		-	695,305	532,222	198,139	203,283		-
Government Transfers	952,646	1,022,464	94,457	16,029	2,362,777	243,589	5,458	21,500
Transfer from Other Funds		-		-	125,000	125,000		-
Other Revenue	129,022	83,701		-	4,374	-		-
Other Contributions		97,000		-	3,078,903	865,717		-
Interest Earned	601,259	809,636	3,747	1,584	3,509	2,535		-
<b>Total Revenues</b>	<b>21,498,628</b>	<b>21,459,265</b>	<b>1,607,196</b>	<b>1,353,388</b>	<b>5,772,702</b>	<b>1,440,124</b>	<b>2,160,165</b>	<b>2,126,420</b>
<b>EXPENSES</b>								
Salaries and Benefits	1,181,664	1,171,540	1,494,566	1,452,059	1,794,541	1,700,604	51,321	57,526
Goods and Services	392,889	461,847	4,979,196	4,532,196	756,306	936,017	1,931,942	1,888,239
Amortization Expense	144,718	106,866	253,199	240,408	2,060,125	2,086,803	163,905	161,782
Debt Servicing	39,140	36,092	79,119	117,760	371,145	221,498		-
Transfer to Other Funds	(2,528,835)	(2,515,834)		-		-		-
Other Expenditures	253,608	235,909	124,460	120,380	94,998	160,970	33,518	27,304
Loss on Disposal of TCA		39		11,591	14	61,574		-
<b>Total Expenses</b>	<b>(516,816)</b>	<b>(503,541)</b>	<b>6,930,540</b>	<b>6,474,394</b>	<b>5,077,129</b>	<b>5,167,466</b>	<b>2,180,686</b>	<b>2,134,851</b>
<b>ANNUAL SURPLUS</b>	<b>\$22,015,444</b>	<b>\$21,962,806</b>	<b>\$(5,323,344)</b>	<b>\$(5,121,006)</b>	<b>\$695,573</b>	<b>\$(3,727,342)</b>	<b>\$(20,521)</b>	<b>\$(8,431)</b>

# The Corporation of the City of Courtenay

## Consolidated Schedule of Segment Disclosure by Service - Schedule 1 (continued)

For the year ended December 31, 2010 (Audited)

(Note 13)  
Page 2 of 3

	Public Health & Welfare Services		Environmental Development Services		Recreational and Cultural Services		Water Utility Services	
	2010	2009	2010	2009	2010	2009	2010	2009
<b>REVENUE</b>								
Taxation								
Sales of Services		-		-		-	3,705,518	3,689,907
Revenue from Own Sources		-	600,249	404,993	1,261,244	1,234,465	105,068	93,663
Government Transfers	109,497	6,770	8,665	40,094	1,243,848	432,442	1,328,771	5,204
Transfer from Other Funds		-		-		-	648,500	645,444
Other Revenue	153,187	145,868		-		-	75,000	75,000
Other Contributions		-	54,500	-	1,581,726	111,329	664,743	12,683
Interest Earned		-	829	395	8,104	979	1,008	575
<b>Total Revenues</b>	<b>262,684</b>	<b>152,638</b>	<b>664,243</b>	<b>445,482</b>	<b>4,094,922</b>	<b>1,779,215</b>	<b>6,528,608</b>	<b>4,522,476</b>
<b>EXPENSES</b>								
Salaries and Benefits	137,835	138,209	351,670	296,718	3,096,354	2,996,473	413,137	380,492
Goods and Services	81,484	62,739	35,342	98,333	1,907,147	1,964,955	3,636,997	3,578,515
Amortization Expense	11,125	6,077	2,533	2,533	532,626	523,427	212,601	231,419
Debt Servicing		-		-	149,102	182,856	25,444	26,316
Transfer to Other Funds		-		-	(130,000)	(130,000)	(75,000)	(75,000)
Other Expenditures	12,338	15,100	6,757	67,644	1,255,663	1,165,202	(109)	37,265
Loss on Disposal of TCA		-		-		11,564		-
<b>Total Expenses</b>	<b>242,782</b>	<b>222,125</b>	<b>396,302</b>	<b>465,228</b>	<b>6,810,892</b>	<b>6,714,477</b>	<b>4,213,070</b>	<b>4,179,007</b>
<b>ANNUAL SURPLUS</b>	<b>\$19,902</b>	<b>\$(69,487)</b>	<b>\$267,941</b>	<b>\$(19,746)</b>	<b>\$(2,715,970)</b>	<b>\$(4,935,262)</b>	<b>\$2,315,538</b>	<b>\$343,469</b>

# The Corporation of the City of Courtenay

## Consolidated Schedule of Segment Disclosure by Service - Schedule 1 (continued)

For the year ended December 31, 2010 (Audited)

(Note 13)  
Page 3 of 3

	Sewer Utility Services		Other Services		Inter-Segment Eliminations		Consolidated	
	2010	2009	2010	2009	2010	2009	2010	2009
<b>REVENUE</b>								
Taxation							\$19,815,701	\$19,446,464
Sales of Services	2,094,998	2,038,901		-		-	8,768,910	8,637,281
Revenue from Own Sources	27,842	13,165	532,571	435,311	(100,000)	(100,000)	3,320,418	2,817,102
Government Transfers	989,510	10,490	49,902	65,750		-	7,145,531	1,864,332
Transfer from Other Funds	1,880,335	1,870,390	130,000	130,000	(2,783,835)	(2,770,834)	-	-
Other Revenue		-		-		-	361,583	304,569
Other Contributions	665,620	102,312	7,517	98,647		-	6,053,009	1,287,688
Interest Earned	4,035	4,428		-		-	622,491	820,132
<b>Total Revenues</b>	<b>5,662,340</b>	<b>4,039,686</b>	<b>719,990</b>	<b>729,708</b>	<b>(2,883,835)</b>	<b>(2,870,834)</b>	<b>46,087,643</b>	<b>35,177,568</b>
<b>EXPENSES</b>								
Salaries and Benefits	282,534	284,698	427,778	434,588		-	9,231,400	8,912,907
Goods and Services	704,446	627,947	291,765	293,299	(100,000)	(100,000)	14,617,514	14,344,087
Amortization Expense	65,000	64,646		-		-	3,445,832	3,423,961
Debt Servicing	130,357	133,790		-		-	794,307	718,312
Transfer to Other Funds	(50,000)	(50,000)		-	2,783,835	2,770,834	-	-
Other Expenditures	2,122,923	2,117,770	9,330	-		-	3,913,486	3,947,544
Loss on Disposal of TCA		-		-		-	14	84,768
<b>Total Expenses</b>	<b>3,255,260</b>	<b>3,178,851</b>	<b>728,873</b>	<b>727,887</b>	<b>2,683,835</b>	<b>2,670,834</b>	<b>32,002,553</b>	<b>31,431,579</b>
<b>ANNUAL SURPLUS</b>	<b>\$2,407,080</b>	<b>\$860,835</b>	<b>\$(8,883)</b>	<b>\$1,821</b>	<b>\$(5,567,670)</b>	<b>\$(5,541,668)</b>	<b>\$14,085,090</b>	<b>\$3,745,989</b>

# The Corporation of the City of Courtenay

## Consolidated Schedule Of Accumulated Surplus - Schedule 2

For the year ended December 31, 2010 (Unaudited)

	2010	2009
<b>Surplus</b>		
Invested in Tangible Capital Assets	\$89,224,355	\$77,730,931
General Operating Fund	3,322,609	2,912,383
General Capital Fund	2,565,910	2,824,538
Water Utility Operating Fund	1,792,457	1,625,879
Water Utility Capital Fund	108,869	108,869
Sewer Utility Operating Fund	2,084,514	1,933,706
Sewer Utility Capital Fund	31,382	31,382
Sid Williams Theatre Society	78,297	87,184
Gaming Fund	1,085,833	801,847
<b>Total Surplus</b>	<b>100,294,226</b>	<b>88,056,719</b>
<b>Reserves</b>		
General Fund Reserves:		
Machinery and Equipment	900,531	573,192
Land Sale	248,512	310,179
New Works and Equipment	3,105,283	2,832,318
Public Parking	7,853	100,518
Parkland Acquisition	91,285	91,040
Housing Amenity	41,110	
Amenity	110,835	
	4,505,409	3,907,247
Water Utility Reserves:		
Water Utility	1,485,729	159,925
Machinery and Equipment	182,439	151,950
	1,668,168	311,875
Sewer Utility Reserves:		
Sewer Utility	569,995	738,053
Machinery and Equipment	172,189	111,003
	742,184	849,056
<b>Total Reserves</b>	<b>6,915,761</b>	<b>5,068,178</b>
<b>ACCUMULATED SURPLUS (Statement A)</b>	<b>\$107,209,987</b>	<b>\$93,124,897</b>

# The Corporation of the City of Courtenay

## Consolidated Statement of Tangible Capital Assets - Schedule 3

For the year ended December 31, 2010

COST	Land		Engineering Structures				Other Tangible Capital Assets	Total	2009		
	Land Improvements	Buildings	Equipment/ Furniture/ Vehicles	Roads	Water	Sewer					
Opening Balance - Tangible Capital Assets	\$19,042,564	\$3,178,777	\$18,373,876	\$11,516,265	\$69,093,474	\$12,110,069	\$3,398,851	\$12,502,541	\$481,843	\$149,698,260	\$145,478,888
Opening Balance Construction-in-progress	\$13,979	\$199,314	\$348,651	\$93,688	\$1,163,018	\$73,111	\$442,719	\$111,071	\$33,925	\$2,479,476	\$1,290,080
Add: Additions	1,550,960	69,405	359,589	401,510	860,535	597,189	278,151	230,733	55,859	4,403,931	4,275,860
Add: Construction-in- progress	709	549,394	1,775,489	15,000	4,135,838	281,400	2,101,634	891,073		9,750,537	1,662,947
Less: Disposals	-	-	-	(20,753)	(4,384)	(440)	-	-	-	(25,577)	(530,039)
Less: Write-downs	-	-	-	-	-	-	-	-	-	-	-
Closing Balance	20,608,212	3,996,890	20,857,605	12,005,710	75,248,481	13,061,329	6,221,355	13,735,418	571,627	166,306,627	152,177,736
ACCUMULATED AMORTIZATION											
Opening Balance	-	1,461,354	6,718,939	5,887,491	30,726,252	4,668,135	946,069	5,241,714	393,489	56,043,443	52,991,025
Add: Amortization	-	132,234	399,384	719,033	1,644,213	244,945	65,000	259,101	44,486	3,508,396	3,423,961
Less: Accum Amortiza- tion on Disposals	-	-	-	(19,715)	(4,384)	(440)	-	-	-	(24,539)	(371,543)
Closing Balance	-	1,593,588	7,118,323	6,586,809	32,366,081	4,912,640	1,011,069	5,500,815	437,975	59,527,300	56,043,443
<b>Net Book Value for year ended December 31, 2010</b>	<b>\$20,608,212</b>	<b>\$2,403,302</b>	<b>\$13,739,282</b>	<b>\$5,418,901</b>	<b>\$42,882,400</b>	<b>\$8,148,689</b>	<b>\$5,210,286</b>	<b>\$8,234,603</b>	<b>\$113,652</b>	<b>\$106,779,327</b>	<b>\$96,134,293</b>

# The Corporation of the City of Courtenay

## Consolidated Schedule of Debenture and Other Long-Term Debt - Schedule 4

For the year ended December 31, 2010 (Unaudited)

Bylaw Number		Maturity Date	Interest Rate	Principal Outstanding Dec 31/09	Current Year Borrowing	Actuarial Adjustmnt/ Princ. Reduct.	Principal Outstanding Dec 31/10
<i>(Note 6)</i>							
<b>General Capital Fund</b>							
Debenture Debt							
2088	Museum	2015	6.45	158,927		23,660	135,267
2092	Firehall	2015	6.45	1,222,509		182,005	1,040,504
2093	Sid Williams Theatre	2015	6.45	1,222,509		182,005	1,040,504
2171	Library	2021	5.69	1,778,027		111,704	1,666,323
2266	Infrastructure Works - MFA	2018	4.78	261,930		23,755	238,175
2266	Fifth Street Bridge	2023	5.15	434,652		23,762	410,890
2304	Lerwick Road Ext. Prop Acquisition	2029	4.86	884,225		26,741	857,484
2227	City Hall Retaining Wall	2020	5.00	126,066		9,348	116,718
2354	Repaving Program	2025	5.75	419,069		21,539	397,530
2355	Lerwick Road Extension	2030	5.75	628,624		19,663	608,961
2356	City Hall Renovation	2020	5.50	669,738		49,660	620,078
2425	Lerwick Road Construction	2026	4.66	644,523		27,198	617,325
2453	Police Property Acquisition	2026	4.43	1,279,648		53,999	1,225,649
2458	Public Works Maintenance Building	2022	4.52	1,414,540		85,075	1,329,465
2539	Capital Infrastructure Work	2023	4.13	3,150,000		157,314	2,992,686
2538	Native Sons Hall Renovation	2025	est 4.5		600,000		600,000
				14,294,987	600,000	997,428	13,897,559
Other long-term debt							
2436	Youth Centre, Short Term Capital (5 yr)	2010	3.75	104,000		104,000	-
	Offsite Works Loan Payable to Developer (Note 2)	2015		709,136		235,148	473,988
				813,136	-	339,148	473,988
<b>TOTAL GENERAL CAPITAL FUND</b>				<b>15,108,123</b>	<b>600,000</b>	<b>1,336,576</b>	<b>14,371,543</b>
<b>Water Capital Fund</b>							
Debenture Debt							
2424	Water Extension - Lerwick Road	2026	4.66	537,103	-	22,665	514,438
<b>TOTAL WATER CAPITAL FUND</b>				<b>537,103</b>	<b>-</b>	<b>22,665</b>	<b>514,438</b>
<b>Sewer Capital Fund</b>							
Debenture Debt							
2305	Sewer Extension	2029	4.86	663,169	-	20,056	643,113
2353	Sewer Extension	2030	5.00	1,769,125	-	55,339	1,713,786
2423	Sewer Extension - Lerwick Road	2026	4.66	325,842	-	13,750	312,092
<b>TOTAL SEWER CAPITAL FUND</b>				<b>2,758,136</b>	<b>-</b>	<b>89,145</b>	<b>2,668,991</b>
<b>TOTAL ALL CAPITAL FUNDS</b>				<b>18,403,362</b>	<b>600,000</b>	<b>1,448,386</b>	<b>17,554,972</b>

# The Corporation of the City of Courtenay

## Consolidated Schedule Of Investments - Schedule 5

For the year ended December 31, 2010 (Unaudited)

	2010	2009
<b>GENERAL OPERATING FUND - Cash on hand</b>	\$24,769,319	\$11,481,647
<b>GAMING FUND - Cash on Hand</b>	\$986,739	\$692,612
<b>SID WILLIAMS THEATRE SOCIETY - Cash on hand</b>	\$300,952	\$202,148
<b>Total cash on hand and on deposit</b>	<b>\$26,057,010</b>	<b>\$12,376,406</b>
 <b>GENERAL OPERATING FUND TERM DEPOSITS</b>		
Municipal Finance Authority, Money Market Fund at fluctuating rate, no maturity date	15,758	5,010,865
The Canadian Western Bank, various guaranteed investment certificates		6,030,472
The Bank of Nova Scotia, various guaranteed investment certificates	2,071,302	2,071,302
<b>Total Term Deposits</b>	<b>2,087,060</b>	<b>13,112,639</b>
<b>TOTAL CASH ON HAND AND ON DEPOSIT (Statement A)</b>	<b>\$28,144,070</b>	<b>\$25,489,045</b>

# A Vision for the Future

The following outlines key goals for the City of Courtenay to pursue in the 2009-2011 term:

## 1. Economic development

The City of Courtenay has limited jurisdiction over issues that stimulate economic development, however within their jurisdiction, resources and ability to influence other stakeholders, the following outlines key economic development goals:

- Increase the diversity and sustainability of the City's economy
- Attract and promote advanced and progressive businesses in the clean, green economy
- Enhance the reputation of the City and the Comox Valley as a place to invest and do business
- Enhance regional cooperation in promoting economic development
- Be fiscally responsible in managing taxation and expenditure levels
- Place a priority on supporting sectors where the Comox Valley has a competitive advantage

## 2. Environment and Parks

- Develop and implement environmental protection and enhancement plans that address both local and global environmental issues
- Promote ongoing work to acquire land and develop parks
- Develop or update plans and strategies to support an excellent supply of high quality park space in the City



## 3. Community facilities

- Work to build a strong sense of community spirit and commitment to the well-being of all residents of Courtenay
- Take a leadership position in the development of a regional facilities strategy to address priorities, location, and equitable financing across the Valley, and thereby to streamline recreational services across the Valley
- Enhance the cultural facilities and vitality in the City
- Enhance the sports and recreation infrastructure in the City
- Enhance facilities that meet the needs of seniors
- Promote the development of sustainable buildings for all civic facilities
- Develop necessary facilities to promote the safety of City residents

## 4. Transportation

- Develop and update transportation plans to meet the City's social, economic and environmental goals
- Develop an Active Transportation Strategy for the City to promote walking and cycling
- Promote the further development of transit services throughout the City and the region
- Continue to work to strategically to add road capacity where absolutely necessary, in the context of a commitment to reduce emissions, reduce vehicle use and to become more sustainable
- Pursue innovative street and intersection design standards for the City
- Develop financial strategies to promote sustainable transportation alternatives and infrastructure renewal



## 5. Housing

- Develop effective housing plans and tools to address the City's housing needs
- Develop strategies to promote infill development in existing areas in the City
- Develop strategies to address issues of homelessness and the need for low income housing in the City
- Develop financial strategies to support the meeting of housing needs

## 6. Water, Wastewater and Solid Waste

- Support the completion and commence implementation of the regional water and wastewater management plans
- Promote the conservation of water and the reduction of environmental impact on watersheds and waterways
- Promote a sustainable water supply strategy & develop the necessary infrastructure to meet water and wastewater objectives
- Promote a sustainable wastewater collection and treatment system and develop wastewater reduction plans and the necessary infrastructure to meet wastewater objectives
- Promote education & dialogue on water-related issues in the City & across the region
- Promote and support initiatives on education related to rivers, water courses, wetlands and storm drainage systems
- Promote recycling in the city to divert waste from the land fill

## 7. Regional Cooperation

- Take a proactive leadership role in building and maintaining a strong regional partnership in addressing issues that are central to a sustainable and well-functioning region
- Work with regional partners to establish an effective regional growth strategy that meets Courtenay's interests and supports the region's sustainability goals
- Develop effective strategies for sharing services and cost-sharing protocols amongst regional partners for infrastructure and facilities that benefit residents of the entire region
- Promote public engagement, education and participation in discussion and decisions on key regional issues

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