

**CORPORATION OF THE CITY OF COURTENAY
COUNCIL MEETING AGENDA**

DATE: November 20, 2017
PLACE: City Hall Council Chambers
TIME: 4:00 p.m.

1.00 ADOPTION OF MINUTES

1. Adopt November 6th, 2017 Regular Council meeting minutes and November 14th Special Council meeting minutes

2.00 INTRODUCTION OF LATE ITEMS

3.00 DELEGATIONS

- 1 1. Brian McKay, Royal Vista Way Traffic

4.00 STAFF REPORTS/PRESENTATIONS

(a) Development Services

- 15 1. Development Variance Permit No. 1705 – 1089 Braidwood Road

(b) Financial Services

- 33 2. Audit Service Plan for Year Ending December 31, 2017

5.00 EXTERNAL REPORTS AND CORRESPONDENCE FOR INFORMATION

6.00 INTERNAL REPORTS AND CORRESPONDENCE FOR INFORMATION

- 51 1. Briefing Note – Investing City Funds
- 53 2. Memo – Lewis Park Staircase Project

7.00 REPORTS/UPDATES FROM COUNCIL MEMBERS INCLUDING REPORTS FROM COMMITTEES

8.00 RESOLUTIONS OF COUNCIL

1. In Camera Meeting

That notice is hereby given that a Special In-Camera meeting closed to the public will be held November 20th, 2017 at the conclusion of the Regular Council Meeting pursuant to the following sub-sections of the *Community Charter*:

- 90 (1)(e) the acquisition, disposition or expropriation of land or improvements, if the council considers that disclosure could reasonably be expected to harm the interests of the municipality;

9.00 UNFINISHED BUSINESS

10.00 NOTICE OF MOTION

11.00 NEW BUSINESS

- 55 1. Request for Support and Road Closure, CVEDS – Winterfest 2018
- 57 2. Invitation to *Housing Partnership Conference* December 7 & 8, 2017, received from the Minister of Municipal Affairs and Housing

12.00 BYLAWS

For First, Second and Third Reading

- 59 1. “Officer’s Designation and Establishment of Powers, Duties, and Responsibilities Bylaw No. 2913, 2017”
(A bylaw to designate and to establish the powers, duties, and responsibilities of Officers for the City of Courtenay)

For Final Adoption

- 63 1. “Assessment Appeals Reserve Bylaw No. 2896, 2017”
(Create a reserve to provide funding for Assessment Appeal losses exceeding current year budgeted dollars)
- 65 2. “City of Courtenay Fees and Charges Amendment Bylaw No. 2904, 2017”
(to repeal Solid Waste Collections Fees Amending Bylaw 2865, 2016)

13.00 ADJOURNMENT

NOTE: There is a Public Hearing scheduled for 5:00 p.m. regarding:

Zoning Amendment Bylaw No. 2900 to Allow for a Secondary Detached Dwelling at
191 Willemar Avenue

PETITION TO RESTRICT DEVELOPMENT TRUCK TRAFFIC ON ROYAL VISTA WAY, MAJESTIC DRIVE & CROWN ISLE DRIVE

Mayor Jangula and Councilors:

We, the undersigned petitioners, request that the Mayor & Councilors take the necessary steps to restrict the excessive, heavy traffic on Royal Vista Way, Majestic Drive and Crown Isle Drive. This includes dump trucks and heavy equipment required for mass clearing and preparation of development areas. Large and all support vehicle traffic to and from the Golf Course Maintenance Yard via the Majestic Drive access should also be restricted.

Additionally, we are concerned that the developers will continue to haul soil & debris from Phases V & VI along the planned Crown Isle Drive extension to Royal Vista Way.

To this end, we are proposing an easy solution to the problem.

THE PROBLEM:

We are not attempting to stand in the way of development and fully understand the necessity of temporary access to allow for the removal of soil and the delivery of construction materials and equipment to individual sites within our community. However, the continued use of these streets as truck routes goes far beyond the intent of "delivery of localized construction materials" and has increased the danger and reduced the safety on these residential streets since May 2017.

Furthermore, trucks have been hauling development excavation soils and material from outside the immediate Crown Isle subdivision to the storage/dump site beyond Royal Vista Way.

PETITION TO RESTRICT DEVELOPMENT TRUCK TRAFFIC ON ROYAL VISTA WAY, MAJESTIC DRIVE & CROWN ISLE DRIVE

Royal Vista Way/Majestic Drive have only one access/egress point, the increase in heavy development traffic, not to be confused with construction traffic, has compounded the already high volume of residential traffic. This additional commercial vehicle traffic has greatly interfered with the safe and peaceful enjoyment of our properties due to the dirt, dust, emissions and noise. Several near accidents have been witnessed adding to our concerns; not to mention the damage to the physical structure of the roadway.

In addition to the dump trucks, all vehicular traffic to the golf course maintenance yard must travel on these streets. This includes large triple axle fuel trucks, a violation of the Transport of Dangerous Goods in a residential area, heavy equipment "low boys", as well as the delivery of parts & materials and regular staff access.

It goes without saying that these streets were not designed to withstand these heavy, constant loads. Existing cracks in the pavement have already lengthened.

In that the Ministry of Transportation & Infrastructure has closed the golf course maintenance access to and from Ryan Road, we understand the problem this presents. However, to continue to ignore the damage which is already beginning to appear will only result in major repairs in the not-too-distant future. The cost to the taxpayer will far out weigh the convenience of the current route for the developers.

Our concern is magnified by the fact that the soil being taken to the storage site will be re-delivered as cleaned top soil to the newly developed subdivisions as they are ready to be landscaped. This means duplicating the amount of heavy-truck traffic we have already experienced.

STATISTICS: (Number of Dump Trucks Trips – 8-hour Day on Royal Vista Way)

Peak Usage: 160 Round Trips/Day = 800/wk = 3200/mth = 19,200/6 months
Moderate: 100 Round Trips/Day = 500/wk = 2000/mth = 12,000/6 months
Light Usage: 40 Round Trips/Day = 200/wk = 800/mth = 4,800/6 months

Interestingly, when the Traffic Monitoring Tubes were in place, dump truck traffic ceased completely during that week.

PETITION TO RESTRICT DEVELOPMENT TRUCK TRAFFIC ON ROYAL VISTA WAY, MAJESTIC DRIVE & CROWN ISLE DRIVE

THE SOLUTION:

We accept that the upgrade to the Ryan Road access, as required by the MoTI, would be the most expensive option. We therefore propose that the simplest and least expensive solution would be to require this type of traffic be re-routed to Atlas Road via Ryan and Anderton Roads where an access already exists.

Stacy McCrae, from the Ministry of Transportation & Infrastructure, has informed us that this route could be a suitable alternative. Unlike the requirements for a Ryan Road access, there would be very few, if any, requirements to use the Atlas Road access.

ATTACHMENTS:

- A: Current & Future Truck Routes (from Courtenay 2005 Traffic Study)
- B: Existing Road Classifications (from Courtenay 2005 Traffic Study)
- C: Photos of examples of the type of heavy vehicles using Crown Isle Drive, Royal Vista Way & Majestic Drive (Note: The driver of the "Benco" truck drove onto the sidewalk, passing two cars, the first of which was making a left turn in the Majestic Drive – Royal Vista intersection).



ANDERTON ROAD
ATLAS ROAD

Crown Isle

RESORT & GOLF COMMUNITY

WWW.CROWNISLE.COM

Direct line: (250) 703-5056
Toll Free: 1(888) 338-8439
Email: info@crownsle.com

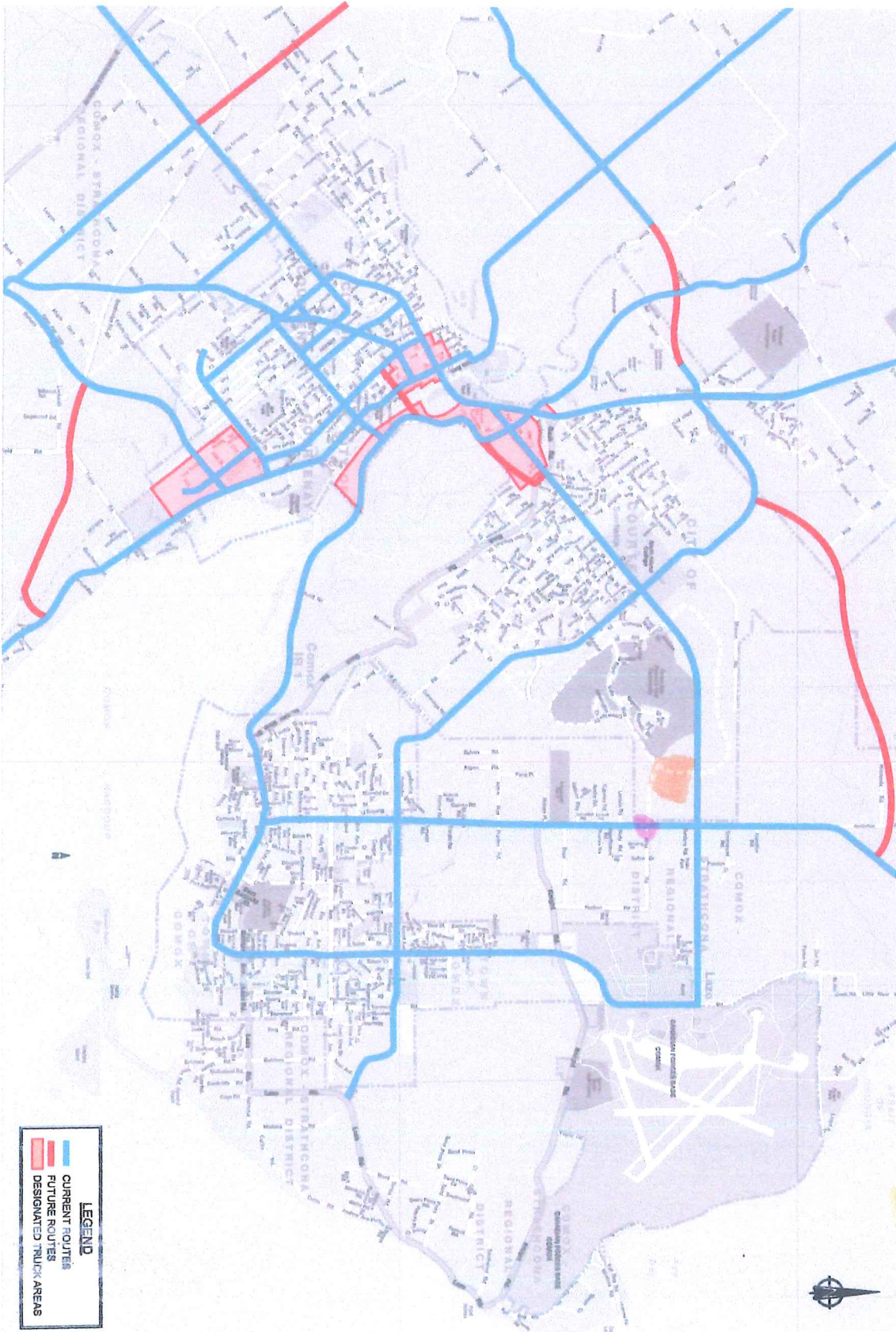
399 Clubhouse Drive, Courtenay
Vancouver Island, British Columbia
Canada V9N 9G3

DEVELOPED BY SILVERADO LAND CORP

TO DOWNTOWN COURTYARD



Developer reserves the right to modify any existing and future developments.



DUMP SITE

ATLANS ROAD ACCESS

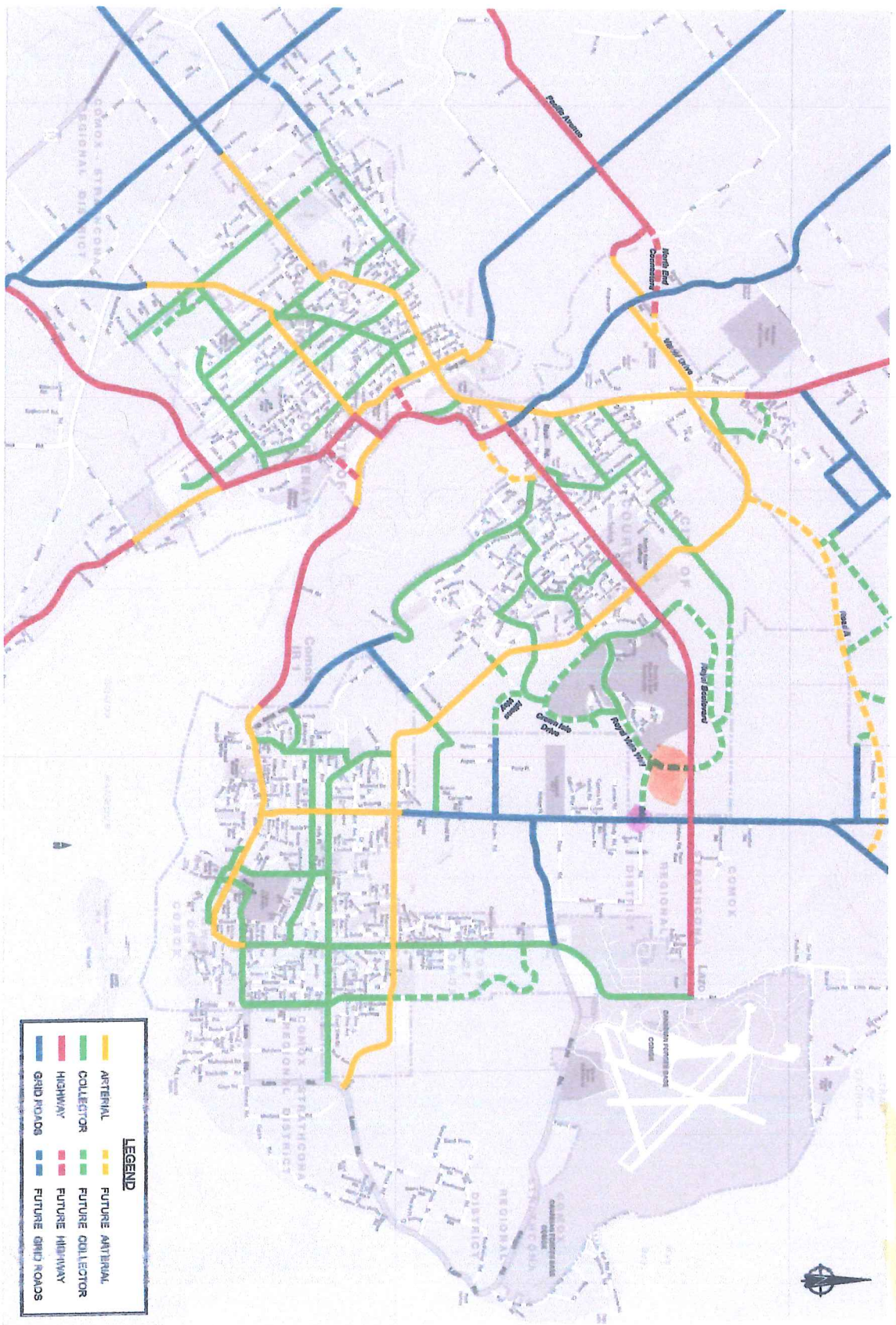
EXHIBIT 5.8
FUTURE TRUCK ROUTES MAP

A:

Atlas Road Access

Dump Site

EXISTING ROAD CLASSIFICATION Exhibit 2.1



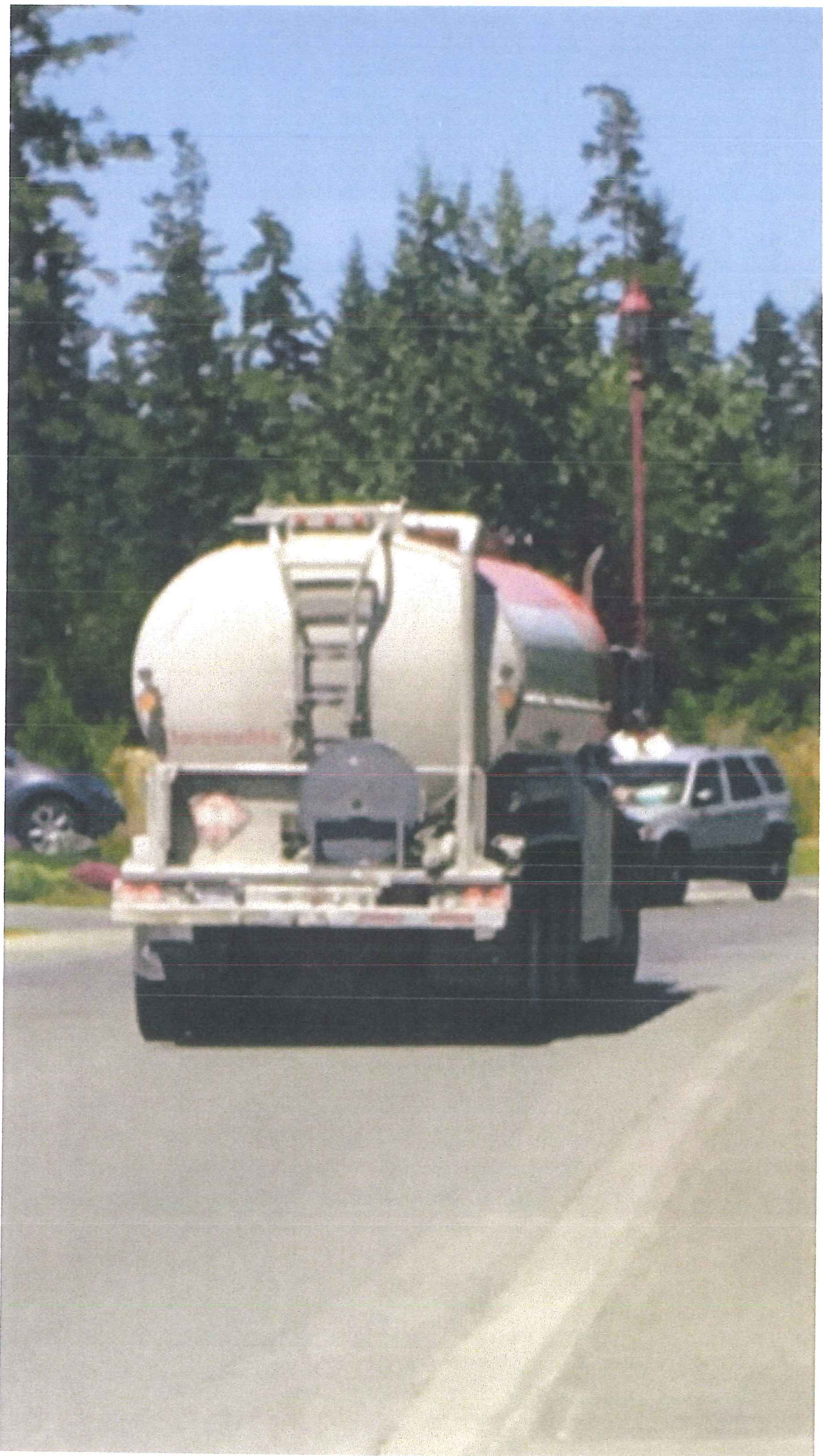
LEGEND

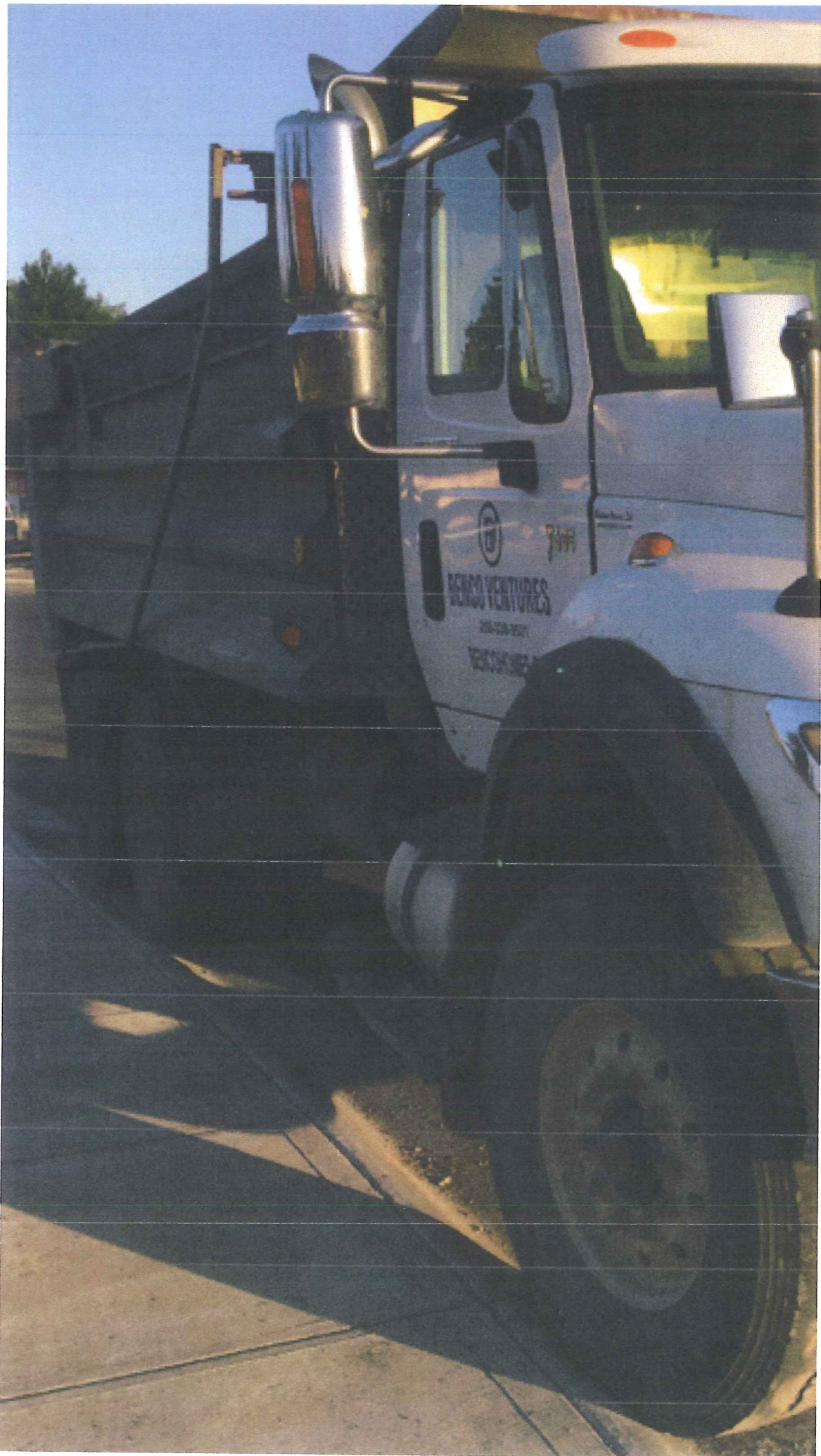
	ARTERIAL		FUTURE ARTERIAL
	COLLECTOR		FUTURE COLLECTOR
	HIGHWAY		FUTURE HIGHWAY
	GRID ROADS		FUTURE GRID ROADS

B:











TRUCK ACCESS VIA
ANDERTON RD OTHER
VEHICLES
ACCESS VIA
MAJESTIC DRIVE



TRUCK ACCESS VIA

ANDERTON RD OTHER

VEHICLES

ACCESS VIA

MAJESTIC DRIVE





STAFF REPORT

To: Council
From: Development Services Department
Subject: Development Variance Permit No. 1705 – 1089 Braidwood Road

File No.: 3090-20-1705
Date: November 20, 2017

PURPOSE:

The purpose of this report is to consider a Development Variance Permit to vary provisions of the City's Sign Bylaw to allow a freestanding sign with an electronic message board on a commercial property. The property is legally described as Lot C, Section 16, Comox District, Plan 18531.

CAO RECOMMENDATIONS:

That based on the November 20th, 2017 staff report "Development Variance Permit No. 1705 – 1089 Braidwood Road", Council support approving OPTION 1 and not issue Development Variance Permit No. 1705.

Respectfully submitted,

David Allen, BES, CLGEM, SCLGM
Chief Administrative Officer

BACKGROUND:

The subject property is located at 1089 Braidwood Road, is zoned C-2A (Commercial Two A Zone) and is occupied by the Prime Chophouse Restaurant. The property is 4,700 m² (0.47 ha) in size.

The Prime Chophouse ("the applicant") is proposing to erect a second freestanding sign that includes an electronic message board. The electronic message board will be used to display directions to the restaurant, the current date, time and temperature and to advertise events occurring on the property.

A free standing sign is defined as "a permanent sign standing apart from a building that is affixed to the ground."

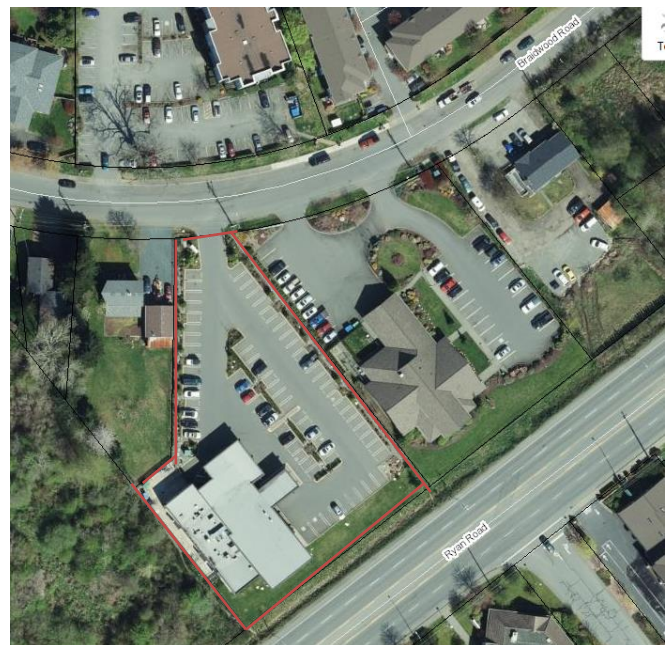


Figure No. 1: Subject Property (outlined in red)

The proposed sign will have a sign area of 4.0 m², an electronic message board that represents 39.8 percent of the sign area (1.53 m²) and a height of 3.48 m. Regarding location, the proposed sign will be setback 5.1 metres from the property line adjacent to Ryan Road. The applicant’s submissions are referenced in **Attachment No. 2**.

The sign will be monument style which is a low profile sign supported by a base that extends the entire length of the sign. A review of the applicant’s submissions indicates that the applicant is proposing a two-sided sign including an LED illuminated cabinet, acrylic faces, black opaque graphics and white illuminated lettering. The poles, roof structure and channel pieces will be overlaid with cedar cladding. The drawings indicate that the panelling on the lower portion of the sign will be aluminium and painted to match the colour of the existing building.

The applicant notes that the sign will be situated in a landscaped area of 10 m². The landscaped area will act to enhance the aesthetics of the sign and will screen the sign’s base. The applicant has noted the landscaping material is English Yew which was intentionally chosen to match the existing plantings located in the parking area.



Figure No. 2: Existing Sign (located at the Braidwood Road access)



Figure No. 3: Proposed Freestanding Sign (east elevation)



Figure No. 4: Mature English Yew



Figure No. 5: English Yew in the parking area of 1089 Braidwood

DISCUSSION:

The City of Courtenay regulates the number, size, type, form, appearance and location of signs within City boundaries. The intent of the Sign Bylaw is to encourage aesthetically pleasing and harmonious streetscapes and to prevent erecting signs that pose a safety or hazard to life or property, create traffic

hazards or interfere with traffic control devices. Table 1 below includes the Sign Bylaw’s regulations applicable to electronic message boards and highlights the variance sought by the applicant.

The application is subject to the regulations outlined within Section 5.3.5 of the Sign Bylaw for freestanding signs in commercial areas. The bylaw regulates the number of signs permitted on the parcel, sign location, design, size and height. A detailed review of the applicant’s submissions indicates the applicant meets all other relevant bylaw requirements referenced in Section 5.3.5 for parcels larger than 3,000 m² that are less than 2.0 ha.

Table 1: Summary of Section 5.4.2 and Variance Being Sought by Applicant

Electronic Message Board Regulations for Institutional Properties Section 5.4.2, Sign Bylaw No. 2760, 2013 (not contemplated for commercial properties)	Variance Sought by Applicant
<p>Freestanding signs that incorporate an electronic message board are permitted on institutional zoned properties (PA-1, PA-2, PA-3 and PA-4 Zones);</p> <ul style="list-style-type: none"> i. the electronic message board can be no more than 40% of the sign area; ii. the electronic message board must only be used to advertise uses, events and activities occurring on the property or the time and temperature; iii. each message must remain static for a minimum of 10 seconds; iv. the sign must not use scrolling, fading, flashing or animated display; and v. the electronic message board must be a monochromatic display and must include automatic dimming features to reduce light intensity in lower ambient light conditions. 	<p>The applicant is requesting that the electronic message board be permitted on a property that is commercially zoned (C-2A Zone).</p>

The applicant has applied to vary the City of Courtenay *Sign Bylaw No. 2760, 2013*, to permit a freestanding sign that incorporates an electronic message board on a commercial property. The content that will be displayed on the electronic message board will be controlled by a wireless internet connection and computer software. The applicant has indicated that all messaging and content will be managed by the Prime Chophouse management.

Applicant’s Reasons:

The applicant has given two reasons for proposing a freestanding sign with an electronic message board. First, is to assist patrons with wayfinding. The applicant argues that the lack of direct access off of Ryan Road causes confusion among patrons who do not know where to locate the property’s access (Braidwood Road) and that over time the restaurant has lost business from potential customers who simply gave up trying to find the property’s access and ended up going to other destinations for their meals. A second reason is to advertise events occurring on the property. The applicant states that since 2012 he has assisted in raising hundreds of thousands of dollars from hosting community fundraisers at the Prime Chophouse and wishes to advertise these events on the electronic message board.

Staff Comments:

The Sign Bylaw does not have provisions for allowing signs with electronic messages boards on commercial properties. In 2013 the City undertook an extensive consultation process where the public expressed opposition towards allowing signs with electronic message boards for commercial businesses. The Sign Bylaw was intentionally written to allow signs with electronic message boards on institutional properties only for the purpose of making public service or event announcements.

Staff note one variance application in 2014 where Council approved a freestanding sign with an electronic message board for a commercial property, the Anco Motel located at 1885 Cliffe Avenue. Approval of this application included variances to sign area and approval of an electronic message board (that represented 11 % of the sign area) for displaying vacancy information. This was a somewhat unique application as the original sign at that location that had existed for 40 years was knocked down and destroyed by a vehicle. The new sign is substantially shorter and smaller in area than the existing sign. The original sign included neon vacancy/no vacancy lettering which was replaced by electronic messaging.



Figure No. 6: Anco Inn Freestanding Sign with limited sized electronic message board

Development Services staff acknowledges the applicant's concerns regarding wayfinding among patrons who do not always know where to enter the property's primary access off of Braidwood Road. Staff also acknowledges that advertising events through an electronic message board is an effective tool for increasing awareness, marketing and advertising. However, the applicant's concerns can be achieved through the installation of a second freestanding sign that contains static messaging.

Prior to submission of the application one of the owners inquired with staff and was advised that an electronic message board on the site would not be supported by staff as it did not maintain the intent of the sign bylaw. Regardless, the applicant elected to proceed with the application. The applicant was told at this time that staff may support a second freestanding sign on the property with static messaging.

Staff does not support Development Variance Permit No. 1705 in its current form because: it does not maintain the intent and purpose of the bylaw; approval of this application could set a precedent for other signs of similar nature to be located on commercial properties within the City; and impact the character of the community.

Allowing signs with electronic message boards can be difficult to enforce. One noted challenge with electric signage is that the content, display, and timing of display are controlled entirely by third parties (i.e. the owner of the property). If property owners choose to display messaging for events and programs not occurring on the property this results in off premise signage which is not permitted under Bylaw No. 2760.

It is staff's opinion that the proposed signage falls outside the intent of the sign bylaw and approval of this application could set a precedent for other signs of similar nature to be located on commercial properties within the City.

Neighbouring Local Government Sign Bylaws

A detailed review of neighbouring local government sign bylaws including the Comox Valley Regional District, the Town of Comox and the Village of Cumberland suggests that none of these jurisdictions permit freestanding signs in commercial areas that that incorporate an electronic message boards.

Zoning Review

Zoning Bylaw No. 2500 states that signs are only permitted in accordance with Sign Bylaw and any amendments the City makes to the bylaw.

OCP Review

Part 8.2 of the OCP contains guidelines for signs in commercial areas. The policies encourage signs to be coordinated with adjacent building faces and landscaping, utilize wood and stone materials and regarding illumination; signs are required to conform to the City of Courtenay Dark Skies Policy (Policies 8.2.3(b)(2,3,4 and 5).

FINANCIAL IMPLICATIONS:

Should Development Variance Permit No. 1705 be approved, the applicant would be required to apply for a sign permit. Sign permit fees are \$100 for freestanding sign over 2.5 m in height. The Development Permit Variance application fee paid by the applicant for the sign variance was \$400.00. There are no other financial implications related to this application.

ADMINISTRATIVE IMPLICATIONS:

The processing of development applications is included in the current work plan as a statutory component. Staff has spent 8 hours reviewing the application, conducting a site visit and meeting with the applicant to request additional information. The City incurs costs related to mailing out notices and registering the notice of the permit with the land titles office.

If approved, there will be approximately one additional hour of staff time required to prepare the notice of permit, have it registered on title and close the file. Additional staff time will be required for processing and issuing the sign permit.

ASSET MANAGEMENT IMPLICATIONS:

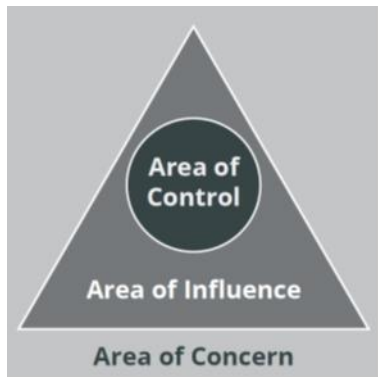
There are no direct asset management implications related to this application.

STRATEGIC PRIORITIES REFERENCE:

Development applications fall within Council's area of control and specifically align with the strategic priority to support meeting the fundamental corporate and statutory obligations of the City.

We focus on organizational and governance excellence

- We support meeting the fundamental corporate and statutory obligations



- **Area of Control**
The policy, works and programming matters that fall within Council’s jurisdictional authority to act.
- ▲ **Area of Influence**
Matters that fall within shared or agreed jurisdiction between Council and another government or party.
- **Area of Concern**
Matters of interest outside Council’s jurisdictional authority to act.

OFFICIAL COMMUNITY PLAN REFERENCE:

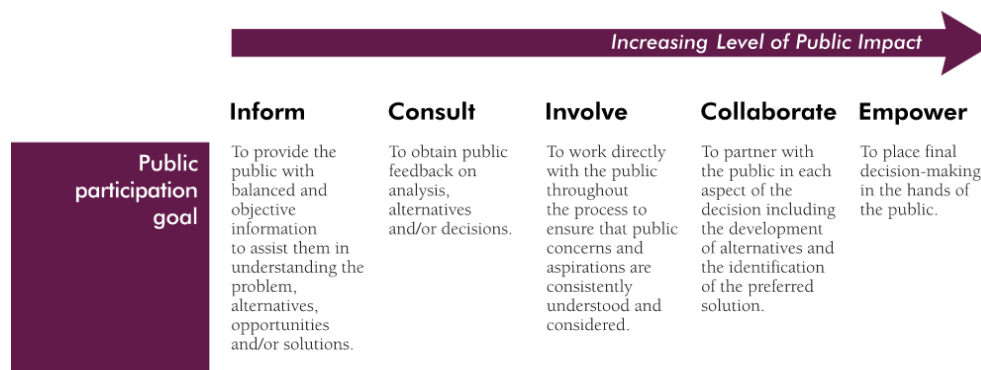
Not directly applicable.

REGIONAL GROWTH STRATEGY REFERENCE:

There are no Regional Growth management implications related to this application.

CITIZEN/PUBLIC ENGAGEMENT:

The level of public input staff is undertaking is to **Consult**. In accordance with the *Local Government Act*, the City has notified property owners and occupants within 30m of the subject property with regard to the proposed amendment. To-date, staff has received no responses.



The applicant held a public information meeting on August 30, 2017 from 9:00 am to 10:00 am in the morning. A review of the applicants meeting minutes indicates no one was in attendance at the meeting. At the meeting the applicant provided detailed drawings of the sign, public comment sheets, a location and site plan and other information related to the variance application. A copy of the applicant meeting summary is included as **Attachment No. 3**.

OPTIONS:

OPTION 1: That Council not approve Development Variance Permit No. 1705 (Recommended).

OPTION 2: Approve Development Variance Permit No. 1705 for a freestanding sign with an electronic message board as presented in the submission.

Prepared by:



Dana Beatson, MCIP, RPP
Land Use Planner

Reviewed by:



Ian Buck, MCIP, RPP
Director of Development Services

Attachments:

- 1. Attachment No. 1: Development Variance Permit and Associated Schedules*
- 2. Attachment No. 2: Applicant's Rationale and Written Submissions*
- 3. Attachment No. 3: Public Information Meeting Summary*

THE CORPORATION OF THE CITY OF COURTENAY

DRAFT PERMIT

Attachment No. 1:
*Draft Development
Variance Permit*

Permit No. 3090-20-1705

DEVELOPMENT VARIANCE PERMIT

November 20, 2017

To issue a Development Permit

To: The Corporation of the City of Courtenay

Property to which permit refers:

Legal: Lot C, Section 16, Comox District, Plan 18531
Civic: 1089 Braidwood Road

Conditions of Permit:

Permit issued to allow one freestanding sign with an electronic message board subject to the following conditions:

1. Sign graphics and dimensions must be in accordance with the renderings contained in *Schedule No. 1*, which is attached to and forms part of this permit;
2. Sign location must be in accordance with the renderings contained in *Schedule No. 1*, which is attached to and forms part of this permit;
3. Freestanding sign must be located within a landscaped area of at least 5.0 m².
4. The operation of the electronic message board must be in conformance with all regulations contained within Section 5.4.2(g)(i)(ii)(iii)(iv)(v) of Sign Bylaw No. 2760.
5. The electronic message board cannot exceed 40 % of the sign area.

Time Schedule of Development and Lapse of Permit

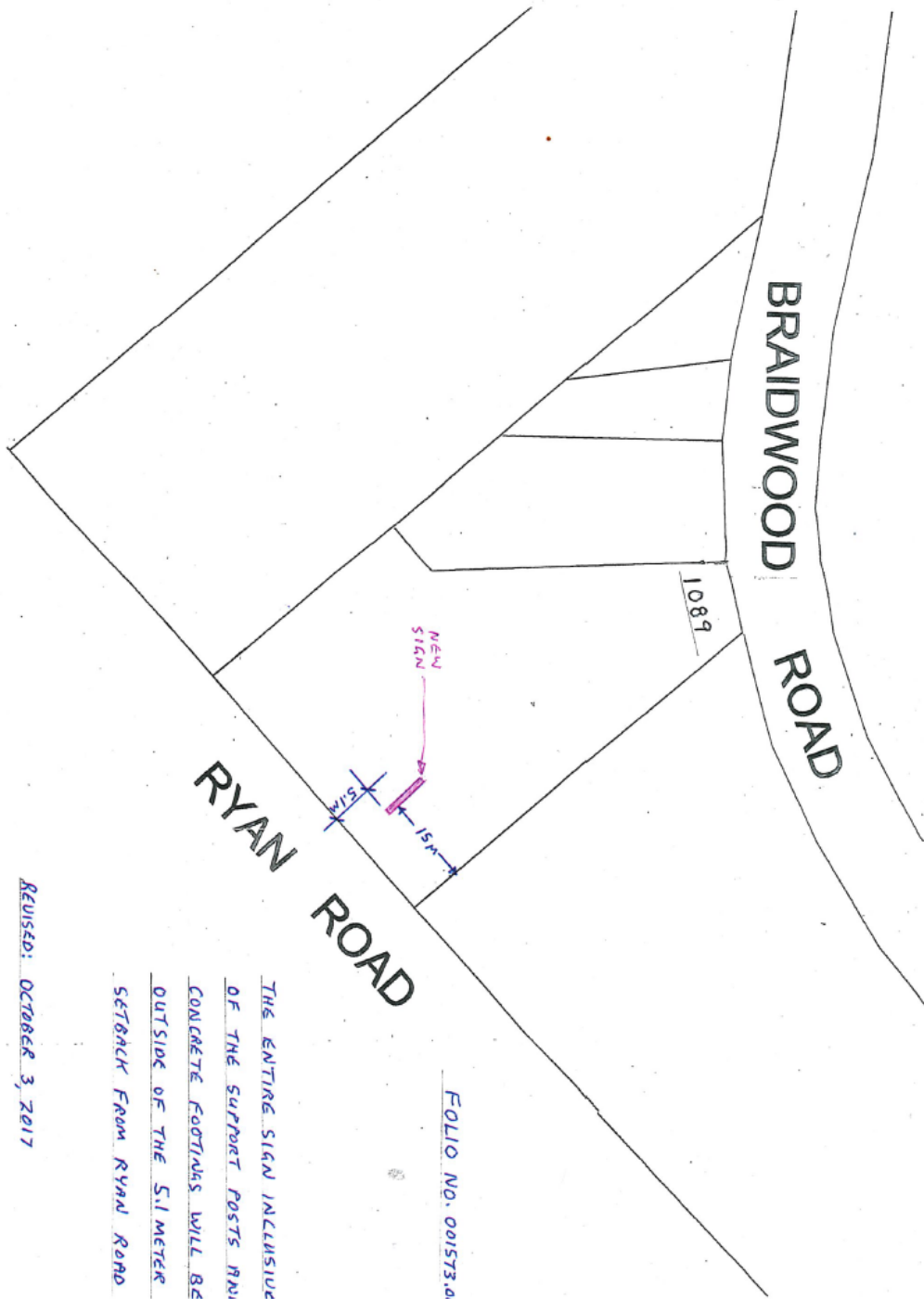
That if the permit holder has not substantially commenced the construction authorized by this permit within (12) months after the date it was issued, the permit lapses.

Date

Director of Legislative Services

Attachment No. 1:
Draft Development Variance Permit

Schedule No. 1:
1 of 5



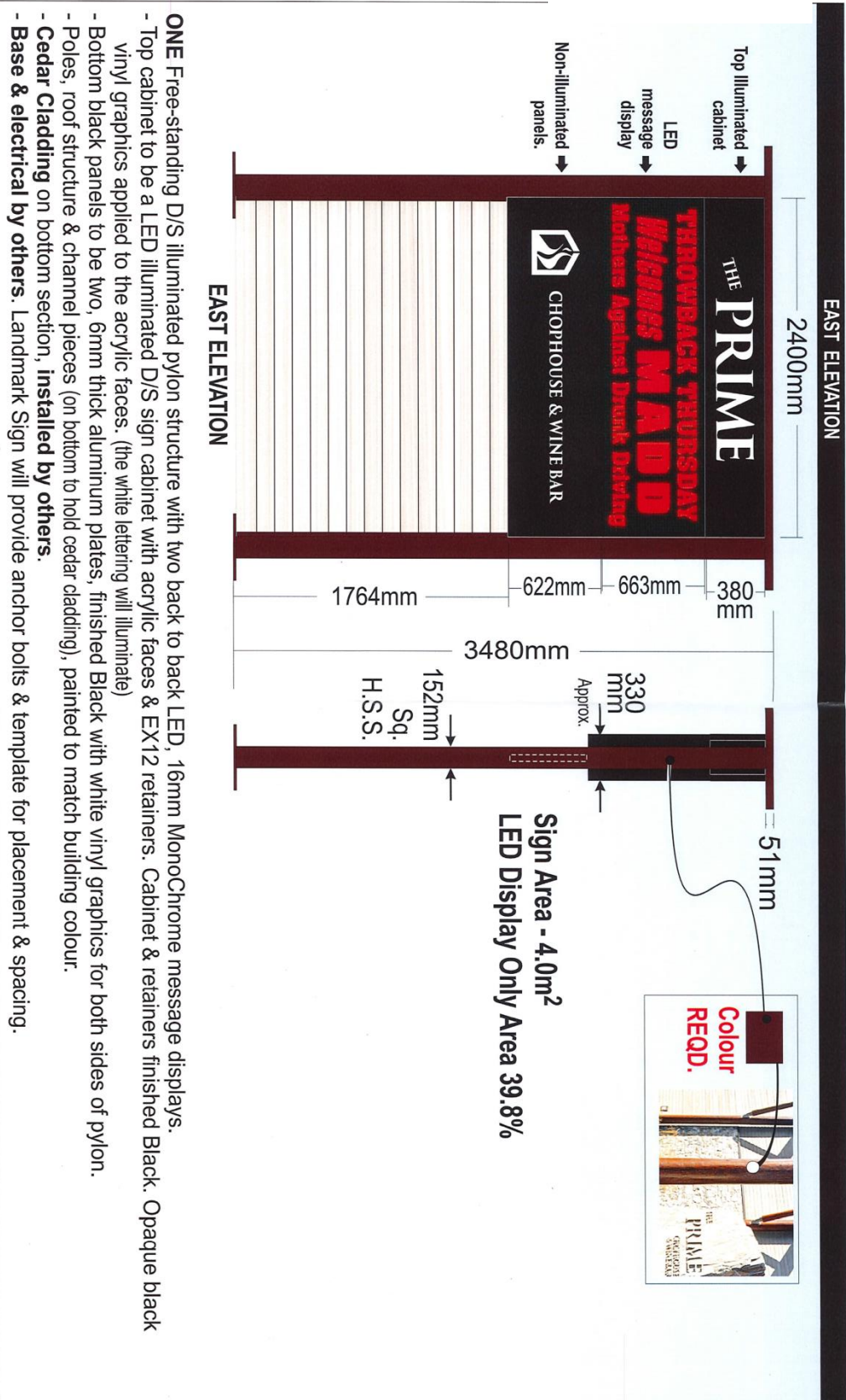
REVISED: OCTOBER 3, 2017

THE ENTIRE SIGN INCLUSIVE
OF THE SUPPORT POSTS AND
CONCRETE FOOTINGS WILL BE
OUTSIDE OF THE 5.1 METER
SETBACK FROM RYAN ROAD

FOLIO NO. 001573.01

Attachment No. 1:
Draft Development Variance Permit

Schedule No. 1:
2 of 5



- ONE** Free-standing D/S illuminated pylon structure with two back to back LED, 16mm MonoChrome message displays.
- Top cabinet to be a LED illuminated D/S sign cabinet with acrylic faces & EX12 retainers. Cabinet & retainers finished Black. Opaque black vinyl graphics applied to the acrylic faces. (the white lettering will illuminate)
 - Bottom black panels to be two, 6mm thick aluminum plates, finished Black with white vinyl graphics for both sides of pylon.
 - Poles, roof structure & channel pieces (on bottom to hold cedar cladding), painted to match building colour.
 - Cedar Cladding on bottom section, **installed by others.**
 - Base & electrical by others. Landmark Sign will provide anchor bolts & template for placement & spacing.

<p>Head Office: 1250 Steeles Ave. West, Unit 10, Scarborough, ON M1V 4T7 Telephone: 416-491-1800 Fax: 416-491-1801</p>	<p>Client Name Prime Chophouse</p> <p>Location: Ryan Rd, Courtenay, B.C.</p>	<p>Start Date: Feb. 7 / 2014</p> <p>Last Revision: Aug. 3 / 2017</p> <p>Drawing: Prime Chophouse 1 Pylon Sign VAR R16.cdr</p> <p>Page: 1 of 7</p>	<p>Client Approval</p> <p>.....</p> <p>Landlord Approval</p> <p>.....</p>		<p>Sales Rep: Richard Eastman</p> <p>Designer: Weldon Kelson</p>
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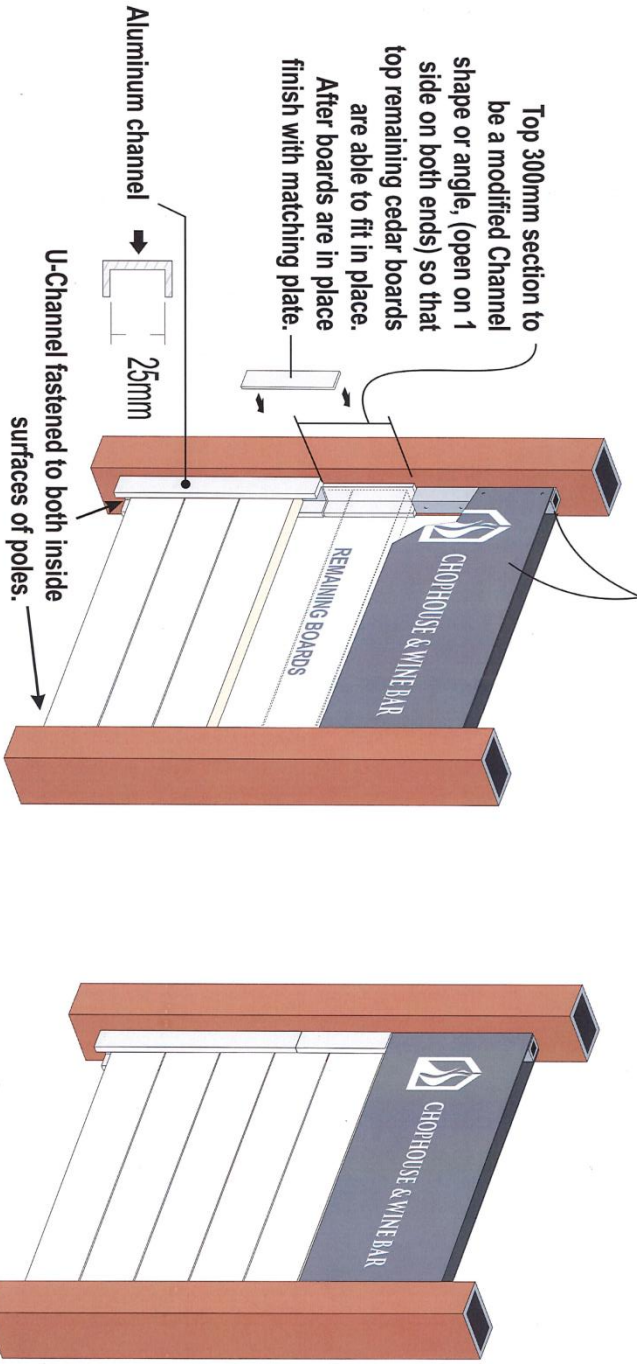
Attachment No. 1:
Draft Development Variance Permit

Schedule No. 1:
3 of 5

Bottom Cedar section - assembly detail

6mm thick alum. panels fastened to a 25mm sq. tube.
Tube fastened to insides of legs.

Top 300mm section to be a modified Channel shape or angle, (open on 1 side on both ends) so that top remaining cedar boards are able to fit in place. After boards are in place finish with matching plate.



(Channel shown gray for clarity, but will be painted to match colour of poles.)

 <p>Head Office: 355 Guelph St. Guelph, ON N1H 2A9 Vancouver: 416-808-8150 / 1-800-461-9478 Tel/Fax: 468-41-8810 Fax: 226-49-8811</p>	Client Name Prime Chophouse Location: Ryan Rd. Courtenay, B.C.	Start Date: Feb. 7/2014 Last Revision: Aug. 9/2017 Drawing: Prime Chophouse / Lyon Sign VAR R16.cdr Page: 3 of 7	Client Approval: _____ Landlord Approval: _____		Sales Rep: Richard Cassman Designer: Weldon Kelson

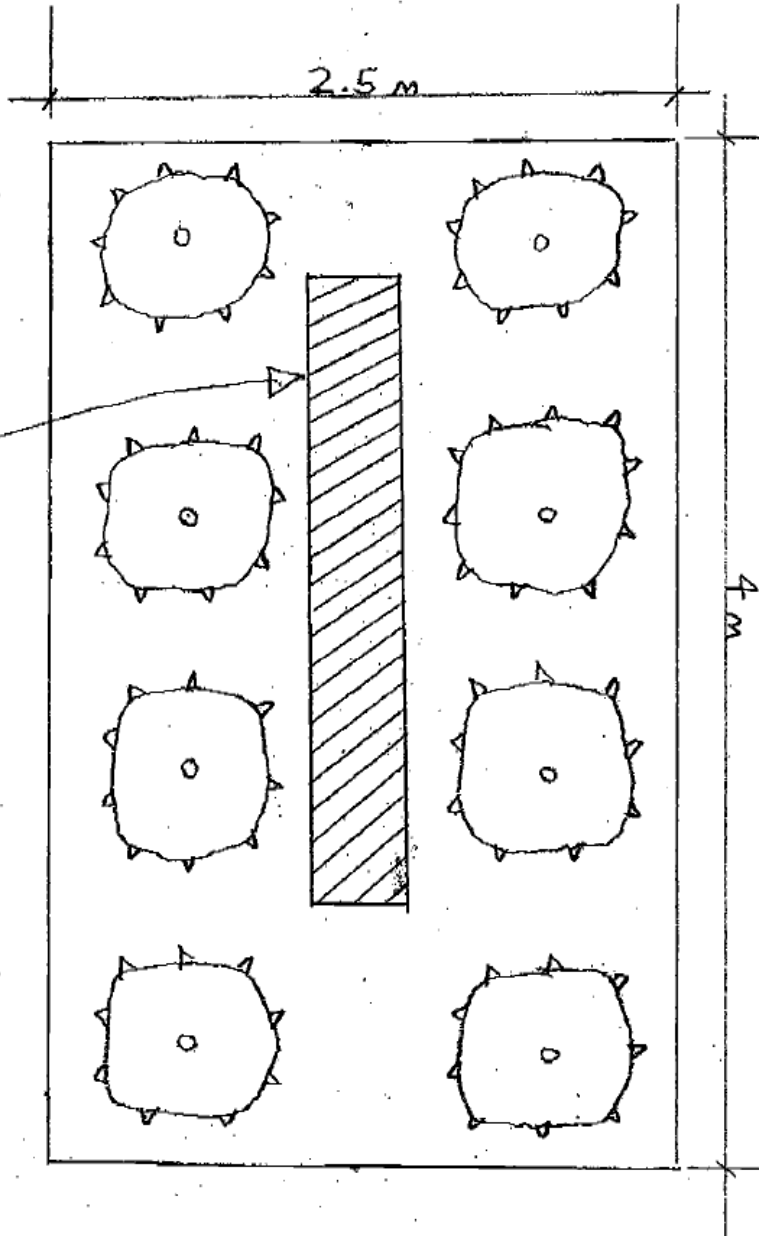
Attachment No. 1:
Draft Development Variance Permit

Schedule No. 1:
4 of 5

LARGE SCALE
LANDSCAPE DRAWING
1/2" = 1' 0"

NEW
SIGN

SHRUBS
ENGLISH YEW
TO BE PRUNED
AND KEPT TO
1.5 M HEIGHT



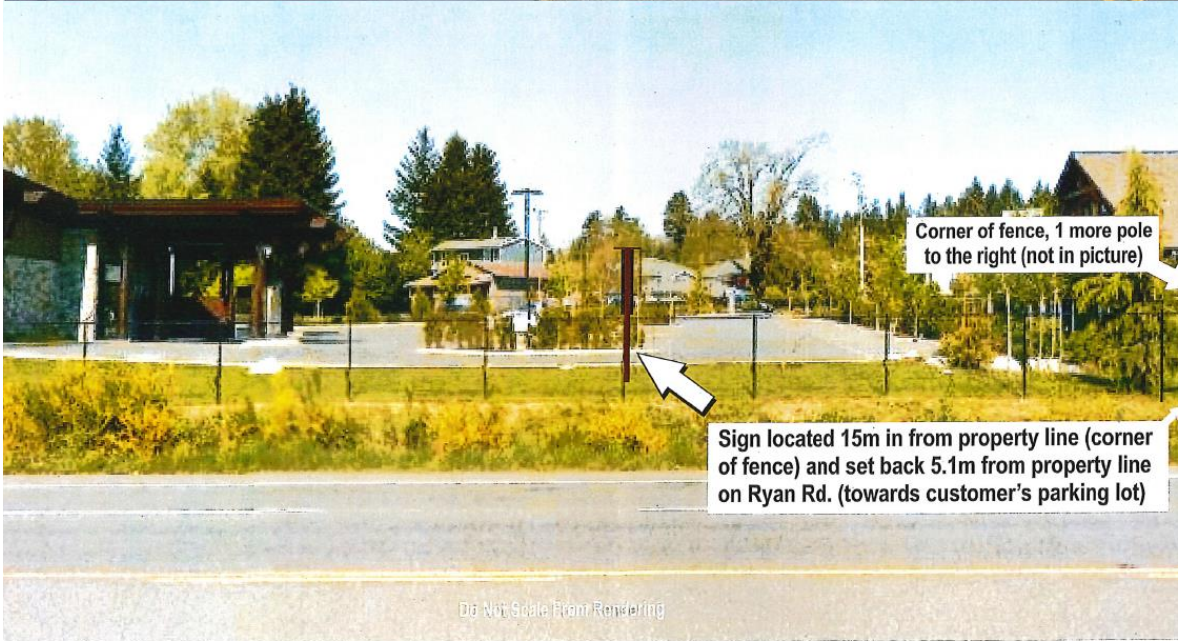
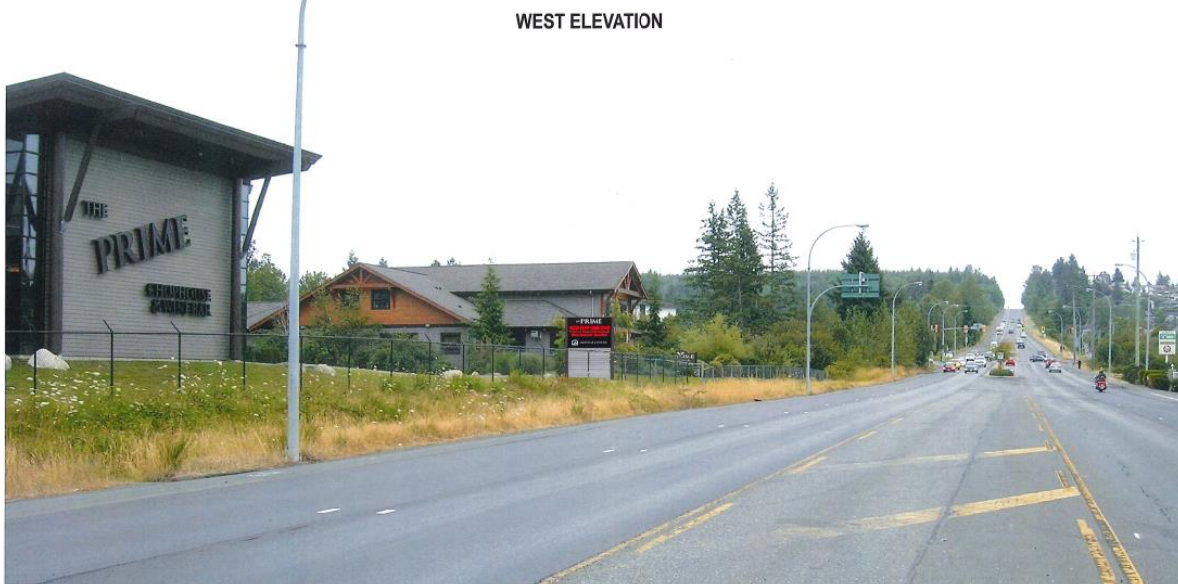
Attachment No. 1:
Draft Development Variance Permit

Schedule No. 1:
5 of 5

EAST ELEVATION



WEST ELEVATION





City of Courtenay

Aug 8 2017

Tatsuyuki Setta
Planning Manager

Thanks for taking the time to read this letter.

This letter is to explain my rationale for applying for the sign variance. This would help in making better awareness of my business in terms of access to it.

Currently as it stands, in the area that my business sits, numerous other businesses have direct main road/highway access. As my location has not been allowed to do so I am looking for potential signage to help with people whether local or tourist based understanding that access is actually through a residential road.

Currently my business is definitely having issues with people not being able to know how to get here and I hear consistently people telling me they tried, but gave up, and moved on to other destinations for their meal because of sheer frustration. As there is no existing directional signage on Ryan Road to help my business or other current businesses such as the veterinary center it leaves clients/customers wondering where to turn.

Overall topics of concern for my business to be able to survive include the following:

1. Signage - I need a variance based on the current proposed signage along the Ryan road property line. This would of course be at no cost to the city and be of considerable cost to my business to be put in place.

2. Access - At this point the catchment is not there based on the existing signage. If approval was to happen through the highways commission I would hope to have support from the city to have a right in right out scenario created from Ryan road into my establishment.

** Comments have been raised that the property next to us may be developed in a way to help and that the light by superstore would move up to RBC. I am familiar with the interested party but in all reality this may take several years which that kind of time frame would be too late.

1089 Braidwood Rd, Courtenay B.C. V9N3S1
ph # 250-871-7292 fax # 250-871-7294

The reality for me is I continue as a local owner to become more involved with the community and support many local groups. Since Aug 2012 I have helped local groups raise between \$400,000 and \$450,000 at my fundraisers and want to continue to do more as I go forward. The current signage and access issues have negatively effected my business over my first five years. This has resulted in very little change to my business volume. I am concerned with the current scenario that without support my longevity here despite my substantial investment in the business and building in the valley will be in question in the long term.

Attachment No. 2
Applicant's Submissions &
Rationale
2 of 3

I am really hoping the city can help us and the 40-50 ppl employed here to give us as much opportunity to succeed as possible.

To date the groups that I am also a part of include: Rotary, Chamber of Commerce, Young Professionals, and L'Arche Comox Valley. I also am interested to be on other boards as I move forward even up to the city level to help this community long term.

Groups I have helped include such groups as:

- SPCA
- DIABETES GROUP
- SPECIAL OLYMPICS THROUGH LOCAL RCMP
- L'ARCHE COMOX VALLEY
- DAWN TO DAWN
- RIDE TO CONQUER CANCER
- RIDE FOR DAD - PROSTATE CANCER
- SALWATER SCHOOL
- MFRC
- M.A.D.D
- YPCV
- BOYS AND GIRLS CLUB
- SALMON FOUNDATION
- CARE - A - VAN
- LILLY HOUSE
- SEARCH AND RESCUE (COMOX VALLEY)
- HABITAT FOR HUMANITY- WOMENS BUILD
- RAINBOW YOUTH THEATRE
- MILITARY CADET PROGRAM
- NIC NURSING PROGRAM
- DOCTOR WITHOUT BORDERS
- LOCAL RUGBY
- LOCAL LACROSSE
- LOCAL CURLING
- CVBA - BASEBALL
- LOCAL HOCKEY GROUPS
- COMOX VALLEY MARATHON GROUP

1089 Braidwood Rd, Courtenay B.C. V9N3S1
ph # 250-871-7292 fax # 250-871-7294

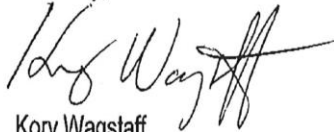
*Attachment No. 2
Applicant's Submissions &
Rationale
3 of 3*

VANIER GRILS JR BASKETBALL
VANIER GRILS SR BASKETBALL
HIGHLAND AND VANIER DRY GRAD
MILITARY WOMEN'S CHOIR

*** Christmas turkey dinners for low incomes families every year on Dec 24th
(which we have done 210 meals over the last 4 years which feed 10 people per
meal)

Thank you for your prompt attention.

Sincerely,

A handwritten signature in black ink, appearing to read "Kory Wagstaff". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Kory Wagstaff
Prime Chophouse and Wine Bar
Owner / Operator



Topic: Public Meeting at The Prime Chophouse and Wine Bar to discuss the sign variance application we have made to the city.

Date Completed: August 30, 2017.

Time: 9am-10am.

Attendance: 0 (There was no one that attending the meeting)

Information available to the public:

- Drawings submitted in the variance application showing the artwork for the proposed sign and all the specifics of it.
- Comment sheets.
- Ownership on site to chat with all attending to answer all questions.
- Hand written map of approximate location of proposed sign in relation to the building.
- Original letter mailed out

Thanks for your time.

Kory Wagstaff
Prime Chophouse
Owner



STAFF REPORT

To: Council
From: Chief Administrative Officer
Subject: Audit Service Plan for Year Ending December 31, 2017

File No.: 1680-01
Date: November 20, 2017

PURPOSE:

The purpose of this report is to obtain Council approval of the Audit Service Plan for the year ending December 31, 2017 as prepared by the firm of Meyers Norris Penny (MNP).

POLICY ANALYSIS:

Section 169 of the *Community Charter*, requires Council to appoint an auditor to conduct the annual municipal audit. To-date, MNP is providing this service for the City. Canadian Auditing Standards 260 (CAS 260) 'communication with those charged with governance' is the current standard for auditing in Canada and requires the Auditors to communicate the following with Council:

- a) The audit and non-audit services the auditor is providing to the City and its related entities;
- b) The level of responsibility assumed by the auditor under generally accepted auditing standards; and,
- c) A summary of the audit approach.

EXECUTIVE SUMMARY:

The City's appointed auditors, Meyers Norris Penny (MNP) have now prepared and submitted the Audit Service plan for the year ending December 31, 2017. Communicating this plan to Council is a requirement under Canadian Auditing Standards 260.

CAO RECOMMENDATIONS:

That based on the November 20th, 2017 staff report "Audit Service Plan for Year Ending December 31, 2017", Council approve Option 1 to receive the Audit Service Plan for the year ending December 31, 2017.

Respectfully submitted,

David Allen, BES, CLGEM, SCLGM
Chief Administrative Officer

BACKGROUND:

The Canadian Auditing Standards 260 (CAS260) ‘communication with those charged with governance’ as set by CPA Canada requires the appointment of auditors and the preparation and communication of the annual Audit Service Plan to Council.

DISCUSSION:

The City’s appointed auditors, Meyers Norris Penny, have prepared and submitted this year’s Audit Service plan following auditing standards as set in CAS Standard 260.

The plan documents the overall approach and the general arrangements for the conduct of the 2017 audit. Its intent is to assist Council in understanding both the scope of, and the approach to, the audit work, and to have MNP report to Council on the results of their 2017 audit sometime in May 2018.

FINANCIAL IMPLICATIONS:

For 2017, the estimated audit fees are \$32,550 and are detailed on page 4 of the attached Audit Service Plan. The 2017 audit fees are \$420 higher than those of 2016 due to new and proposed reporting development standards identified in Appendix A of the attached audit plan.

ADMINISTRATIVE IMPLICATIONS:

Preparation of the City’s yearend documents, drafting of the 2017 financial statements and coordinating the annual municipal audit are significant statutory tasks for the Finance Department. The auditors will be commencing preliminary on-site audit work in early December 2017 with the goal of finalizing audit work in mid-April, 2018.

STRATEGIC PRIORITIES REFERENCE:

We focus on organizational and governance excellence

- We support meeting the fundamental corporate and statutory obligations



- **Area of Control**
The policy, works and programming matters that fall within Council’s jurisdictional authority to act.
- ▲ **Area of Influence**
Matters that fall within shared or agreed jurisdiction between Council and another government or party.
- **Area of Concern**
Matters of interest outside Council’s jurisdictional authority to act.

OFFICIAL COMMUNITY PLAN REFERENCE:

2.1 Vision Statements:

- “Committed to continued Excellence”
- “balance and ability to lead growth and provision of services”

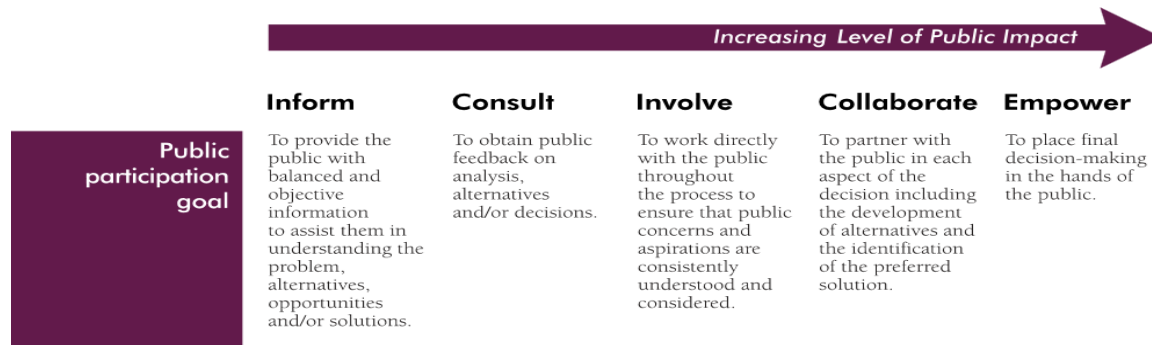
REGIONAL GROWTH STRATEGY REFERENCE:

The City is a signatory to the Comox Valley Regional Growth Strategy, which identifies the valley as a growing region. Maintaining a sound financial position identifies the City of Courtenay as an integral alternative to any regional growth strategies in the Comox Valley.

CITIZEN/PUBLIC ENGAGEMENT:

Staff will **inform** through adoption of policy based on the IAP2 Spectrum of Public Participation:

http://c.ymcdn.com/sites/www.iap2.org/resource/resmgr/imported/IAP2%20Spectrum_vertical.pdf



OPTIONS:

Option 1: That Council approve proceeding with the 2017 Audit Service Plan for the year ending December 31, 2017 as prepared by MNP. (RECOMMENDED)

Option 2: That Council not approve the 2017 Audit Service Plan.

Prepared by:

Brian Parschauer, BA, CPA-CMA
Director of Financial Services

Attachment:

1. MNP – City of Courtenay, Audit Service Plan, year ending December 31, 2017

City of Courtenay
Audit Service Plan
Year Ending December 31, 2017
For presentation to the Mayor and Council

September 18, 2017

Members of the Mayor and Council of the City of Courtenay

Dear Mayor and Council:

We are pleased to present our Audit Service Plan for the City of Courtenay (the "City"). In this plan we describe MNP's audit approach, our engagement team, the scope of our audit and a timeline of anticipated deliverables. We are providing this Audit Service Plan to the Mayor and Council on a confidential basis. It is intended solely for the use of the Mayor and Council and is not intended for any other purpose. Accordingly, we disclaim any responsibility to any other party who may rely on this report.

Our engagement will include an audit of the City's consolidated financial statements for the year ended December 31, 2017, prepared in accordance with Canadian public sector accounting standards. Our audit will be conducted in accordance with Canadian generally accepted auditing standards.

At MNP, our objective is to perform an efficient, high quality audit which focuses on those areas that are considered higher risk. We adhere to the highest level of integrity and professionalism. We are dedicated to maintaining open channels of communication throughout this engagement and will work with management to coordinate the effective performance of the engagement. Our goal is to exceed the Mayor and Council's expectations and ensure you receive outstanding service.

Our Engagement Letter has also been included as a separate document with this report. Our Engagement Letter is the formal written agreement of the terms of our audit engagement as negotiated with management and outlines our responsibilities under Canadian generally accepted auditing standards.

We look forward to discussing our audit service plan with you and look forward to responding to any questions you may have.

Sincerely,

A handwritten signature in black ink that reads "MNP LLP". The letters are stylized and connected, with a cursive-like feel.

MNP LLP
Chartered Professional Accountants

CV/cr

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OVERVIEW

To make strategic business decisions with confidence, your stakeholders and the Mayor and Council of the City of Courtenay need relevant, reliable and independently audited financial information. But that's not all. You need an audit team that can deliver insight beyond the numbers and enhance the City of Courtenay's strategic planning and implementation processes so you can embrace new opportunities while effectively managing risk. Our senior team members have extensive knowledge of municipalities from many years of experience. Our audit strategy is risk based, and takes into account the limitations and opportunities you encounter each day, allowing our recommendations to be implemented with greater ease. Committed to your success, MNP delivers meaningful, reliable financial information to not only help you fulfill your compliance obligations, but also to achieve your key strategic goals.

Our Audit Service Plan outlines the strategy we will follow to provide the City of Courtenay's Mayor and Council with our Independent Auditors' Report on the December 31, 2017 financial statements.

TOPICS FOR DISCUSSION

We are committed to providing superior client service by maintaining effective two-way communication.

Topics for discussion include, but are not limited to:

- Changes to your business operations and developments in the financial reporting and regulatory environment
- Business plans and strategies
- The management oversight process
- Fraud:
 - How could it occur?
 - Risk of fraud and misstatement?
 - Actual, suspected or alleged fraud?
- Your specific needs and expectations
- Audit Service Plan
- Any other issues and/or concerns

KEY CHANGES AND DEVELOPMENTS

Based on our knowledge of the City and our discussions with management, we have noted the recent developments set out below. Our audit strategy has been developed giving consideration to these factors.

Issues and Developments	Summary
New reporting developments	PS 2200 Related Party Disclosures (New) PS 3210 Assets (New) PS 3320 Contingent Assets (New) PS 3380 Contractual Rights (New) PS 3420 Inter-entity Transactions (New) PS 3430 Restructuring Transactions (New)

Issues and Developments	Summary
Unification of the accounting profession	In September 2015, the unification of Canada's accounting profession into one single national body was finalized. As a result, MNP's banner has changed from Chartered Accountants to Chartered Professional Accountants.

Detailed information on Key Changes and Developments are included as Appendix A.

MNP'S AUDIT PROCESS

MNP's audit methodology, "The MAP", is a risk based audit approach that is divided into four separate stages: Pre-planning, Planning and Risk Assessment, Risk Response and Completion and Reporting. Our audit process focuses on significant risks identified during the pre-planning and planning and risk assessment stage, ensuring that audit procedures are tailored to your specific circumstances and appropriately address those risks.

The Mayor and Council is responsible for approval of the consolidated financial statements and City policies, and for monitoring management's performance. The Mayor and Council should consider the potential for management override of controls or other inappropriate influences, such as earnings management, over the financial reporting process. The Mayor and Council, together with management, is also responsible for the integrity of the accounting and financial reporting systems, including controls to prevent and detect fraud and misstatement, and to monitor compliance with relevant laws and regulations.

Effective discharge of these respective responsibilities is directed toward a common duty to provide appropriate and adequate financial accountability, and quality financial disclosure.

More detailed discussion about MNP's audit process is provided in Appendix B.

AUDIT MATERIALITY

Materiality is an important audit concept. It is used to assess the significance of misstatements or omissions that are identified during the audit and is used to determine the level of audit testing that is carried out. Specifically, a misstatement or the aggregate of all misstatements in consolidated financial statements as a whole (and, if applicable, for particular classes of transactions, account balances or disclosures) is considered to be material if it is probable that the decision of the party relying on the consolidated financial statements, who has reasonable understanding of business and economic activities, will be changed or influenced by such a misstatement or the aggregate of all misstatements.

The scope of our audit work is tailored to reflect the relative size of operations of the City and our assessment of the potential for material misstatements in the City's consolidated financial statements as a whole (and, if applicable, for particular classes of transactions, account balances or disclosures). In determining the scope, we emphasize relative audit risk and materiality, and consider a number of factors, including:

- The size, complexity, and growth of the City;
- Changes within the organization, management or accounting systems; and
- Concerns expressed by management.

Judgment is applied separately to the determination of materiality in the audit of each set of consolidated financial statements (and, if applicable, for particular classes of transactions, account balances or disclosures) and is affected by our perception of the financial information needs of users of the financial statements.

We propose to use \$1,500,000 as overall materiality for audit planning purposes.

Significant Components

TIMING OF THE AUDIT

Based on the audit planning performed and areas of audit risks identified, the following timelines for key deliverables have been discussed and agreed upon with management:

KEY DELIVERABLE	EXPECTED DATE
Delivery of December 31, 2017 Audit Service Plan to the Mayor and Council	November 2017
Interim procedures	November 2017
Year-end fieldwork procedures	March 2018
Draft year-end consolidated financial statements to be discussed with management	March 2018
Presentation of December 31, 2017 Audit Findings Report to the Mayor and Council	April 2018
Issuance of Independent Auditors' Report	May 2017

AUDIT TEAM

In order to ensure effective communication between the Mayor and Council and MNP, we outline below the key members of our audit team that will be responsible for the audit of the City of Courtenay and the role they will play:

NAME	POSITION
Cory Vanderhorst, CPA, CA	Engagement Partner
Debbie Bass, CPA, CA	Concurring Partner
James Kungel, CPA, CA	Tax Partner
Janna Olynyk, CPA, CA	Manager
Julia Picciuto	Audit Senior

In order to serve you better and meet our professional responsibilities, we may find it necessary to expand our audit team to include other MNP professionals whose consultation will assist us to evaluate and resolve complex, difficult and/or contentious matters identified during the course of our audit. Additionally, reliance on specialists including actuaries may be necessary in order to obtain appropriate audit evidence. Any changes to the audit team will be discussed with you to ensure a seamless process and that all concerned parties' needs are met.

FEES AND ASSUMPTIONS

Our audit fees for the year ended December 31, 2017 are estimated to be the following, exclusive of applicable taxes:

	DECEMBER 31, 2017 ESTIMATE	DECEMBER 31, 2016 ACTUAL
Base fee	31,000	30,600
Administrative - 5%	1,550	1,530
Total	32,550	32,130

Our audit fees are based on our estimated audit hours which consider our expectations of required work and our knowledge of the City. These estimated hours rely on the following assumptions:

- No significant deficiencies in internal controls which cause procedures to be extended
- No major unadjusted misstatements or un-reconciled balances
- Significantly all adjusting entries are completed prior to trial balance and journal entries being provided to audit team
- All management and required staff are available as needed
- Information and working papers required, as outlined in our letter of fiscal year-end requirements, are provided in the mutually agreed form and timing
- There are no changes to the agreed upon audit timetable and reporting requirements

If any significant issues arise during the course of our audit work which indicate a possibility of increased procedures or a change in the audit timetable, these will be discussed with management by the engagement partner so a mutually agreeable solution can be reached.

Pursuant to our billing policy, we will issue interim bills as follows:

- a) On delivery of the audit service plan 50% of the estimated fee;
- b) At the start of year-end field work, 25% of the estimated fee;
- c) Upon the delivery of the final consolidated financial statements and independent auditors' report, 25% of the estimated fee.

AUDITOR INDEPENDENCE

An essential aspect of all our services to the City is an independent viewpoint, which recognizes that our responsibilities are to the Mayor and Council. While the concept of independence demands a questioning and objective attitude in conducting our audit, it also requires the absence of financial or other interests in the City. In accordance with our firm's policy, and the Rules of Professional Conduct, which govern our profession, neither MNP nor any of its team members assigned to the engagement or any of its partners, are permitted to have any involvement in or relationship with the City that would impair independence or give that appearance. As auditors, we subscribe to the highest standards and are required to discuss the auditors' independence with the Mayor and Council on an annual basis. Under the standard an auditor shall:

- Disclose to the Mayor and Council in writing, all relationships between the auditor and the City that in the auditors' professional judgment may reasonably be thought to bear on our independence;
- Confirm in writing that, in its professional judgment, MNP is independent within the meaning of the Rules of Professional Conduct of the Institute of Chartered Professional Accountants of British Columbia; and,
- Discuss the auditors' independence with the Mayor and Council.

We are aware of the following relationship between the City and MNP that, in our professional judgment, may reasonably be thought to bear on our independence. The following relationships represent matters that have occurred from January 1, 2017 to September 22, 2017.

During the year, MNP was engaged to provide assistance with Engineering Project Phase 1. Our services were limited to reconciliation and assistance with preparation of reports. In order to mitigate the threat to MNP's independence separate teams were utilized for this engagement and MNP did not perform any management functions.

During the course of the audit, we will communicate any significant new matters that come to our attention that, in our professional judgment, may reasonably be thought to bear on our independence. At the completion of our audit, we will reconfirm our independence.

We look forward to discussing with you the matters addressed above. We will be prepared to answer any questions you may have regarding our independence, as well as any other matters of interest to you.

APPENDIX A - New and Proposed Reporting Developments

PS 2200 Related Party Disclosures (New)

In March 2015, the Public Sector Accounting Board (PSAB) issued a new standard, PS 2200 *Related Party Disclosures*.

This new Section defines a related party and established disclosures required for related party transactions. Disclosure of information about related party transactions and the relationship underlying them is required when they have occurred at a value different from that which would have been arrived at if the parties were unrelated, and they have, or could have, a material financial effect on the financial statements.

This Section is effective for fiscal years beginning on or after April 1, 2017. Early adoption is permitted.

MNP does not expect significant new disclosures to result from the adoption of this Section, due to the nature of transactions that the City undertakes. MNP expects it to be rare that a transaction with a related party would be material and outside the normal course of operations. This standard will involve some effort by the City to identify all potential related parties (using the guidance in the section).

PS 3210 Assets (New)

In June 2015, new PS 3210 *Assets* was included in the CPA Canada Public Sector Accounting Handbook (PSA HB). The new Section provides guidance for applying the definition of assets set out in PS 1000 *Financial Statement Concepts*. The main features of this standard are as follows:

- Assets are defined as economic resources controlled by a government as a result of past transactions or events and from which future economic benefits are expected to be obtained.
- Economic resources can arise from such events as agreements, contracts, other government's legislation, the government's own legislation, and voluntary contributions.
- The public is often the beneficiary of goods and services provided by a public sector entity. Such assets benefit public sector entities as they assist in achieving the entity's primary objective of providing public goods and services.
- A public sector entity's ability to regulate an economic resource does not, in and of itself, constitute control of an asset, if the interest extends only to the regulatory use of the economic resource and does not include the ability to control access to future economic benefits.
- A public sector entity acting as a trustee on behalf of beneficiaries specified in an agreement or statute is merely administering the assets, and does not control the assets, as future economic benefits flow to the beneficiaries.
- An economic resource may meet the definition of an asset, but would not be recognized if there is no appropriate basis for measurement and a reasonable estimate cannot be made, or if another Handbook Section prohibits its recognition. Information about assets not recognized should be disclosed in the notes.

The standard is effective for fiscal years beginning on or after April 1, 2017. Earlier adoption is permitted.

MNP does not expect that adoption of this new Section will cause any significant changes to the City's financial statements.

PS 3320 Contingent Assets (New)

In June 2015, new PS 3320 *Contingent Assets* was included in the CPA Canada Public Sector Accounting Handbook (PSA HB). The new Section establishes disclosure standards on contingent assets. The main features of this standard are as follows:

- Contingent assets are possible assets arising from existing conditions or situations involving uncertainty. That uncertainty will ultimately be resolved when one or more future events not wholly within the public sector entity's control occurs or fails to occur. Resolution of the uncertainty will confirm the existence or non-existence of an asset.
- Passing legislation that has retroactive application after the financial statement date cannot create an existing condition or situation at the financial statement date.
- Elected or public sector entity officials announcing public sector entity intentions after the financial statement date cannot create an existing condition or situation at the financial statement date.

- Disclosures should include existence, nature, and extent of contingent assets, as well as the reasons for any non-disclosure of extent, and the bases for any estimates of extent made.
- When a reasonable estimate can be made, disclosure should include a best estimate and a range of possible amounts (or a narrower range of more likely amounts), unless such a disclosure would have an adverse impact on the outcome.

The standard is effective for fiscal years beginning on or after April 1, 2017. Earlier adoption is permitted.

MNP expects that transactions of this nature would be rare.

PS 3380 Contractual Rights (New)

In June 2015, new PS 3380 *Contractual Rights* was included in the CPA Canada Public Sector Accounting Handbook (PSA HB). This new Section establishes disclosure standards on contractual rights, and does not include contractual rights to exchange assets where revenue does not arise. The main features of this standard are as follows:

- Contractual rights are rights to economic resources arising from contracts or agreements that will result in both an asset and revenue in the future.
- Until a transaction or event occurs under a contract or agreement, an entity only has a contractual right to an economic resource. Once the entity has received an asset, it no longer has a contractual right.
- Contractual rights are distinct from contingent assets as there is no uncertainty related to the existence of the contractual right.
- Disclosures should include descriptions about nature, extent, and timing.

The standard is effective for fiscal years beginning on or after April 1, 2017. Earlier adoption is permitted.

MNP expects that this standard will have minimal to no impact on the City's financial statements. Some work will be involved to review existing contracts and determine if there are any contractual rights embedded in the contracts.

PS 3420 Inter-entity Transactions (New)

In March 2015, the Public Sector Accounting Board (PSAB) issued new PS 3420 *Inter-entity Transactions*.

The new Section establishes standards on how to account for and report transactions between public sector entities that comprise a government's reporting entity from both a provider and recipient perspective. The main features of the new Section are:

- Under a policy of cost allocation, revenues and expenses are recognized on a gross basis.
- Transactions are measured at the carrying amount, except in specific circumstances.
- A recipient may choose to recognize unallocated costs for the provision of goods and services and measure them at the carrying amount, fair value or other amount dictated by policy, accountability structure or budget practice.
- The transfer of an asset or liability for nominal or no consideration is measured by the provider at the carrying amount and by the recipient at the carrying amount or fair value.
- Inter-entity transactions are considered in conjunction with PS 2200 *Related Party Disclosures*.

The standard is effective for fiscal years beginning on or after April 1, 2017. Earlier adoption is permitted.

MNP expects that a new Note or Schedule will be added to the financial statements to disclose transactions with the Sid Williams Theatre Society.

PS 3430 Restructuring Transactions (New)

In June 2015, new PS 3430 *Restructuring Transactions* was included in the CPA Canada Public Sector Accounting Handbook (PSA HB). The new Section establishes disclosure standards on contingent assets. The main features of this standard are as follows:

- A restructuring transaction is defined separately from an acquisition. The key distinction between the two is the absence of an exchange of consideration in a restructuring transaction.

- A restructuring transaction is defined as a transfer of an integrated set of assets and/or liabilities, together with related program or operating responsibilities that does not involve an exchange of consideration.
- Individual assets and liabilities transferred in a restructuring transaction are derecognized by the transferor at their carrying amount and recognized by the recipient at their carrying amount with applicable adjustments.
- The increase in net assets or net liabilities resulting from recognition and derecognition of individual assets and liabilities received from all transferors, and transferred to all recipients in a restructuring transaction, is recognized as revenue or as an expense.
- Restructuring-related costs are recognized as expenses when incurred.
- Individual assets and liabilities received in a restructuring transaction are initially classified based on the accounting policies and circumstances of the recipient at the restructuring date.
- The financial position and results of operations prior to the restructuring date are not restated.
- Disclosure of information about the transferred assets, liabilities and related operations prior to the restructuring date by the recipient is encouraged but not required.

The Section is effective for new restructuring transactions that occur in fiscal periods beginning on or after April 1, 2018. Earlier application is permitted.

MNP expects that restructuring transactions would be rare and therefore adoption of this new Section would have minimal to no impact on the City's financial statements.

APPENDIX B – The Audit Process

Our Plan

Our overall audit strategy is risk-based and controls-oriented. Assessment and identification of risk is performed continuously throughout the audit process. We focus on the risks that have a potential impact on the financial accounting systems and subsequent financial reporting.

Our overall audit strategy does not, and is not intended to involve the authentication of documents, nor are our team members trained or expected to be experts in such authentication. Unless we have reason to believe otherwise, we accept records and documents as genuine. The subsequent discovery of a material misstatement resulting from fraud does not, in and of itself, indicate a failure to comply with Canadian generally accepted auditing standards.

Audit Procedures

To meet our responsibilities in accordance with Canadian generally accepted auditing standards, our audit examination includes:

- Obtaining an understanding of the entity and its environment, including its controls, in order to identify and assess the risk that the consolidated financial statements contain material misstatements due to fraud or misstatement;
- Assessing the adequacy of and examining, on a test basis, the key controls over significant transaction streams and over the general organizational and computer environments;
- Assessing the systems used to ensure compliance with applicable legislative and related authorities pertaining to financial reporting, revenue raising, borrowing, and investing activities;
- Examining, on a test basis, evidence supporting the amounts and disclosures in the consolidated financial statements;
- Assessing the appropriateness and consistency of accounting principles used and their application;
- Assessing the significant estimates used by management; and,
- Assessing the entity's use of the going concern assumption in the preparation of the consolidated financial statements.

As part of our planning process, we will also undertake to inform the Mayor and Council of concerns relating to management's implementation and maintenance of controls, and the effects of any such concerns on the overall strategy and scope of the audit. These concerns might arise from the nature, extent and frequency of management's assessments of controls in place to detect fraud and misstatement, and of the risk that the consolidated financial statements may be misstated; from a failure by management to appropriately address significant deficiencies in controls identified in prior audits; and, from our evaluation of the City's control environment, and management's competence and integrity.

APPENDIX B – The Audit Process (continued from previous page)

Overall Reliance

In general, there are three levels of reliance that we can place on controls, or the absence thereof:

Low/None – where we cannot rely on controls because they are weak or absent, or where it is deemed to be more efficient to carry out a high level of direct substantive tests of transactions and balances. Audit evidence is primarily obtained through detailed verification procedures and sufficient substantive tests of details and transactions.

Moderate – where there are some deficiencies in systems application or procedural controls, or where it is deemed to be inefficient to test systems application controls, but where we can test and rely on the management monitoring systems in place to detect and correct material misstatements in the financial reporting systems. Testing of controls is supplemented with a moderate level of substantive tests of details and transactions.

High – where a high degree of control is in place in the areas of management monitoring controls AND systems application and procedural controls. Our audit work focuses on testing both management monitoring and systems application and procedural controls, and is supplemented with a low level of substantive tests of details and transactions.

For the December 31, 2017 audit, we are planning to place low/no reliance on the City's accounting systems. This level of reliance is consistent with the prior year, and will involve substantive tests of transactions and balances.

As part of our audit work we will update our understanding of the entity and its environment, including the controls relevant to our audit of the principal transaction cycles, sufficient to identify and assess the risks of material misstatement of the consolidated financial statements resulting from fraud or misstatement. This will be accomplished through inquiries with management and others within the entity, analytical procedures and observation and inspection. Furthermore, we will consider whether effective controls have been established to adequately respond to the risks arising from the use of IT or manual systems and test the operation of those controls to an extent sufficient to enable us to reduce our substantive work. Our review of the City's controls will not be sufficient to express an opinion as to their effectiveness or efficiency. Although we will provide the Mayor and Council with any information about significant deficiencies in internal control that have come to our attention, we may not be aware of all the significant deficiencies in internal control that do, in fact, exist.

Inherent Limitations in the Auditing Process

An auditor cannot obtain absolute assurance that material misstatements in the consolidated financial statements will be detected due to factors such as the use of significant judgment regarding the gathering of evidence and the drawing of conclusions based on the audit evidence acquired; the use of testing of the data underlying the consolidated financial statements; inherent limitations of controls; and, the fact that much of the audit evidence available to the auditor is persuasive, rather than conclusive in nature.

Because of the nature of fraud, including attempts at concealment through collusion and forgery, an audit designed and executed in accordance with Canadian generally accepted auditing standards may not detect a material fraud. While effective controls reduce the likelihood that misstatements will occur and remain undetected, they do not eliminate that possibility. Therefore, the auditor cannot guarantee that fraud, misstatements and non-compliance with laws and regulations, if present, will be detected when conducting an audit in accordance with Canadian generally accepted auditing standards.

The likelihood of not detecting material misstatements resulting from management fraud is greater than for employee fraud, because management is in a position to manipulate records, present fraudulent information or override controls.

APPENDIX B – The Audit Process *(continued from previous page)*

We will inform the appropriate level of management or the Mayor and Council with respect to identified:

- Misstatements resulting from errors, other than clearly trivial misstatements;
- Fraud, or any information obtained that indicates that fraud may exist;
- Evidence obtained that indicates non-compliance or possible non-compliance with laws and regulations, other than that considered inconsequential;
- Significant deficiencies in the design or implementation of controls to prevent and detect fraud or misstatement; and
- Related party transactions that are not in the normal course of operations and that involve significant judgments made by management concerning measurement or disclosure.

Our concern as auditors is with material misstatements, and thus, we are not responsible for the detection of misstatements that are not material to the consolidated financial statements taken as a whole.



BRIEFING NOTE

To: Council
From: Chief Administrative Officer
Subject: Investing City Funds

File No.: 1855-01
Date: November 20, 2017

PURPOSE:

The purpose of this Briefing Note is to update Council on the process staff are undertaking to invest City funds, with a focus on minimizing risk, maintaining flexibility, and maximizing returns.

BACKGROUND:

Section 183 of the *Community Charter* permits a municipality to invest money that is not immediately required (paraphrased). Staff regularly reviews the City's financial position to determine its ability to invest money in financial instruments with higher interest rates than the City's general bank account. Money left in the City's general bank account earns interest at prime minus 1.7%, which, as of November 3, 2017 is 1.5%.

Staff has determined that the City can invest \$25 million in better performing financial instruments rather than leave funds in the City's general bank account.

A Request for Quotes (RFQ) for an investment strategy was circulated on the City's Webpage, BC Bid and emailed to 11 local investment vendors. Fifteen responses were received and analysed based on the security of the investments and interest rates available to the City.

DISCUSSION:

Prior to circulating the RFQ, the City's investment instruments included:

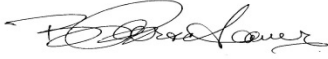
- a \$1.0 million GIC earning 2.77% interest, locked in for a term of 5 years and maturing in 2018;
- Five - \$1.0 million GIC's invested at a rate of 2.15% and locked in for a term of 5 years maturing in 2020; and,
- \$20 million invested in cashable GIC's with a term less than 1 year and interest rates between 1.55% to 1.76%.

The RFQ requested information from institutions on financial instruments that safeguard the initial principal investment with terms spaced at 3 months, 6 months, 1 year and 2 years. The shorter terms were selected to allow the City the option to access funds whenever required. The Table below identifies the interest rates provided by the winning institutions.

Period	Interest Rate
3 months	2.0%
6 months	2.1%
1 year	2.30%
2 year	2.52%

Staff has concluded the process of allocating money to the winning bidders. It is projected the City will gain approximately \$250,000 of additional interest revenue over the next two years by undertaking this RFQ exercise.

Respectfully Submitted



Brian Parschauer, CPA CMA
Director of Finance



MEMORANDUM

To: Council

File No.: 6140-103

From: Trevor Kushner, Director of Public Works Services

Date: November 15, 2017

Subject: Lewis Park Staircase Project

PURPOSE:

To provide Council with an update on the status of the Lewis Park Staircase Project.

BACKGROUND:

The Lewis Park Staircase Project was an approved Capital Project for 2017 for \$150,000.

The two public stair access locations to the Courtenay River within Lewis Park have become compromised in recent years due to scouring effects from high river flows, creating a potentially hazardous situation for river users (Appendix - Photos).

Urban Systems Engineering was engaged in early June 2017 to provide a design and strategy for the repair of the north and south staircases. They were able to develop a small-footprint approach that met favourably with DFO and MFLNRORD guidelines. Based on the plan and design submitted, these regulators were able to approve the project works being completed on a "notification" basis and not a full in-stream works permit, with a completion date of October 31, 2017 established in order to finish ahead of the heavier winter river flows.

A request for proposals (RFP 17-30) was prepared and issued in September 2017. Unfortunately, no bids were received. Staff believe this was a result of a combination of the relatively small budget for the project, complex environmental requirements, as well as, the current capacity of the construction industry due to the recent growth in the rate of development in the Comox Valley.

KEY CONSIDERATIONS

The design work, geotechnical review, permitting and contract development is in place. Public Works staff will be meeting with representatives from Urban Systems on November 15, 2017 to update a strategy to ensure that the project is completed prior to July 2018. The 2017 Capital Project funding will be carried forward to 2018 in order to complete the work.

Respectfully submitted,

Mike Kearns,
Manager of Parks Maintenance

Trevor Kushner,
Director of Public Works Services

Appendix - Photos.



South Stairs



North Stairs





November 3, 2017

Mayor and Council
City of Courtenay
830 Cliffe Avenue
Courtenay, BC V9N 2J7

Re: Request for In-kind Support – WinterFest 2018

Dear Mayor and Council,

On behalf of our WinterFest partners including the Downtown Courtenay BIA (DCBIA) lead WinterFest Steering Committee, we wanted to thank you for the City’s support on WinterFest 2017, which included the first 6th Street Rail Jam event, and to provide an update on some of the exciting preliminary discussions and a request for in-kind support for the 2018 events being held Feb. 2- 12.

6th Street Rail Jam 2018 – Street Closure and Event Support Request

Building upon the success of the first Rail Jam held on 6th Street during WinterFest 2017, which saw approximately 1500 spectators in downtown Courtenay at this temporary event site, we are in process of supporting the development of the 2018 event to be held February 3, 2018, in collaboration with members of the DCBIA including Ski Tak Hut, as well as Mount Washington Freestyle Club, and the VI Riders Club. Based on the assistance provided by the City in 2017, we are asking for the City’s support once again as follows:

- Supporting the partial closure of 6th Street from Cliffe Avenue to west side of the Library, *and* Duncan Avenue from 6th to the alleyway, in adherence with the Parade and Event Permit Application requirements;
- Provision of post-event snow removal services;
- Provision of temporary event signage and barricades where needed.

WinterFest Live Site(s) – On-site Support

We have had discussions about options for live site(s) in the downtown area with both City and Regional District staff, the Sid Williams and the DCBIA. The Sid Williams Theatre plaza is of particular interest to activate a temporary live site with a rink and wide-range of family-friendly activities to provide another reason for locals and visitors alike to come downtown during the quieter winter season. As such, we are requesting the City’s consideration of the following support:

- Provision of support of temporary event signage and barricades where needed;
- Support of the install requirements of the live-site synthetic skating rink surface in the plaza;
- Environmental site review to ensure mitigation of environmental impacts.

We are also working with numerous downtown restaurants, pubs, and cafes to program and/or market an extensive après ski music event calendar to light-up downtown with social events during WinterFest, while at the same time we are pleased to be working with the Sid Williams Theatre to ensure featuring their line-up in these efforts.

These live-site initiatives reflect the guiding principles as outlined in the 'Downtown Courtenay Playbook', and will support creating more vibrancy in the area during a quieter season for many Courtenay businesses.

Our thanks again for you and your staffs' tremendous support of past WinterFest events. We look forward to an even better event in 2018.

Best Regards,



John Watson
Executive Director,
Comox Valley Economic Development and Tourism

CC: Deb Renz, General Manager, Sid Williams Theatre

CC: Haeley Campbell, Executive Director, DTBIA

Finding, Funding, Building, Operating: Housing Partnerships in BC

The Honourable Selina Robinson, Minister of Municipal Affairs and Housing, invites you to join with housing partners from around the province on December 7 & 8 in Richmond, BC. We are inviting people to work in partnership to tackle BC's housing affordability crisis and build 114,000 new units of affordable housing over the next 10 years.

The conference will engage all levels of government, financial institutions, Indigenous organizations, private developers, non-profit and co-op housing providers and others as we chart a path towards solving British Columbia's affordable housing supply crisis. The conference will focus on breaking down barriers to creating new affordable supply by forging new partnerships that: find the land, fund the project, build the community, and operate the housing long-term.

WHEN:

December 7 & 8, 2017

A full conference agenda and registration details will be sent separately.

WHERE:

Westin Wall Centre
3099 Corvette Way, Richmond, BC, V6X 4K3, Canada

A number of rooms have been secured for a limited time at a rate of \$149 per night for delegates. Booking details will be provided following your RSVP.

Due to limited space, this invitation is intended for the invitee alone or a delegate.

WHAT:

Conference participants like you will have a unique opportunity to join in focussed discussions with a cross-section of housing leaders. The goal of these conversations is to generate new approaches to housing affordability and to facilitate the innovative partnerships we need to find, fund, build and operate new affordable housing.

Participants who sign up in advance will also have the chance to pitch project ideas and partnership approaches directly to an expert panel of local government, financial and development advisors who will provide guidance and direction on how to make those ideas a reality. More information on how to sign up will be provided at registration.

RSVP:

Minister Robinson looks forward to engaging with you to build new affordable housing for British Columbians. Please respond to: <https://housingpartnershipsconference.eventbrite.ca> by **November 22, 2017**, in order to secure your invitation.

CITY OF COURTENAY

BYLAW REFERENCE FORM

BYLAW TITLE

“Officer’s Designation and Establishment of Powers, Duties, and Responsibilities Bylaw No. 2913, 2017”.

REASON FOR BYLAW

To update the Officer’s Designation Bylaw.

STATUTORY AUTHORITY FOR BYLAW

Community Charter, SBC 2003 Chapter 26
Financial Disclosure Act RSBC 1996 Chapter 139

OTHER APPROVALS REQUIRED

None.

STAFF COMMENTS AND/OR REPORTS

Housekeeping update of bylaw to current positions. Reporting requirements for Officers under the *Financial Information Act*.

The last update to the bylaw was in 2015.

OTHER PROCEDURES REQUIRED

November 16, 2017

J. Ward
Staff Member

THE CORPORATION OF THE CITY OF COURTENAY

BYLAW NO. 2913

A bylaw to designate and to establish the powers, duties, and responsibilities of Officers for the City of Courtenay

The Municipal Council of the Corporation of the City of Courtenay, in open meeting assembled enacts as follows:

1. CITATION

This Bylaw may be cited for all purposes as “**Officer’s Designation and Establishment of Powers, Duties, and Responsibilities Bylaw No. 2913, 2017**”.

2. OFFICERS

Pursuant to Section 146 of the *Community Charter*, the Officers of the City of Courtenay shall be those persons holding the following positions:

- (a) Chief Administrative Officer (CAO)
- (b) Director of Legislative and Corporate Services/Deputy CAO
- (c) Director of Financial Services
- (d) Director of Recreation and Cultural Services
- (e) Director of Development Services
- (f) Director of Public Works Services
- (g) Director of Engineering Services

3. POWERS, DUTIES AND RESPONSIBILITIES OF OFFICERS

3.1 CHIEF ADMINISTRATIVE OFFICER (CAO)

The Chief Administrative Officer is hereby assigned the chief administrative responsibility for the Municipality and the statutory powers, duties and functions specified in Section 147 of the *Community Charter*, and the powers, duties, and responsibilities established by Council in the Chief Administrative Officer Position Description, including the duties of Deputy Corporate Officer.

3.2 DIRECTOR OF LEGISLATIVE AND CORPORATE SERVICES/DEPUTY CHIEF ADMINISTRATIVE OFFICER

The Director of Legislative and Corporate Services/Deputy CAO is hereby assigned the responsibility of corporate administration for the Municipality including the statutory powers, duties, and functions specified in Section 148 of the *Community Charter (Corporate Officer)*, and the powers, duties, and responsibilities established in the Director of Legislative and Corporate Services/Deputy CAO Position Description, including the duties of the City Clerk.

3.3 DIRECTOR OF FINANCIAL SERVICES

The Director of Financial Services is hereby assigned the responsibility of financial administration for the municipality, which includes the statutory powers, duties, and functions specified in Section 149 of the *Community Charter (Financial Officer)*, and the powers, duties, and responsibilities established in the Director of Financial Services Position Description.

3.4 DIRECTOR OF RECREATION AND CULTURAL SERVICES

The Director of Recreation and Cultural Services is hereby assigned the powers, duties, and responsibilities established in the Director of Recreation and Cultural Services Position Description.

3.5 DIRECTOR OF DEVELOPMENT SERVICES

The Director of Development Services is hereby assigned the powers, duties, and responsibilities established in the Director of Development Services Position Description.

3.6 DIRECTOR OF PUBLIC WORKS SERVICES

The Director of Public Works Services is hereby assigned the powers, duties, and responsibilities established in the Director of Public Works Services Position Description.

3.7 DIRECTOR OF ENGINEERING SERVICES

The Director of Engineering Services is hereby assigned the powers, duties, and responsibilities established in the Director of Engineering Services Position Description.

4. FINANCIAL DISCLOSURE

All persons employed in the positions identified in section 2 of this bylaw are hereby designated as “municipal employees” for the purposes of the *Financial Disclosure Act*.

5. REPEAL

“Officer’s Designation and Establishment of Powers, Duties, and Responsibilities Bylaw No. 2823, 2015” is hereby repealed.

Read a first time this day of , 2017

Read a second time this day of , 2017

Read a third time this day of ,2017

Finally passed this day of

Mayor

Director of Legislative Services

THE CORPORATION OF THE CITY OF COURTENAY

BYLAW NO. 2896

A Bylaw to establish an Assessment Appeals Reserve

The Municipal Council of the Corporation of the City of Courtenay in open meeting assembled enacts as follows:

CITATION

1. This Bylaw may be cited for all purposes as the "**Assessment Appeals Reserve Bylaw No. 2896, 2017.**"

ESTABLISHMENT

2. Subject to section 188 of the *Community Charter*, this bylaw establishes a reserve for a specified purpose and directs that money be placed to the credit of the reserve.
3. Monies in this reserve and interest earned on it must be used only for the purposes for which the reserve was established.
4. Monies are to be received through budget transfers or other Council approved allocations as authorized by the *Community Charter* and other applicable legislation and regulations.
5. Any annual General Tax Supplementary Assessment general ledger account budget-to-actual variances contributing to the prior year's surplus, shall be allocated directly to this reserve.
6. Amounts included in the Financial Plan adopted under Section 165 of the *Community Charter* or other allocations approved by Council, may from time to time be paid into this reserve.

ADMINISTRATION

7. The accumulated funds in the Assessment Appeals Reserve shall be used solely for the funding of tax refunds resulting from Assessment Appeal adjustments identified by BC Assessment.
8. All expenditures of money from the Assessment Appeals Reserve shall be provided for in the annual Financial Plan or approved by Council amendment thereto.
9. Council hereby authorizes the administration of this bylaw to the Director of Finance.

SEVERANCE

10. If a portion of this bylaw is held invalid by a Court of competent jurisdiction, then the invalid portion must be severed and the remainder of this bylaw is deemed to have been adopted without the severed portion.

EFFECTIVE DATE

11. This Bylaw will come into force on the date of its adoption.

Read a first time this 6th day of November, 2017

Read a second time this 6th day of November, 2017

Read a third time this 6th day of November, 2017

Finally passed and adopted this day of November, 2017

Mayor

Director of Legislative & Corporate Services

THE CORPORATION OF THE CITY OF COURTENAY

BYLAW NO. 2904

A bylaw to amend City of Courtenay Fees and Charges Bylaw No. 1673, 1992

The Council of the Corporation of the City of Courtenay in open meeting assembled enacts as follows:

1. This bylaw may be cited for all purposes as **“City of Courtenay Fees and Charges Amendment Bylaw No. 2904, 2017.”**
2. That “City of Courtenay Fees and Charges Bylaw No. 1673, 1992” be amended as follows:
 - (a) That Schedule of Fees and Charges, Section III, Appendix IV “Garbage Collection Fees” be hereby repealed and substituted therefore by the following attached hereto and forming part of this bylaw:

“Schedule of Fees and Charges Section III, Appendix IV – Solid Waste Collection Fees”
3. This bylaw shall come into effect upon final adoption hereof.

Read a first time this 6th day of November, 2017

Read a second time this 6th day of November, 2017

Read a third time this 6th day of November, 2017

Finally passed and adopted this day of , 2017

Mayor

Director of Legislative Services

**SCHEDULE OF FEES AND CHARGES
CITY OF COURTENAY FEES AND CHARGES AMENDMENT BYLAW NO. 2904
SECTION III, APPENDIX IV
SOLID WASTE COLLECTION FEES**

- | | | |
|----|--|----------|
| A. | Dwelling Basis Fee per unit per year
-includes recyclables & yard waste pickup | \$161.44 |
| | Extra Bag Ticket (50 litre) - each | \$2.50 |
| B. | Residential Multifamily, Apartment, Strata per unit per year
(Fee for yard waste, recyclables not included) | \$141.83 |
| | Additional service fee – yard waste pickup, per unit per year | \$19.09 |
| C. | Trade Premises | |

Where mixed waste containers are determined to include recyclable materials, the fee imposed shall be two times the regular pickup fee.

	Per Pickup
Cans – mixed waste (contains no recyclable material)	
1 can or equivalent (1 can = 121 litres)	\$2.80
Every additional can or equivalent 121 litres shall be charged at the rate of	\$2.80
DCBIA – per unit/premise per year (includes two cans per week plus recyclables/cardboard pickup – this fee is charged to those units that are constrained by space and cannot implement a mixed waste bin or cardboard bin service)	\$308.97

Containers - Mixed, Non-compacted (contains no recyclable material)

2 cubic yards	\$16.81
3 cubic yards	\$25.22
6 cubic yards	\$50.43
12 cubic yards	\$100.86
20 cubic yards	\$168.10
Rate per cubic yard for sizes other than those listed above	\$8.41

Compactors – Mixed Waste (contains no recyclable material)	Per Pickup
27 cubic yards	\$454.30
28 cubic yards	\$471.11
30 cubic yards	\$504.73
35 cubic yards	\$588.78
40 cubic yards	\$672.83
For sizes other than those listed above: \$454.30 (27 cubic yard base rate) + [(Y – 27) * \$16.81 (2 cubic yard base rate)]	

Refuse to Recycling Centre (no tipping fees)	
DCBIA Recycle Toter Bin	\$2.30 per bin
<i>Containers</i>	Per Pickup
2 cubic yards	\$9.20
3 cubic yards	\$13.80
6 cubic yards	\$27.60
Sizes other than listed above charged at a rate per cubic yard of	\$4.60

<i>Compactors</i>	Per Pickup
27 cubic yards	\$151.48
30 cubic yards	\$168.29
35 cubic yards	\$196.36
40 cubic yard	\$224.44
For sizes other than those listed above: \$151.48 (27 cubic yard base rate) + [(Y – 27) * \$5.61 (2 cubic yard base rate)]	

