

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

*We respectfully acknowledge that the land on which we gather is the
unceded traditional territory of the K'ómoks First Nation*

DATE: June 11, 2018
PLACE: City Hall Council Chambers
TIME: 4:00 p.m.

K'OMOKS FIRST NATION ACKNOWLEDGEMENT

1.00 ADOPTION OF MINUTES

- 1 1. Adopt May 22nd, 2018 Regular Council meeting minutes
- 9 2. Adopt May 28th, 2018 Committee of the Whole meeting minutes

2.00 INTRODUCTION OF LATE ITEMS

3.00 DELEGATIONS

- 1. Scott Hoadley, Buckstone Road, Speed Alert Sign “Your Speed Is ...”

4.00 STAFF REPORTS/PRESENTATIONS

(a) Financial Services

- 11 1. Financial Information Act - 2017 Statement of Financial Information (SOFI)

(b) Recreation and Cultural Services

- 47 2. Pickleball Court Options

(a) Development Services

- 51 3. Terms of Reference for a Development Industry Working Group
- 57 4. Structural Change to Liquor Licence (Match Eatery and Public House) - 361 Hunt Road

5.00 EXTERNAL REPORTS AND CORRESPONDENCE FOR INFORMATION

- 73 1. City of Langley Resolution - Provincial Employer Health Tax Impact on Local Governments

6.00 INTERNAL REPORTS AND CORRESPONDENCE FOR INFORMATION

- 89 1. Heritage Advisory Commission Meeting Minutes March 28, 2018
- 91 2. Briefing Note - Downtown Courtenay Transit Exchange Expansion
- 95 3. Briefing Note - Urban Forest Strategy Update

7.00 REPORTS/UPDATES FROM COUNCIL MEMBERS INCLUDING REPORTS FROM COMMITTEES

8.00 RESOLUTIONS OF COUNCIL

That notice is hereby given that a Special In-Camera meeting closed to the public will be held June 11th, 2018 at the conclusion of the Regular Council Meeting pursuant to the following sub-section of the *Community Charter*:

- - 90 (2) (b) the consideration of information received and held in confidence relating to negotiations between the municipality and a provincial government or the federal government or both, or between a provincial government or the federal government or both and a third party.

9.00 UNFINISHED BUSINESS

- 97 **1. May 22nd Delegation - Wendy Kotilla, Program Coordinator, Youth & Ecological Restoration (YER) Watershed Restoration Program**

YER request to Council for funding support to assist with costs for the production of a promotional video.

- 103 **2. Federation of Canadian Municipalities (FCM) 2-Year Special Advocacy Fund**

FCM request for a voluntary financial contribution to the 2-Year Special Advocacy Fund implemented by the FCM Board of Directors to promote municipal priorities and strategies for the 2019 Federal election.

10.00 NOTICE OF MOTION

11.00 NEW BUSINESS

12.00 BYLAWS

For Third Reading

- 107 1. “Zoning Amendment Bylaw No. 2932, 2018”
(A bylaw to rezone property at 988 – 8th Street)

For Final Adoption

- 107 1. “Zoning Amendment Bylaw No. 2932, 2018”
(A bylaw to rezone property at 988 – 8th Street)

13.00 ADJOURNMENT

NOTE: There is a Public Hearing scheduled for 5:00 p.m. in relation to:

- Zoning Amendment Bylaw No. 2921, a bylaw proposing amendment to *Zoning Amendment Bylaw No. 2500, 2007* to allow a church and assembly hall as a permitted use, 765 McPhee Avenue.
- Zoning Amendment Bylaw No. 2923, a bylaw proposing amendment to *Zoning Amendment Bylaw No. 2500, 2007* to facilitate a ten lot residential subdivision, 2310 Arden Road.
- Zoning Amendment Bylaw No. 2928, a bylaw proposing amendment to *Zoning Amendment Bylaw No. 2500, 2007* to facilitate the construction of a new single family home with a secondary suite, 570 Washington Crescent.

Minutes of a Regular Council Meeting held in the City Hall Council Chambers, Courtenay B.C., on Monday, May 22, 2018 at 4:00 p.m.

Attending:

Mayor: L. V. Jangula
Councillors: E. Eriksson
D. Frisch
D. Hillian
R. Lennox
M. Theos
B. Wells

Staff:

D. Allen, CAO
J. Ward, Director of Legislative and Corporate Services/Deputy CAO
W. Sorichta, Manager of Corporate Administrative Services
I. Buck, Director of Development Services
T. Kushner, Director of Public Works Services
D. Snider, Director of Recreation and Cultural Services
A. Guillo, Manager of Communications

1.00 ADOPTION OF MINUTES

.01 Moved by Wells and seconded by Theos that the May 7th, 2018
MINUTES Regular Council meeting minutes be adopted.
Carried

2.00 ADOPTION OF LATE ITEMS

3.00 DELEGATIONS

1. Wendy Kotilla, Program Coordinator, Youth & Ecological Restoration (YER) Watershed Restoration Program introduced Council to the YER program providing vulnerable youth of our community work experience through ecological restoration methods, eco therapy and mentoring support.

Jonathan Arseneault, YER program participant, made a presentation to Council showcasing the work experience, ecological knowledge, social and communications skills he developed through the program participation and was presented a certificate of completion and honorarium following his oral presentation to Council by the Program Coordinator, Wendy Kotilla.

Wendy Kotilla, Program Director, YER made a request to Council seeking funding support from the City to assist with costs for the production of a video promoting the YER program.

.01 Moved by Hillian and seconded by Frisch that Council amend the
AMEND AGENDA May 22nd, 2018 Council agenda and move items 3, 4, 5 and 6 (b)
SECTION 4.00 STAFF Development Services under Section 4.00 Staff Reports/Presentations
REPORTS/ ahead on the agenda to be addressed before items 1 and 2 (a) Recreation
PRESENTATIONS and Cultural Services.
Carried

4.00 STAFF REPORTS/PRESENTATIONS

.01 Moved by Wells and seconded by Hillian that based on the May
ZONING AMENDMENT 22, 2018 staff report ‘Zoning Amendment Bylaw No. 2921 - 765 McPhee
BYLAW NO. 2921 – Avenue’ Council approve OPTION 1 and proceed to First and Second
765 MCPHEE AVENUE Readings of Zoning Amendment Bylaw No. 2921, 2018; and,
3360-20-1801

That Council direct staff to schedule and advertise a statutory public hearing with respect to the above-referenced Bylaw on June 11th, 2018 at 5:00 p.m. in City Hall Council Chambers; and,

That prior to the final reading Zoning Amendment Bylaw No. 2921, a statutory right of way be executed by the land owner and the City of Courtenay to secure the City’s existing water meter.

Carried

.02 Moved by Hillian and seconded by Wells that based on the May
ZONING AMENDMENT 22, 2018 staff report ‘Zoning Amendment Bylaw No. 2923 - 2310 Arden
BYLAW NO. 2923 Road’ Council approve OPTION 1 and proceed to First and Second
2310 ARDEN ROAD Readings of Zoning Amendment Bylaw No. 2923, 2018; and,
3360-20-1803

That Council direct staff to schedule and advertise a statutory public hearing with respect to the above-referenced Bylaws on June 11th, 2018 at 5:00 p.m. in City Hall Council Chambers.

Carried

.03 Moved by Frisch and seconded by Lennox that based on the May
ZONING AMENDMENT 22, 2018 Staff report, “Zoning Amendment Bylaw No. 2928 to allow for
BYLAW NO. 2928 a secondary suite at 570 Washington Crescent” Council approve
SECONDARY SUITE OPTION 1 and proceed to First and Second Readings of Zoning
(570 WASHINGTON CRESCENT) Amendment Bylaw No. 2928, 2018; and,
3360-20-1805

That Council direct staff to schedule and advertise a statutory public hearing with respect to Zoning Amendment Bylaw No. 2928, 2018 on June 11th, 2018 at 5:00 p.m. in the City Hall Council Chambers.

Carried

.04

NEW LIQUOR LICENCE
(MATCH EATERY &
PUBLIC HOUSE)
361 HUNT ROAD
4320-20

Moved by Hillian and seconded by Frisch that based on the May 22, 2018 staff report, ‘A New Liquor Licence (Match Eatery and Public House) - 361 Hunt Road’, Council approve OPTION 1 as follows:

1. The Council of the City of Courtenay recommends the LCLB approve the Playtime Gaming Group’s application made to the LCLB for their new liquor licence.
2. Council’s comments on the prescribed considerations are as follows:
 - a) If the amendment application is approved, it would not result in an increase of noise in the area;
 - b) If the application is approved, it would not negatively impact the community based on the submissions received from the public; and
 - c) In order to gather the views of residents, the City of Courtenay posted a notice on the City’s website outlining the application. Additionally, the RCMP was contacted for comment. No comments were provided.

Carried

.05

NATURE TRUST OF BC
LEASE FOR THE ROY
MORRISON NATURE
PARK - 656 ARDEN
ROAD
2380-30 (NATURE
TRUST OF BC)

Moved by Frisch and seconded by Lennox that based on the May 22, 2018 staff report “Nature Trust of BC Lease For the Roy Morrison Nature Park”, Council adopt OPTION 1 and authorize the attached lease with the Nature Trust of BC as Lessor and the City as Lessee, for a term of ninety nine years with respect to the Nature Trust of BC property located at 656 Arden Road on lands having a legal description of PID: 005-497-264, Lot1, Section 79, Comox Land District, Plan 8249, Except Parcel A (DD 66665N) and except those parts in Plans 8464, 10254 AND 38814; and,

That the Mayor and the Director of Legislative and Corporate Services be authorized to execute the lease on behalf of the City.

Carried

.06

PROJECT WATERSHED
REQUEST FOR
SUPPORT
8100-20 CVPWS

Moved by Wells and seconded by Frisch that based on the May 22, 2018 staff report “Project Watershed Request for Support”, Council select OPTION 1 and contribute five thousand dollars (\$5,000) to Project Watershed to support the fund raising event to be held on June 28, 29, 30, July 1 of 2018; and,

That Council direct staff to complete a letter of understanding with Project Watershed, and obtain any associated save harmless documents necessary to mitigate liability risks to the City.

Carried

5.00 EXTERNAL REPORTS AND CORRESPONDENCE FOR INFORMATION

.01 Mayor Jangula, on behalf of the Canadian Association of Municipal
SERVICE Administrators (CAMA), recognized David Allen, Chief Administrative
RECOGNITION Officer, as part of CAMA’s long service recognition awards program to
DAVID ALLEN, CAO public service and presented Mr. Allen with a CAMA recognition pin for
CANADIAN 15 years of municipal service in a management capacity.
ASSOCIATION OF
MUNICIPAL
ADMINISTRATORS
(CAMA)
0400-20

6.00 INTERNAL REPORTS AND CORRESPONDENCE FOR INFORMATION

.01 Moved by Frisch and seconded by Lennox that the May 16, 2018
CANADA DAY Briefing Note, “Canada Day Parade Route Change”, be received for
PARADE ROUTE information.
CHANGE **Carried**
8100-20

.02 Moved by Wells and seconded by Theos that the May 4, 2018
2018 REVISED Memorandum, “2018 Revised Residential School Tax Rates”, be
RESIDENTIAL SCHOOL received for information.
TAX RATES **Carried**
1970-02

7.00 REPORTS/UPDATES FROM COUNCIL MEMBERS INCLUDING REPORTS FROM COMMITTEES

COUNCILLOR Councillor Eriksson reviewed his attendance at the following events:
ERIKSSON

- Habitat for Humanity Groundbreaking and Site Dedication Ceremony, 1330 Lake Trail Road
- Affordable Housing Groundbreaking Ceremony, 810 Braidwood Road
- Councillor Theos father’s memorial service

COUNCILLOR Councillor Frisch reviewed his attendance at the following events:
FRISCH

- Comox Valley Accessibility Committee (CVAC) meeting and mentioned the 2018 Access Awareness Day, June 2nd
On behalf of the CVAC expressed thanks for the maintenance of the Sid Williams Theatre washroom and improvements to the river walkway, Millard path and the Rails to Trails
- Local Hero Awards
- CVRD Integrated Transportation Select Committee meeting with Claire Trevena, Minister of Transportation and Infrastructure
- 2018 Victoria Day “May Day” Parade in Cumberland
- Rob Fleming, Minister of Education announcement of seismic upgrades to Lake Trail Middle School

R10/2018 – May 22, 2018

- DCBIA meeting
- Habitat for Humanity Groundbreaking and Site Dedication Ceremony, 1330 Lake Trail Road
- Affordable Housing Groundbreaking Ceremony, 810 Braidwood Road

COUNCILLOR
HILLIAN

Councillor Hillian reviewed his attendance at the following events:

- Comox Valley Community Health Network transition team meeting
- Annual DCBIA general meeting, mentioned 12 new businesses
- Comox Valley Community Justice Centre meeting
- Habitat for Humanity Groundbreaking and Site Dedication Ceremony, 1330 Lake Trail Road
- Affordable Housing Groundbreaking Ceremony, 810 Braidwood Road
- Rob Fleming, Minister of Education announcement of seismic upgrades to Lake Trail Middle School
- Councillor Theos father's memorial service

COUNCILLOR
THEOS

Councillor Theos reviewed his attendance at the following events:

- CVRD Sports Commission meeting
- CVRD Water Committee meeting
- CVRD Sewer Commission meetings

Councillor Theos mentioned that the Comox Valley, as runner to the 2017 Kraft Hockeyville competition, received \$25,000 in community funding which will be going towards a dressing room for the Comox Valley Glacier Kings Junior Hockey club

COUNCILLOR
WELLS

Councillor Wells reviewed his attendance at the following events:

- Public election forum May 8th
- Comox Fire Rescue "ValleyDads Night Out" event
- CVRD Water Committee meeting
- Habitat for Humanity Groundbreaking and Site Dedication Ceremony, 1330 Lake Trail Road
- Affordable Housing Groundbreaking Ceremony, 810 Braidwood Road
- 2018 Victoria Day "May Day" Parade in Cumberland
- Councillor Theos father's memorial service

MAYOR
JANGULA

Mayor Jangula reviewed his attendance at the following events:

-
-
- Habitat for Humanity Groundbreaking and Site Dedication Ceremony, 1330 Lake Trail Road
- Affordable Housing Groundbreaking Ceremony, 810 Braidwood Road
- 2018 Victoria Day "May Day" Parade in Cumberland
- Councillor Theos father's memorial service

R10/2018 – May 22, 2018

**The council meeting recessed at 4:48 p.m. for the Public Hearing regarding Bylaw No. 2932.
The meeting reconvened at 7:14 p.m.**

8.00 RESOLUTIONS OF COUNCIL

9.00 UNFINISHED BUSINESS

10.00 NOTICE OF MOTION

11.00 NEW BUSINESS

12.00 BYLAWS

.01 Moved by Wells and seconded by Lennox that “Zoning
BYLAW NO. 2921, Amendment Bylaw No. 2921, 2018” pass first and second reading.
2018 **Carried**
ZONING AMENDMENT *Hillian - consideration re: tax revenue loss by changing from commercial*
(765 MCPHEE *property to church purposes (staff to look into it, only applies to building*
AVENUE) *for use of church purposes)*

.02 Moved by Frisch and seconded by Wells that “Zoning
BYLAW NO. 2923, Amendment Bylaw No. 2923, 2018” pass first and second reading.
2018 **Carried**
ZONING AMENDMENT
(2310 ARDEN ROAD)

.03 Moved by Eriksson and seconded by Wells that “Zoning
BYLAW NO. 2928, Amendment Bylaw No. 2928, 2018” pass first and second reading.
2018 **Carried**
ZONING AMENDMENT
(570 WASHINGTON
CRESCENT)

.04 Moved by Frisch and seconded by Hillian that “Council
BYLAW NO. 2918, Procedure Amendment Bylaw No. 2918, 2018” be finally adopted.
2018 **Carried**
COUNCIL PROCEDURE
AMENDMENT BYLAW
NO. 2918, 2018

Minutes of a Committee of the Whole meeting held Monday, May 28, 2018 at 4:00 p.m. in the City Hall Council Chambers.

Attending:

Mayor: L. V. Jangula
Councillors: E. Eriksson
D. Frisch
D. Hillian
R. Lennox
M. Theos via Teleconference
B. Wells

Staff:

D. Allen, CAO
J. Ward, Director of Legislative and Corporate Services/Deputy CAO
W. Sorichta, Manager of Corporate Administrative Services
T. Kushner, Director of Public Works Services
R. O’Grady, Director of Engineering Services
B. Parschauer, Director of Financial Services
D. Bardonnex, Fire Chief
A. Guillo, Manager of Communications
N. Borecky, Manager of IT

1.00 STAFF REPORTS/PRESENTATIONS

.01

COMOX VALLEY FIRE
AND RESCUE
SERVICES
AGREEMENT
EXTENSION
7200-02

Moved by Frisch and seconded by Lennox that based on the May 28, 2018 staff report “Comox Valley Fire And Rescue Services Agreement Extension”, Council approve OPTION 1 and the attached agreement between the City and its Mutual Aid Partners; and

That the Mayor and Corporate Officer be authorized to execute the agreement on behalf of the City.

Carried

.02

2018 WATER
CAPITAL BUDGET
AMENDMENT - 20TH
STREET WATER MAIN
1705-20

Moved by Frisch and seconded by Wells that based on the May 28, 2018 staff report “2018 Water Capital Budget Amendment - 20th Street Water Main” Council approve OPTION 1 and approve the renewal of 125 lineal meters of water main along 20th Street, at an estimated cost of \$130,000.

That the 2018 budget be amended so this amount can be taken from the 2018 Buckstone water booster pump station capital project which is \$250,000.

Carried

2.00 EXTERNAL REPORTS AND CORRESPONDENCE FOR INFORMATION

.01
FEDERATION OF
CANADIAN
MUNICIPALITIES
(FCM) SEIZING OUR
MOMENT –
FCM’S SPECIAL
ADVOCACY FUND

Moved by Lennox and seconded by Wells that the correspondence dated May 16, 2018 from the Federation of Canadian Municipalities (FCM) regarding the FCM Board of Directors approval to implement a 2-Year Special Advocacy Fund to promote municipal priorities and strategies for the 2019 Federal election, be received for information.

Carried

Moved by Frisch and seconded by Hillian that Council postpone responding to the Federation of Canadian Municipalities (FCM) request for a voluntary financial contribution to the 2-Year Special Advocacy Fund until the June 11, 2018 regular Council meeting pending further discussion with other elected officials and FCM panel by members of Council attending the 2018 FCM Annual Conference and Trade Show May 31 - June 03, 2018.

Carried

3.00 RESOLUTIONS OF COUNCIL

.01
IN CAMERA
MEETING

Moved by Hillian and seconded by Wells that a Special In-Camera meeting closed to the public will be held May 28th, 2018 at the conclusion of the Committee of the Whole Meeting pursuant to the following subsections of the *Community Charter*:

- 90 (1) (c) labour relations or other employee relations.
- 90 (1) (k) negotiations and related discussions respecting the proposed provision of a municipal service that are at their preliminary stages and that, in the view of the council, could reasonably be expected to harm the interests of the municipality if they were held in public.

Carried

4.00 ADJOURNMENT

.01

Moved by Hillian and seconded by Lennox that the meeting now adjourn at 4:27 p.m.

Carried

CERTIFIED CORRECT

Director of Legislative Services

Adopted this 11th day of June, 2018

Mayor



THE CORPORATION OF THE CITY OF COURTENAY

STAFF REPORT

To: Council

File No.: 1870-06 [2017]

From: Chief Administrative Officer

Date: June 11, 2018

Subject: Financial Information Act – 2017 Statement of Financial Information (SOFI)

PURPOSE:

The purpose of this report is to request Council approval of the Statement of Financial Information for the year ended December 31, 2017.

POLICY ANALYSIS:

The *Financial Information Act* and the *Financial Information Act Regulation 371/93* require local governments to prepare an annual statement of financial information. In addition, Section 168 of the *Community Charter* requires the City to prepare an annual reporting of council remuneration, expenses and contracts. Section 168 reporting is included in the City's Annual Statement of Financial Information.

CAO RECOMMENDATIONS:

That based on the June 11, 2018 staff report "Financial Information Act – 2017 Statement of Financial Information", Council approve OPTION 1 and approve the City of Courtenay Statement of Financial Information for the year ended December 31, 2017.

Respectfully submitted,

David Allen, BES, CLGEM, SCLGM
Chief Administrative Officer

BACKGROUND:

Under the terms of *Financial Information Act*, each local government in British Columbia is deemed to be a "corporation" and must prepare an annual Statement of Financial Information (SOFI) for submission to the Province by June 30th each year.

DISCUSSION:

Attached for Council's review and approval is the City of Courtenay Statement of Financial Information for the year ended December 31, 2017.

As prescribed by legislation, this annual report includes information on the City's audited financial statements, a schedule of remuneration and expenses for both Council and City employees, a schedule of payments made for supplies and services used by the City, as well as information on any active guarantee and indemnity agreements in place for the 2017 operational year.

In the schedules of remuneration and expenses, Total Remuneration includes salary, wages, and taxable benefits. Taxable benefits include premiums paid by the employer for Medical Services Plan, group term life insurance, vehicle allowance, parking, contributions made to an employee's RRSP, and may include housing or moving expenses paid by the employer. Expenses include registration fees, travel expenses, memberships, certification fees and tuition.

FINANCIAL IMPLICATIONS:

N/A

ADMINISTRATIVE IMPLICATIONS:

Preparing the annual SOFI report for submission to Council utilizes resources from both Finance and Human Resources departments, and is a statutory component of the annual workplan.

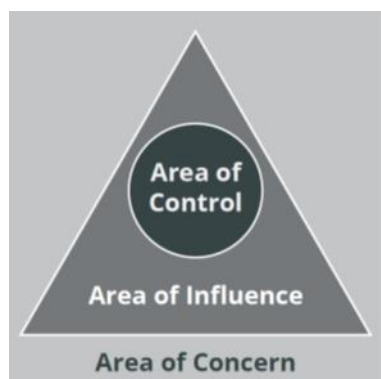
ASSET MANAGEMENT IMPLICATIONS:

N/A

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:

N/A

REGIONAL GROWTH STRATEGY REFERENCE:

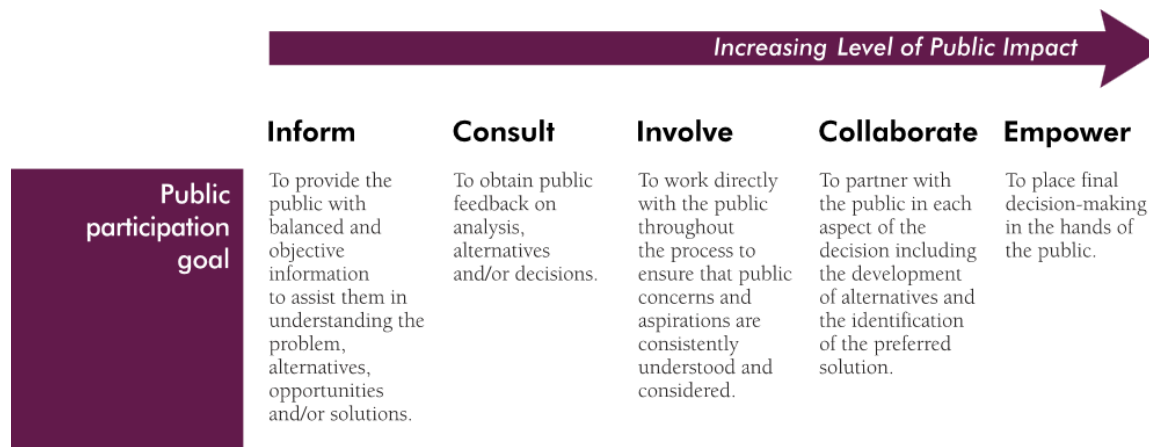
N/A

CITIZEN/PUBLIC ENGAGEMENT:

While public engagement is not required, the SOFI report must be approved by Council and submitted to the Province by June 30th, 2018.

Staff will **inform** the public based on the IAP2 Spectrum of Public Participation as noted below.

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



OPTIONS:

- 1: That Council approves the City of Courtenay Statement of Financial Information (SOFI) for the year ended December 31, 2017. (Recommended)
- 2: That Council request a subsequent report and not approve the 2017 Statement of Financial Information.

Prepared by:

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

Attachments: City of Courtenay, Statement of Financial Information for the year ended December 31, 2017



**THE CORPORATION OF
THE CITY OF COURTENAY**

**Statement of Financial Information
For the Year Ended December 31, 2017**

INDEX

<u>Statement</u>	<u>Page No.</u>
Management Report	2
Auditor Report	3
Consolidated Statement of Financial Position	4
Consolidated Statement of Operations	5
Consolidated Statement of Change in Net Financial Assets	6
Consolidated Statement of Cash Flow	7
Consolidated Schedule of Segment Disclosure by Service	8, 9
Notes to Consolidated Financial Statements	10-23
Consolidated Schedule of Tangible Capital Assets	24
Consolidated Schedule of Debenture and Other Long Term Debt	25
Schedule of Remuneration and Expenses of Elected Officials	26
Schedule of Salaries, Wages and Expense	27
Schedule of Payments Made to Suppliers of Goods and Services	28-29
Schedule of Guarantee and Indemnity Agreements	30
Statement of Financial Information Approval	31

MANAGEMENT REPORT

The Financial Statements contained in this Statement of Financial Information under the *Financial Information Act* have been prepared by management in accordance with Canadian Public Sector Accounting Standards and are outlined under “Significant Accounting Policies” in the notes to the financial statements, and the integrity and objectivity of these statements are management’s responsibility. Management is also responsible for all the statements and schedules, and for ensuring that this information is consistent, where appropriate, with the information contained in the financial statements.

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

The Council of the City of Courtenay is responsible for ensuring that management fulfills its responsibilities for financial reporting and internal control.

The external auditors, MNP LLP, conduct an independent examination, in accordance with Canadian Public Sector accounting standards, and express their opinion on the financial statements. Their examination does not relate to the other schedules and statements required by the Act. Their examination includes a review and evaluation of the corporation’s system of internal control and appropriate tests and procedures to provide reasonable assurance that the financial statements are presented fairly.

On behalf of the Corporation of the City of Courtenay:

Brian Parschauer, BA, CPA, CMA
Director of Financial Services
June 18, 2018

Independent Auditors' Report

To the Mayor and Council of City of Courtenay:

We have audited the accompanying consolidated financial statements of City of Courtenay, which comprise the consolidated statement of financial position as at December 31, 2017, and the consolidated statements of earnings, changes in net financial assets and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

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

Auditors' 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 the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

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

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

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of City of Courtenay as at December 31, 2017 and the results of its operations, changes in net financial assets and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Other Matter

Our audit was performed for the purpose of forming an opinion on the consolidated financial statements taken as a whole. The current year's supplementary information, including schedules 1 to 5, has been presented for purposes of additional analysis. The supplementary information in Schedules 1, 3, 4, and 5 has been subjected to the auditing procedures applied in the consolidated financial statements and, in our opinion, this supplementary information is presented fairly, in all material respects, in relation to the consolidated financial statements taken as a whole. We do not express an opinion on Schedule 2 because our examination did not extend to the detailed information therein.

Courtenay, British Columbia

May 7, 2018

MNP LLP

Chartered Professional Accountants

**THE CORPORATION OF THE CITY OF COURTENAY
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2017**

STATEMENT A

	2017	2016
FINANCIAL ASSETS		
Cash on Hand and on Deposit (Schedule 5)	\$ 12,176,694	\$ 11,940,239
Receivables (Note 1i)	2,960,134	3,178,840
Term Deposits (Schedule 5)	31,487,579	31,409,482
	46,624,407	46,528,561
LIABILITIES		
Accounts Payable (Note 1j)	7,051,630	8,271,606
Trust and Other Deposits	4,036,811	4,742,503
Deferred Revenue - Development Cost Charges (Note 6)	5,546,196	4,481,601
Deferred Revenue - Other (Note 8)	2,221,668	1,409,770
Long-Term Debt (Schedule 4)	12,851,766	14,189,703
	31,708,071	33,095,183
NET FINANCIAL ASSETS	14,916,336	13,433,378
NON-FINANCIAL ASSETS		
Inventories	191,031	188,408
Prepaid Expenses	446,715	491,324
Tangible Capital Assets (Note 12 & Schedule 3)	139,559,441	135,242,213
	140,197,187	135,921,945
ACCUMULATED SURPLUS (Schedule 2)	\$ 155,113,523	\$ 149,355,323
CONTINGENT LIABILITIES AND COMMITMENTS (NOTE 2)	-	-

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

**THE CORPORATION OF THE CITY OF COURTENAY
CONSOLIDATED STATEMENT OF OPERATIONS
FOR THE YEAR ENDED DECEMBER 31, 2017**

REVENUE	2017 Budget (Note 13)	2017	2016
Taxes for Municipal Purposes	\$ 25,752,900	\$ 25,701,418	\$ 24,263,225
Sale of Services	14,481,948	14,934,108	13,425,663
Revenue From Own Sources	2,977,700	3,384,772	3,154,810
Federal Transfers	1,483,100	1,108,235	1,094,108
Provincial Transfers	1,709,000	1,877,196	1,383,979
Other Local Government Transfers	941,950	340,167	220,726
Contributions	573,422	3,037,373	4,118,205
DCC Revenue	-	149,539	260,138
Investment Income and Taxation Penalties	831,600	927,737	922,476
Other	727,300	739,066	682,242
Actuarial adjustment	-	-	45,551
Gain on Sale of Tangible Capital Assets	-	51,105	6,785
TOTAL REVENUE	49,478,920	52,250,716	49,577,908
EXPENSES			
General Government Services	5,930,042	5,034,969	4,730,658
Protective Services	9,743,470	8,919,927	8,125,236
Transportation Services	7,818,031	7,399,060	7,037,780
Sewer and Water Facilities	11,172,984	11,043,443	10,191,449
Environmental Health Services	3,364,948	3,389,673	3,291,499
Public Health and Welfare Services	255,297	383,499	259,991
Environmental Development Services	1,298,808	1,350,794	1,249,548
Recreational and Cultural Services	9,266,899	8,971,151	9,649,136
TOTAL EXPENSES	48,850,478	46,492,516	44,535,297
ANNUAL SURPLUS (Schedule 1)	628,442	5,758,200	5,042,611
ACCUMULATED SURPLUS AT BEGINNING OF YEAR	149,355,323	149,355,323	144,312,712
ACCUMULATED SURPLUS AT END OF YEAR	\$ 149,983,765	\$ 155,113,523	\$ 149,355,323

**THE CORPORATION OF THE CITY OF COURTENAY
CONSOLIDATED STATEMENT OF CHANGE IN NET FINANCIAL ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2017**

STATEMENT C

	2017 Budget (Note 13)	2017	2016
ANNUAL SURPLUS	\$ 628,442	\$ 5,758,200	\$ 5,042,611
Acquisition of tangible capital assets	(11,851,600)	(7,131,998)	(5,625,947)
Amortization of tangible capital assets	4,425,000	5,183,920	4,890,442
(Gains)/losses and other adjustments to tangible capital assets		437,222	194,159
Proceeds on sale of tangible capital assets		62,811	13,675
Developer tangible capital asset contribution	-	(2,869,183)	(3,606,717)
	(7,426,600)	(4,317,228)	(4,134,388)
Acquisition of supplies inventories	-	(517,235)	(402,965)
Acquisition of prepaid expense	-	(492,414)	(714,847)
Consumption of supplies inventories	-	514,612	390,686
Use of prepaid expense	-	537,023	554,541
	-	41,986	(172,585)
CHANGE IN NET FINANCIAL ASSETS	(6,798,158)	1,482,958	735,638
NET FINANCIAL ASSETS AT BEGINNING OF YEAR	13,433,378	13,433,378	12,697,740
NET FINANCIAL ASSETS AT END OF YEAR	\$ 6,635,220	\$ 14,916,336	\$ 13,433,378

The accompanying notes are an integral part of these financial statements

**THE CORPORATION OF THE CITY OF COURTENAY
CONSOLIDATED STATEMENT OF CASH FLOW
FOR THE YEAR ENDED DECEMBER 31, 2017**

STATEMENT D

	2017	2016
CASH PROVIDED BY (APPLIED TO) FINANCING TRANSACTIONS		
OPERATING TRANSACTIONS		
Annual Surplus	\$ 5,758,200	\$ 5,042,611
Changes in non-cash items including amortization		
Increase in amortization	5,183,920	4,890,442
Change in receivables	218,706	577,012
Change in accounts payable	(1,219,976)	1,498,173
Change in trust and other deposits	(705,692)	690,148
Change in deferred revenue	1,876,493	304,415
Change in inventories	(2,623)	(8,471)
Change in prepaids	44,610	(160,306)
Net (gains)/losses and other adjustments to tangible capital assets	437,222	190,351
Developer Tangible Capital Asset Contribution	(2,869,183)	(3,606,717)
Actuarial adjustment	(386,693)	(333,874)
	8,334,984	9,083,784
CAPITAL TRANSACTIONS		
Cash used to acquire tangible capital assets	(7,131,998)	(5,625,947)
Proceeds on sale of tangible capital assets	62,811	13,675
	(7,069,187)	(5,612,272)
INVESTING TRANSACTIONS		
Proceeds from term deposits		
Term deposits	(78,097)	(15,170,361)
Other		
Cash Provided by (applied to) Investing Transactions	(78,097)	(15,170,361)
FINANCING TRANSACTIONS		
Repayment of long-term debt	(951,245)	(950,605)
Long-term debt proceeds	-	-
Cash applied to Financing Transactions	(951,245)	(950,605)
INCREASE (DECREASE) IN CASH ON HAND AND ON DEPOSIT	236,455	(12,649,454)
CASH ON HAND AND ON DEPOSIT AT BEGINNING OF YEAR	11,940,239	24,589,696
CASH ON HAND AND ON DEPOSIT AT END OF YEAR	\$ 12,176,694	\$ 11,940,239
Interest paid on outstanding debt and included in annual surplus above	\$ 635,742	\$ 713,928

THE CORPORATION OF THE CITY OF COURTENAY
CONSOLIDATED SCHEDULE OF SEGMENT DISCLOSURE BY SERVICE
YEAR ENDED DECEMBER 31, 2017
(Audited)

SCHEDULE 1
(Note 11)
Page 1 of 2

	General Government Services		Protective Services		Transportation Services		Environmental Health Services		Public Health and Welfare Services	
	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016
REVENUE:										
Taxation	\$ 22,816,507	\$ 21,603,976								
Sales of Services			933,633	887,972			3,201,028	3,073,262		
Revenue from Own Sources			682,622	858,811	130,868	47,356				
Government Transfers	1,359,000	1,196,053	300,373	76,006	1,259,640	1,158,804			103,870	88,353
Other Revenue	87,010	94,430			141,500	132,218			167,440	128,455
Other Contributions					2,357,482	2,306,421		661,925		
Interest Earned	804,432	848,349	3,735	2,106	49,964	27,320				
Actuarial Adjustment		45,549								
Gain on sale of TCA	9,369	-		200	33,336	6,585				
Total Revenues	25,076,318	23,788,357	1,920,363	1,825,095	3,972,790	3,678,704	3,201,028	3,735,187	271,310	216,808
EXPENSES										
Salaries and Benefits	3,365,498	3,090,741	2,081,233	1,905,934	2,382,224	2,357,809	51,637	55,009	233,328	162,794
Goods and Services	1,186,907	1,260,600	6,467,288	5,835,208	1,811,402	1,806,460	3,011,456	2,909,185	122,419	72,805
Amortization Expense	240,240	170,291	352,012	345,789	2,743,677	2,618,140	315,948	318,718	27,752	24,392
Debt Servicing	(35,375)	16,080	2,355	35,907	199,953	236,551				
Other Expenditures	277,699	191,383		2,398	640	15,323	8,000	430		
Loss on Disposal of TCA		1,563	17,039		261,164	3,497	2,632	8,157		
Total Expenses	5,034,969	4,730,658	8,919,927	8,125,236	7,399,060	7,037,780	3,389,673	3,291,499	383,499	259,991
ANNUAL SURPLUS	20,041,349	19,057,699	(6,999,564)	(6,300,141)	(3,426,270)	(3,359,076)	(188,645)	443,688	(112,189)	(43,183)

THE CORPORATION OF THE CITY OF COURTENAY
CONSOLIDATED SCHEDULE OF SEGMENT DISCLOSURE BY SERVICE
YEAR ENDED DECEMBER 31, 2017
(Audited)

SCHEDULE 1
(Note 11)
Page 2 of 2

	Environmental Development Services		Recreational and Cultural Services		Water Utility Services		Sewer Utility Services		Other Services		Consolidated	
	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016
REVENUE:												
Taxation												
Sales of Services		510,715		1,612,910	\$ 922,220	\$ 709,738	\$ 1,962,691	\$ 1,949,511		624,186	\$ 25,701,418	\$ 24,263,225
Revenue from Own Sources	616,227	20,000	1,690,319	82,097	5,826,949	4,956,600	4,338,650	3,883,643			14,934,108	13,425,663
Government Transfers	28,958	290,282	180,547	24,857	220,792	122,574	43,944	2,445	633,848	3,384,772	3,325,598	3,154,810
Other Revenue	324,581	233,188	18,535	141,459				10,000	93,210	67,500	739,066	682,242
Other Contributions	41,000	3,539	118,068	14,139	379,007	504,275	243,033	475,163	48,322	55,912	3,186,912	4,378,343
Interest Earned	4,821		5,046		18,322	6,952	20,222	5,547	21,195	14,523	927,737	922,476
Actuarial Adjustment												45,551
Gain on sale of TCA			8,400						796,575	762,121	51,105	6,785
Total Revenues	1,015,587	1,057,724	2,020,915	1,875,462	7,367,290	6,312,139	6,608,540	6,326,309	796,575	762,121	52,230,716	49,577,908
EXPENSES												
Salaries and Benefits	804,788	712,196	4,152,743	4,304,997	648,115	681,696	444,095	449,920	665,604	643,891	14,829,265	14,364,987
Goods and Services	427,386	440,246	2,681,291	2,752,573	4,574,027	2,915,963	850,299	943,956	226,697	376,000	21,359,172	19,312,996
Amortization Expense	2,533	2,533	842,040	800,883	403,958	371,577	255,758	238,117			5,183,918	4,890,440
Debt Servicing			69,364	118,425	824	7,451	11,928	20,334			2,49,049	434,748
Other Expenditures	116,087	94,573	309,529	644,699	144	37,158	3,670,687	4,484,685			4,382,786	5,470,649
Loss on Disposal of TCA			23,883	7,668	183,608	18,497		22,095			488,326	61,477
Total Expenses	1,350,794	1,249,548	8,078,850	8,629,245	5,810,676	4,032,342	5,232,767	6,159,107	892,301	1,019,891	46,492,516	44,535,297
ANNUAL SURPLUS	\$ (335,207)	\$ (191,824)	\$ (6,057,935)	\$ (6,753,783)	\$ 1,556,614	\$ 2,279,797	\$ 1,375,773	\$ 167,202	\$ (95,726)	\$ (257,770)	\$ 5,758,200	\$ 5,042,611

**THE CORPORATION OF THE CITY OF COURTENAY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2017**

PAGE 1 OF 14

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 Canadian public sector accounting standards 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, a controlled entity. Transactions between these funds, and between the City and the Sid Williams Theatre Society, have been eliminated on consolidation. The consolidated financial statements have been prepared using guidelines issued by the Public Sector Accounting Board of CPA Canada. 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

Expenses 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 from non-government sources 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.

Revenues from own sources are recognized in the period in which the transactions or events that gave rise to the revenue occur or are earned, provided the amount can be estimated and collection is reasonably assured.

The City recognizes a government transfer as revenue when the transfer is authorized and all eligibility criteria, if any, have been met. A government transfer with stipulations giving rise to an obligation that meets the definition of a liability is recognized as a liability. In such circumstances, the City recognizes revenue as the liability is settled. Transfers of non-depreciable assets are recognized in revenue when received or receivable.

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.

**THE CORPORATION OF THE CITY OF COURTENAY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2017**

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

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 public sector accounting standards 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. 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. Liabilities for contaminated sites are estimated based on the best information available regarding potentially contaminated sites that the City of Courtenay is responsible for.

(e) **Inventories**

Inventories are valued at the lower of cost and replacement cost.

(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

**THE CORPORATION OF THE CITY OF COURTENAY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2017**

PAGE 3 OF 14

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

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, term deposits, 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, 2017. Actuarial adjustments are offset against interest charged. Principal payments are applied directly to loan balances in the period they accrue.

(i) Receivables

Following is a breakdown of receivables outstanding at December 31, 2017 with 2016 comparatives:

	<u>2017</u>	<u>2016</u>
Federal Government	\$ 226,908	\$ 206,198
Provincial Government	659,170	566,788
Regional and other Local Governments	275,880	160,397
Property Taxes	955,208	1,489,508
Other	<u>842,968</u>	<u>755,949</u>
Total Receivables	<u>\$ 2,960,134</u>	<u>\$ 3,178,840</u>

(j) Accounts Payable

Following is a breakdown of accounts payable and accrued liabilities outstanding at December 31, 2017 with 2016 comparatives:

	<u>2017</u>	<u>2016</u>
Federal Government	\$ 1,348,962	\$ 1,237,832
Provincial Government	78,412	362,370
Regional and other Local Governments	724,355	1,381,811
Employee Retirement Benefits (Note 10)	944,400	926,000
Trade and accrued liabilities	<u>3,955,501</u>	<u>4,363,593</u>
Total Accounts Payable	<u>\$ 7,051,630</u>	<u>\$ 8,271,606</u>

THE CORPORATION OF THE CITY OF COURTENAY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2017

PAGE 4 OF 14

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(k) Liability for Contaminated Sites

A liability for remediation of a contaminated site is recognized at the best estimate of the amount required to remediate the contaminated site when; contamination exceeding an environmental standard exists, the City of Courtenay is either directly responsible or accepts responsibility, it is expected that future economic benefits will be given up, and a reasonable estimate of the amount is determinable. The best estimate of the liability includes all costs directly attributable to remediation activities and is reduced by expected net recoveries based on information available at December 31, 2017.

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

(l) Recent Accounting Pronouncements

PS 2200 Related Party Disclosures

In March 2015, as part of the CPA Canada Public Sector Accounting Handbook Revisions Release No. 42, the Public Sector Accounting Board (PSAB) issued a new standard, PS 2200 Related Party Disclosures.

This new Section defines 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. This new Standard does not have a material effect on the consolidated financial statements.

PS 3210 Assets

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.

THE CORPORATION OF THE CITY OF COURTENAY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2017

PAGE 5 OF 14

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

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. This new Standard does not have a material effect on the consolidated financial statements.

PS 3320 Contingent Assets

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. This new Standard does not have a material effect on the consolidated financial statements.

PS 3380 Contractual Rights

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 CORPORATION OF THE CITY OF COURTENAY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2017

PAGE 6 OF 14

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

The standard is effective for fiscal years beginning on or after April 1, 2017. Earlier adoption is permitted. This new Standard does not have a material effect on the consolidated financial statements.

PS 3430 Restructuring Transactions

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 de-recognition 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 encouraged. The City does not expect application of the new Standard to have a material effect on the consolidated financial statements.

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. Readers are referred to the Comox Valley Regional District 2017 Audited Financial Statements for specific information and detail.
- (b) Principal repayments on long-term debt in each of the next five years are estimated as follows:

2018	\$	951,899
2019		934,845
2020		935,534
2021		885,800
2022		810,918
		<hr/>
	\$	<u>4,518,996</u>

THE CORPORATION OF THE CITY OF COURTENAY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2017

PAGE 7 OF 14

- (c) 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
Vancouver Island Regional Library
Downtown Courtenay Business Improvement Area

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

- (d) As at December 31, 2017, there existed outstanding claims against the City. These claims have been referred to legal counsel 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.

3. PENSION LIABILITY

The employer and its employees contribute to the Municipal Pension Plan (a jointly trustee pension plan). The board of trustees, representing plan members and employers, is responsible for administering the plan, including investment of the assets and administration of benefits. The plan is a multi-employer defined benefit pension plan. Basic pension benefits provided are based on a formula. As at December 31, 2016, the plan has about 193,000 active members and approximately 90,000 retired members. Active members include approximately 38,000 contributors from local government.

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

The most recent valuation for the Municipal Pension Plan as at December 31, 2015, indicated a \$2.224 billion funding surplus for basic pension benefits on a going concern basis. As a result of the 2015 basic account actuarial valuation surplus and pursuant to the joint trustee agreement, \$1.927 billion was transferred to the rate stabilization account and \$297 million of the surplus ensured the required contribution rates remained unchanged

The City of Courtenay paid \$939,145 (2016 - \$867,334) for employer contributions to the plan in fiscal 2017.

The next valuation will be as at December 31, 2018, with results available in 2019.

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

**THE CORPORATION OF THE CITY OF COURTENAY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2017**

PAGE 8 OF 14

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.

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 in a General Fund Reserve – New Works Community Gas Tax Funds (Schedule 2) 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 2017 with comparatives to 2016.

	<u>2017</u>	<u>2016</u>
Opening Balance of Unspent Funds	\$4,733,397	\$3,735,925
Additions:		
Amounts Received During the Year	1,083,236	1,069,107
Interest Earned	29,466	15,865
Deductions:		
Amount Spent on Projects	<u>(2,328,724)</u>	<u>(87,500)</u>
Closing Balance of Unspent Funds	<u>\$3,517,375</u>	<u>\$4,733,397</u>

THE CORPORATION OF THE CITY OF COURTENAY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2017

PAGE 9 OF 14

6. DEFERRED REVENUE - DEVELOPMENT COST CHARGES

In order to conform with the Public Sector Accounting Standards of CPA Canada, 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 2017 and 2016.

	2017				
	General	Water	Sewer	Sewer	
	Reserve	Utility	Utility	Utility	
	DCC	DCC	DCC	DCC	2017
	BL #2840	BL #2840	BL #2840	BL #1638	Total
Balance Forward	\$ 3,450,709	\$ 529,837	\$ 467,447	\$ 33,608	\$ 4,481,601
Increases					
Interest	21,924	3,265	3,147	198	28,534
Other Contributions	991,805	61,451	132,344	-	1,185,600
	<u>1,013,729</u>	<u>64,716</u>	<u>135,491</u>	<u>198</u>	<u>1,214,134</u>
Decreases					
Revenue Recognized to Fund Capital Projects	(149,539)	-	-	-	(149,539)
Ending Balance Deferred Revenue - DCC	<u>\$ 4,314,899</u>	<u>\$ 594,553</u>	<u>\$ 602,938</u>	<u>\$ 33,806</u>	<u>\$ 5,546,196</u>

	2016				
	General	Water	Sewer	Sewer	
	Reserve	Utility	Utility	Utility	
	DCC	DCC	DCC	DCC	2016
	BL #2840	BL #2840	BL #2840	BL #1638	Total
Balance Forward	\$ 3,049,041	\$ 463,577	\$ 327,170	\$ 33,474	\$ 3,873,262
Increases					
Interest	13,300	1,967	1,511	134	16,912
Other Contributions	638,568	73,593	139,404	-	851,565
	<u>651,868</u>	<u>75,560</u>	<u>140,915</u>	<u>134</u>	<u>868,477</u>
Decreases					
Revenue Recognized to Fund Capital Projects	(250,200)	(9,300)	(638)	-	(260,138)
Ending Balance Deferred Revenue - DCC	<u>\$ 3,450,709</u>	<u>\$ 529,837</u>	<u>\$ 467,447</u>	<u>\$ 33,608</u>	<u>\$ 4,481,601</u>

**THE CORPORATION OF THE CITY OF COURTENAY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2017**

7. 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 2017 and 2016, which has been excluded from the City's financial statements.

CEMETERY PERPETUAL CARE FUND FINANCIAL POSITION	<u>2017</u> <u>2016</u>	CEMETERY PERPETUAL CARE FUND FINANCIAL ACTIVITIES	<u>2017</u> <u>2016</u>
Financial Assets		Revenue	
Cash on Hand	\$ 88,440 \$ 82,201	Fees Levied	\$ 10,590 \$ 9,711
Investments - MFA	<u>238,312 236,023</u>	Interest Revenue	<u>3,242 2,608</u>
Liabilities		Expenditure	
Interest Payable to City	<u>3,242 5,303</u>	Interest Expense	<u>3,242 2,608</u>
Net Financial Position	<u><u>\$ 323,510 \$ 312,921</u></u>	Excess Revenue over Expenditure	<u><u>\$ 10,590 \$ 9,711</u></u>

- (b) The Sid Williams Theatre has endowment funds on deposit with the Comox Valley Community Foundation in the amount of \$423,132 (2016 - \$384,442). 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 statement of financial position.

8. DEFERRED REVENUE – OTHER

Other Deferred Revenue recorded in the Liability section of the City's Financial Statements consists of the revenues related to business license revenue levied and to be recognized in future years, Government transfers received prior to revenue recognition criteria being met, and gift certificates issued and to be redeemed in future years at the Sid Williams Theatre. Following is a breakdown of the change in this balance for 2017 and 2016:

	2017	2016
Opening Balance	\$ 1,409,770	\$ 1,713,694
Additions to Deferred Revenue	2,221,668	1,406,868
Revenue Recognized	(1,409,770)	(1,710,791)
Ending Balance Deferred Revenue Other	<u><u>\$ 2,221,668</u></u>	<u><u>\$ 1,409,770</u></u>

**THE CORPORATION OF THE CITY OF COURTENAY
 NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2017**

9. 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, 2017 the City had debt reserve funds of \$333,765 (\$327,368 in 2016).

10. 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 2017 were based on an interest (discount) rate of 3.0% per annum (2016 - 3.3%) and an inflation rate of 2.5% for both 2017 and 2016. The total estimated employee retirement benefit liability at December 31, 2017 is \$944,400 (\$926,000 in 2016) and is included in the accounts payable balance on Statement A. Following is a breakdown of the benefit liability:

	2017	2016
Accrued benefit liability at beginning of year	926,000	875,700
Expense	100,861	124,300
Benefit Payments	(82,461)	(74,000)
Accrued benefit liability at end of year	\$ 944,400	\$ 926,000

11. 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 2017 revenues and expenses with 2016 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, sustainability, and hotel taxes, as well as actions relating to homelessness.

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.

THE CORPORATION OF THE CITY OF COURTENAY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2017

PAGE 13 OF 14

12. TANGIBLE CAPITAL ASSET DETAILS

(See Schedule 3 for further details)

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 2017 is \$2,869,183 (\$3,606,717 in 2016).

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 CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2017

PAGE 14 OF 14

13. RESTATEMENT OF 2017 BUDGET

The budget amounts presented throughout these financial statements are based upon the Five Year Financial Plan approved by Council on May 8, 2017 except in regard to budget amounts for amortization, tangible capital assets, and the use of debt, reserves and prior year surpluses.

The summary below shows the adjustments to the May 8, 2017 budget approved by Council and reflected in these financial statements:

Adjustments to 2017 Budgeted Annual Surplus

Budgeted Surplus per Council approved Budget	\$	-
Sid Williams Theatre		8,942
Purchase of Capital Assets		11,851,600
Amortization Budgeted		(4,425,000)
Transfer from Reserves		(10,563,000)
Transfer to Reserves		4,201,900
Use of Prior Year Surplus		(1,397,200)
Debt principle repayments in Financial Plan		<u>951,200</u>
Budgeted Surplus per Consolidated Statement of Operations	\$	<u>628,442</u>

**THE CORPORATION OF THE CITY OF COURTENAY
CONSOLIDATED SCHEDULE OF TANGIBLE CAPITAL ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2017
(Audited)**

SCHEDULE 3

	Land	Land Improvements	Buildings	Equipment/ Furniture/ Vehicles	Engineering Structures				Other Tangible Capital Assets	Total	2016
					Roads	Water	Sewer	Other			
COST											
Opening Balance Construction-in-progress (CIP)	-	153,365	178,647	199,496	709,508	62,138	11,653	24,240	20,242	\$ 1,359,289	5,380,573
Add: Construction-in-progress (CIP)		40,544	175,453	168,561	245,608	95,312		8,000		733,478	660,814
Less: Transfers into Service			(44,304)	(209,106)	(254,397)	(24,389)	(11,653)			(543,849)	(4,682,098)
Less: Writedowns & Reallocations		(16,762)		(7,121)	(166,370)		-			(190,253)	-
Closing Balance Construction-in-progress	-	177,147	309,796	151,830	534,349	133,061	-	24,240	28,242	1,358,665	1,359,289
Opening Balance Tangible Capital Assets	21,609,649	6,579,867	30,007,859	16,700,686	90,184,974	19,041,144	10,477,712	21,423,210	754,068	216,779,169	204,147,360
Add: Opening Adjustment										-	(133,603)
Add: Additions (including Transfers into Service)	410,000	103,842	817,439	1,248,419	3,624,667	2,150,109	420,489	633,072	403,514	9,811,551	13,254,951
Less: Disposals				(293,147)	(749,405)	(313,816)		(7,520)	(64,607)	(1,428,495)	(489,539)
Closing Balance Tangible Capital Assets and CIP	22,019,649	6,860,856	31,135,094	17,807,788	93,594,585	21,010,498	10,898,201	22,073,002	1,121,217	226,520,890	218,138,458
ACCUMULATED AMORTIZATION											
Opening Balance	-	2,588,859	10,516,382	9,997,477	43,221,167	6,517,509	1,685,566	7,689,093	680,192	82,896,245	78,423,934
Add: Writedown										-	3,040
Add: Amortization		238,369	701,683	786,387	2,319,763	373,026	198,966	502,626	63,100	5,183,920	4,890,442
Less: Accum Amortization on Disposals			275	(264,677)	(654,611)	(130,208)		(4,888)	(64,607)	(1,118,716)	(421,171)
	-	2,827,228	11,218,340	10,519,187	44,886,319	6,760,327	1,884,532	8,186,831	678,685	86,961,449	82,896,245
Net Book Value for year ended December 31, 2017	\$ 22,019,649	\$ 4,033,628	\$ 19,916,754	\$ 7,288,601	\$ 48,708,266	\$ 14,250,171	\$ 9,013,669	\$ 13,886,171	\$ 442,532	\$ 139,559,441	\$ 135,242,213

THE CORPORATION OF THE CITY OF COURTENAY
CONSOLIDATED SCHEDULE OF DEBTENTURE AND OTHER LONG-TERM DEBT
YEAR ENDED DECEMBER 31, 2017
(Audited)

SCHEDULE 4

<u>Bylaw Number</u>	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>Principal Outstanding Dec 31/16</u>	<u>Current Year Borrowing</u>	<u>Actuarial Adjustment/Princ. Reduction</u>	<u>Principal Outstanding Dec 31/17</u>
General Capital Fund						
Debtenture Debt						
2171 Library	2021	3.05	868,521	-	157,180	711,341
2266 Infrastructure Works - MFA	2018	4.78	68,521	-	33,425	35,096
2266 Fifth Street Bridge	2023	5.15	246,973	-	31,269	215,704
2304 Lerwick Road Ext. Prop Acquisition	2029	4.86	666,497	-	37,628	628,869
2227 City Hall Retaining Wall	2020	5.00	52,236	-	12,301	39,935
2354 Repaving Program	2025	5.75	256,258	-	25,691	230,567
2355 Lerwick Road Extension	2030	5.75	473,316	-	25,875	447,441
2356 City Hall Renovation	2020	5.50	277,506	-	65,351	212,155
2425 Lerwick Road Construction	2026	4.66	429,706	-	35,791	393,915
2453 Police Property Acquisition	2026	4.43	853,146	-	71,060	782,086
2458 Public Works Maintenance Building	2022	4.52	742,586	-	111,953	630,633
2539 Capital Infrastructure Work	2023	4.13	1,907,484	-	207,015	1,700,469
2538 Native Sons Hall Renovation	2025	4.50	401,245	-	37,915	363,330
2680 Lewis Centre Renovation	2027	2.90	3,309,293	-	245,381	3,063,912
2681 Infrastructure Works - Road Paving	2027	2.90	1,229,166	-	91,141	1,138,025
TOTAL GENERAL CAPITAL FUND			11,782,454	-	1,188,976	10,593,478
Water Capital Fund						
Debtenture Debt						
2424 Water Extension - Lerwick Road	2026	4.66	358,088	-	29,825	328,262
TOTAL WATER CAPITAL FUND			358,088	-	29,825	328,262
Sewer Capital Fund						
Debtenture Debt						
2305 Sewer Extension	2029	4.86	499,873	-	28,220	471,653
2353 Sewer Extension	2030	5.00	1,332,047	-	72,822	1,259,225
2423 Sewer Extension - Lerwick Road	2026	4.66	217,240	-	18,094	199,146
TOTAL SEWER CAPITAL FUND			2,049,161	-	119,136	1,930,024
TOTAL ALL CAPITAL FUNDS			14,189,703	-	1,337,937	12,851,766

THE CORPORATION OF THE CITY OF COURTENAY

**Statement of Financial Information
(as required under the Financial Information Act)
2017 Report of Remuneration and Expenses of
Elected Officials**

Prepared under the Financial Information Regulation, Schedule 1, Section 6

Remuneration and Expense Payments

<u>Elected Official</u>		<u>Remuneration</u>	<u>Expenses</u>
Jangula, Larry	Mayor	\$ 61,448	\$ 5,070
Frisch, David	Councillor	\$ 23,525	\$ 4,388
Hillian, Douglas A.	Councillor	\$ 22,725	\$ 3,196
Eriksson, Erik	Councillor	\$ 22,725	\$ 3,545
Theos, Manno	Councillor	\$ 23,225	\$ 2,516
Lennox, Rebecca	Councillor	\$ 22,725	\$ -
Wells, Robert	Councillor	\$ 22,725	\$ 6,657
TOTALS		<u>\$ 199,101</u>	<u>\$ 25,372</u>

Benefits

Insurance Policy Coverage: Personal Accident Insurance, Mayor and Council

AIG Insurance

<i>Principal Sum:</i>	\$ 250,000
<i>Weekly Accident Indemnity:</i>	\$ 750
<i>Accidental Dental Expense Benefit:</i>	\$ 5,000
<i>Accidental Medical Expense Benefit:</i>	\$ 25,000

Total premium - all members \$ 350.00

**Section 107 Disclosure of Contracts with Council Members
and Former Council Members**

No contracts

THE CORPORATION OF THE CITY OF COURTENAY

**Statement of Financial Information
(as required under the Financial Information Act)
Statement of Salaries, Wages and Expenses for the Year 2017
Prepared under the Financial Information Regulation, Schedule 1, Section 6**

<u>Employee</u>	<u>Position</u>	<u>Total Remuneration</u> (Includes Taxable Benefits)	<u>Expenses</u>
Allen, D	Chief Administrative Officer	\$ 172,772	\$ 12,235
Armstrong, R.	Manager of Infrastructure Planning	\$ 101,254	\$ 6,552
Bardonnex, D.	Fire Chief	\$ 123,245	\$ 432
Bell, M	Parks Utility Supervisor	\$ 76,992	\$ 150
Boguski, B.	Roads Foreman	\$ 84,130	\$ -
Borecky, N.	Information Systems Manager	\$ 81,693	\$ 2,197
Boyer, R	Utilities Mtce - Sewer 2	\$ 75,645	\$ 70
Brand, B.	Water Foreman	\$ 91,571	\$ 1,981
Buck, I.	Director of Development Services	\$ 122,622	\$ 3,505
Chan, J.	Property Management Coordinator	\$ 78,973	\$ 300
Coelho, N	Roads 2	\$ 75,530	\$ -
Collins, C.	Manager of Finance	\$ 93,886	\$ 3,441
Collins, K.	Manager of Recreation Programming	\$ 96,415	\$ 1,902
Craven, D.	Carpenter	\$ 76,942	\$ -
Dojack, T.	Carpenter	\$ 77,017	\$ 2,019
Donley, M.	Manager of Human Resources	\$ 92,129	\$ 756
Doty, L.	Engineering Technologist	\$ 76,337	\$ 345
Feucht, R.	Development Engineer	\$ 107,415	\$ 549
Fisher, K.	Utilities Mtce - Water 2	\$ 89,761	\$ 1,714
Guderjahn, B.	Manager of Purchasing	\$ 93,585	\$ 1,631
Guillo, A.	Manager of Communications	\$ 99,437	\$ -
Henderson, D.	Deputy Fire Chief / Training Officer	\$ 110,001	\$ 228
Jernslet, E.	Manager of Civic Properties Mtce.	\$ 98,444	\$ 1,699
Johns, T.	Horticulture Supervisor	\$ 77,467	\$ 439
Kearns, M	Manager of Parks	\$ 90,429	\$ 1,333
Kellinghusen, J.	Equipment Operator	\$ 76,496	\$ 249
Kerr, C.	EVT / Fire Inspector	\$ 83,855	\$ 1,903
Kitching, L.	Pay & Benefits Coordinator	\$ 79,181	\$ 1,744
Knapman, P.	Occupational Health & Safety Coordinator	\$ 85,819	\$ 4,739
Kushner, T.	Director of Public Works	\$ 130,861	\$ 4,715
Lamb, G.	Fire Inspector	\$ 80,554	\$ 75
Law, C.	Engineering Technologist	\$ 75,292	\$ 140
Love, D.	Senior Advisor - Strategic Initiatives	\$ 112,114	\$ 4,118
MacDonald, K.	Deputy Fire Chief	\$ 119,932	\$ 4,461
Major, M.	Arborist	\$ 76,498	\$ -
McClintock, K	Accountant	\$ 76,796	\$ 930
Millar, C.	Manager of Recreation Facilities Operations	\$ 88,825	\$ 650
Moore, B	Shop Foreman	\$ 80,450	\$ -
Neufeld, K.	Building Inspector 3	\$ 76,802	\$ 2,299
Parschauer, B	Director of Financial Services	\$ 117,329	\$ 5,082
Perry, C.	Manager of Transportation & Utilities - Engineering	\$ 108,600	\$ 625
Rose, L.	Utilities Construction Foreman	\$ 86,968	\$ 70
Salmon, D.	Network Coordinator	\$ 84,503	\$ 1,585
Schleppe, S	Utilities Mtce - Water 2	\$ 77,401	\$ 338
Setta, T.	Manager of Planning	\$ 94,577	\$ 1,514
Shaw, D.	Public Works Inspector	\$ 85,060	\$ 4,234
Shaw, K.	Manager of Transportation & Utilities - Public Works	\$ 106,097	\$ 6,230
Snider, D.	Director of Recreation & Cultural Services	\$ 123,714	\$ 6,192
Sorichta, W.	Manager of Corporate and Administrative Services	\$ 101,645	\$ 447
Strachan, D.	Roads 2	\$ 81,216	\$ -
Sweeney, T	Building Inspector 3	\$ 76,961	\$ 420
Ward, J.	Director of Legislative Services / Deputy CAO	\$ 133,760	\$ 2,719
Welsh, J.	Fire Inspector	\$ 80,594	\$ 3,390
Wood, I	Mechanic	\$ 81,325	\$ -
Woods, M	Manager of Information Systems	\$ 85,289	\$ -
Total for employees where remuneration is > \$75,000		\$ 5,132,204	\$ 102,347
Consolidated total for employees where remuneration < \$75,000		6,591,688	58,849
Elected Officials, direct payments		199,101	25,372
TOTALS		\$ 11,922,993	\$ 186,568

Statement of Severance Agreements

There were two severance agreements under which payment commenced between the City of Courtenay and its unionized employees during the fiscal year 2017.

Prepared under the Financial Information Regulation, Schedule 1, subsection 6(7)

THE CORPORATION OF THE CITY OF COURTENAY

Statement of Individual Vendors Paid

For the Year Ended December 31, 2017

Prepared under the Financial Information Regulation, Schedule 1, Section 7

Vendor Name	Amount Paid YTD 2017
7 STORY CIRCUS	50,489
ABOVE & BEYOND TREE SERVICE	69,616
ACME SUPPLIES LTD	34,921
ACS COMPUTER SOLUTIONS	71,238
ALTUM ENGINEERING LTD	154,052
ANDREW SHERET LTD	207,574
AON REED STENHOUSE INC	252,984
APEX EHS SERVICES INC.	30,761
ASSOCIATED ENGINEERING (B.C.) LTD.	261,920
ASSOCIATED FIRE & SAFETY	29,449
BADGER DAYLIGHTING LP	141,173
BC ASSESSMENT AUTHORITY	266,970
BC HYDRO	843,666
BC LIFE AND CASUALTY COMPANY	196,261
BEE CLEAN BUILDING MAINTENANCE	27,329
BLACK PRESS GROUP	78,759
BRIAN MCLEAN CHEVROLET BUICK GMC LTD	108,508
CENTRAL BUILDERS' SUPPLY LTD	120,719
CINDERELLA'S CLEANING SERVICES LTD.	44,836
CIVICINFO BC	33,775
C3 MAINLINE INSPECTIONS INC.	237,053
COMMISSIONAIRES (THE)	374,841
COMOX BAY SAILING CLUB	39,265
COMOX VALLEY BOBCAT & EXC LTD	57,912
COMOX VALLEY ECONOMIC	317,848
COMOX VALLEY MARTIAL ARTS & FITNESS	36,464
COMOX VALLEY REGIONAL DISTRICT	17,808,976
COURTENAY & DISTRICT MUSEUM	129,950
COURTENAY DOWNTOWN BUSINESS ASSOC	60,228
COURTENAY VOLUNTEER FIRE DEPARTMENT	32,789
CUMBERLAND READY MIX LTD	64,443
CUMBERLAND, VILLAGE OF	40,727
CUPE LOCAL 556	122,228
D.R. FAUST FINISHING	37,588
DESIGNED AIR SYSTEMS LIMITED	45,281
DIAMOND SOFTWARE INC	46,392
DKI SERVICES LTD	97,078
E B HORSMAN & SON	32,561
EMTERRA ENVIRONMENTAL	2,125,938
ESC AUTOMATION	77,152
ESRI CANADA	60,325
FIRST COURTSIDE DEVELOPMENTS	98,635
FORTIS BC - NATURAL GAS	103,984
GARDAWORLD CASH SERVICES CANADA	25,172
GRANT SIGNS LTD	60,308
GREAT WEST EQUIPMENT	55,703
GROW TREE CARE	52,484
GUILLEVIN INTERNATIONAL INC	160,532
HARTMAN AUTO SUPPLY LTD	67,875
HOME DEPOT HOLDINGS INC	152,278
INFINITE ROAD MARKING LTD.	128,698
INTERACTIONS HR SOLUTIONS INC.	69,027
J WATERS ELECTRIC LTD	66,655
JACE HOLDINGS LTD.	82,788
KERR WOOD LEIDAL LTD.	86,470
KNAPPETT INDUSTRIES (2006) LTD	874,443
LAFARGE CANADA INC	43,712
L'ARCHE COMOX VALLEY	54,265
LEIGHTON CONTRACTING (2009) LTD	210,567
LIDSTONE & COMPANY	113,904
MCELHANNEY CONSULTING	89,959
MEDICAL SERVICES PLAN	172,350
METRO MOTORS LTD	141,478
MEYERS NORRIS PENNY LLP	78,131
MICROSOFT LICENSING GP	55,262
MINISTER OF FINANCE	3,802,947
MINISTER OF FINANCE	113,482
MONK OFFICE SUPPLY LTD	61,104

THE CORPORATION OF THE CITY OF COURTENAY

Statement of Individual Vendors Paid

For the Year Ended December 31, 2017

Prepared under the Financial Information Regulation, Schedule 1, Section 7

<u>Vendor Name</u>	<u>Amount Paid YTD 2017</u>
MUNICIPAL INSURANCE ASSOC OF	201,567
MYRA SYSTEMS CORP.	193,625
NELSON ROOFING AND SHEET METAL LTD	275,486
NORTH ISLAND TRACTOR LTD	67,104
ONDECK SYSTEMS INC	26,503
PACIFIC AUDIO WORKS	33,648
PACIFIC BLUE CROSS	596,500
PARKLAND REFINING (BC) LTD	196,312
PETERBILT PACIFIC INC.	270,361
PILON TOOL RENTALS (1972) LTD	62,838
PLANET CLEAN COURTENAY	29,510
R HENN & ASSOCIATES	26,405
RECEIVER GENERAL FOR CANADA - PAYROLL	3,433,568
RECEIVER GENERAL FOR CANADA - RCMP	5,295,782
REGIONAL HOSPITAL DIST OF	4,121,672
RICOH CANADA INC	58,666
SAFESIDEWALKS CANADA INC.	32,427
SHADES TANKERS (1976) LTD	53,291
SID WILLIAMS THEATRE SOCIETY	228,901
SILVER SAND LAND CORP	86,414
SIMPLY COMMUNICATING	51,915
SLEGG CONSTRUCTION MATERIALS	30,928
SOFTCHOICE CORPORATION	34,524
SOLIDCAD, A CANSEL COMPANY	32,806
SUPERIOR FARMS INC.	36,106
TAYCO PAVING	1,679,373
TELUS COMMUNICATIONS (BC)	70,193
TELUS MOBILITY (BC)	67,693
TEMPEST DEVELOPMENT	180,863
TERRATEK ENVIRONMENTAL	64,690
TLC HOME & PROPERTY MAINT	238,952
TOWN OF COMOX	1,007,263
URBAN SYSTEMS LTD.	1,031,675
VANCOUVER ISLAND REGIONAL LIBRARY	1,548,267
VEYRON PROPERTIES GROUP	39,105
VIMAR EQUIPMENT LTD	53,752
WACOR HOLDINGS LTD	1,650,131
WAYPOINT INSURANCE	72,472
WEST ISLAND CAPITAL CORPORATION	26,307
WESTERN TRAFFIC	103,878
WESTVIEW FORD	83,520
WINDLEY CONTRACTING LTD.	106,623
WISHBONE INDUSTRIES LTD.	67,385
WORKERS COMPENSATION BOARD	263,548
YOUNG ANDERSON	53,300
TOTAL VENDORS OVER \$25,000	<u><u>55,778,095</u></u>
TOTAL VENDORS LESS THAN \$25,000	<u><u>3,123,719</u></u>
TOTAL PAID TO ALL VENDORS	<u><u>58,901,813</u></u>

SCHEDULE OF GUARANTEE AND INDEMNITY AGREEMENTS

The City of Courtenay describes guarantees and indemnities in the Notes to the Consolidated Financial Statements. For 2017, the schedule and additional notes are not required and have been omitted.

STATEMENT OF FINANCIAL INFORMATION APPROVAL

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

Larry Jangula
Mayor

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

Date

Date



STAFF REPORT

To: Council
From: Chief Administrative Officer
Subject: Pickleball Court Options

File No.: 6120-02
Date: June 11, 2018

PURPOSE:

The purpose of the report is for Council to consider options to satisfy the demand for dedicated pickleball courts in Courtenay.

CAO RECOMMENDATIONS:

That based on the June 11, 2018 staff report "Pickleball Court Options", the Council adopt OPTION 1 and direct staff to work with regional partners to establish the working group to evaluate regional strategies for outdoor pickleball courts; and

That based on the outcome of the working group, Council consider allocating \$100,000 in the 2019 capital budget as the City of Courtenay contribution to a regional pickleball facility.

Respectfully submitted,

David Allen, BES, CLGEM, SCLGM
Chief Administrative Officer

BACKGROUND:

Pickleball is an emerging sport in BC and is continuing to grow rapidly across North America. The Comox Valley Pickleball Association has grown to almost 300 members. The average age in the club is 66, but they are actively promoting the sport to younger players.

The City of Courtenay offers a pickleball program at Martin Park in the summer and Native Sons Hall in the winter to introduce people to the sport. Pickleball is also played on the tennis practice court at Lewis Park, however, there are no dedicated pickleball facilities in Courtenay.

Over the last few years, pickleball players have expressed the need for more access to outdoor dedicated pickleball facilities. Many communities are painting pickleball lines on existing courts, while others are installing purpose built pickleball courts.

In other parts of the Comox Valley, pickleball is offered indoors at regional and municipal facilities for drop-in play. Cumberland, Comox and Black Creek all offer indoor drop-in play. Comox has recently partnered with the Rotary Club to construct 6 dedicated pickleball courts near Highland School at a cost of approximately \$210,000. The facility was scheduled to open at the end of June but delays are expected.

The CVRD Indoor Recreation Facilities Master Plan recommends that a task force be established to bring both pickleball and tennis together to look at solutions. The final recommendation is that the task force consider the construction of an indoor facility that can accommodate both tennis and pickleball. A task force has not been struck yet.

In 2017 the City attempted to bring tennis and pickleball together in a pilot project that would test pickleball lines on the Lewis Park tennis courts. The project yielded substantial conflict and was terminated.

In March of 2018, Council directed staff to investigate options and implications on how to best serve the facility demands of pickleball patrons.



DISCUSSION:

Best practice in the development of parks and recreation facilities is to design them for multi-use. This approach maximizes the infrastructure investment and ensures a high level of utilization while providing the flexibility to adapt to sport trends. The four tennis courts at Lewis Park are good candidates for multi-use, however staff suggest that Council should consider the conflicts experienced in 2017 before proceeding. These conflicts were more prevalent than experienced in other jurisdictions, but otherwise common.

As the sport of pickleball has grown in popularity, the equipment and courts have evolved. The paddles and balls have changed to reduce the noise associated with the sport. The court design now incorporates fencing between courts to reduce injury, and to keep the ball within the designated area. With the popularity increasing, more purpose built facilities are being constructed.

The indoor programs noted above help players stay active in the sport over the winter months, but there's a desire to move the activity outdoors in the summer. Snowbirds are requesting a similar experience to the American courts they play on.



The Pickleball Association is requesting the construction of 6 dedicated courts. The capital costs are estimated at \$250,000 depending on the site selected and in-kind contributions.

In Courtenay the park space available for constructing a 6 court complex is currently limited by two key factors; the presence of neighbours that could be frustrated by the sound of the sport and the presence of trees that would need to be removed. A site that meets this criteria in the current park inventory is the Lewis Park horseshoe facility. Six courts would fit in the existing space however, there currently is an ongoing hazard associated with fly balls from the adjacent ball fields.

Although the regional indoor space study identified the need for a tennis/pickleball facility, there has not been an assessment of outdoor field and court space available from a regional perspective. This is an important element as user groups are comprised of players from throughout the valley. Staff believe that this evaluation is important prior to moving forward with any dedicated Courtenay pickleball courts.

A regional evaluation could consider available space on City, Regional District or School District lands.

The Pickleball Association supports the idea of a regional evaluation and can contribute funds to the construction of the facility, however they are concerned about the delays that another study may necessitate. Therefore staff recommend that the evaluation is done over the remainder of 2018 by stakeholder staff, with capital funds proposed for 2019 construction.

FINANCIAL IMPLICATIONS:

Staff propose that council consider allocating \$100,000 in 2019 toward a \$250,000, six court capital project. The working group would secure the remaining funds from the Regional District, Pickleball Association, Service Clubs and granting options. If the group fails to find an appropriate site or if funds are not available, staff will report back to Council with new options. The Regional District recently contributed \$20,000 to the Comox courts.

ADMINISTRATIVE IMPLICATIONS:

The coordination of the working group would be led by the Recreation and Cultural Services Department and will require approximately 40 hours of staff time. The financial burden of ongoing maintenance of the courts will be determined by the ultimate location of the courts.

ASSET MANAGEMENT IMPLICATIONS:

The management of the final asset will be determined by the site selected. Coordinating with regional partners allows the City to leverage resources along with those of other agencies. This model also allows for shared maintenance and renewal costs.

STRATEGIC PRIORITIES REFERENCE:

This project will bring together council’s strategic priorities:

We proactively plan and invest in our natural and built environment

- Continued focus on asset management for sustainable service delivery

We focus on organizational governance and excellence

- We support and encourage initiatives to improve efficiencies

We invest in our key relationships

- We will continue to engage and partner with service organizations for community benefit.



- **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:

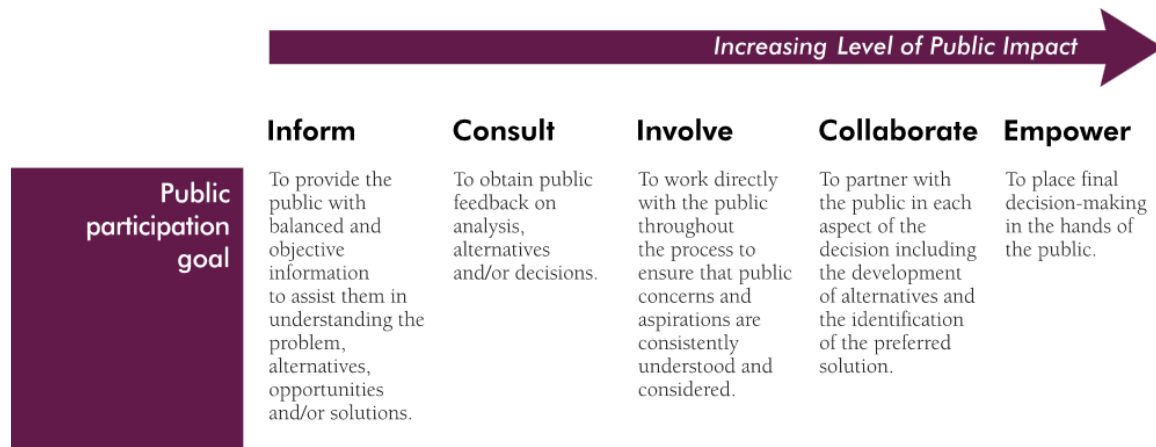
Not referenced.

REGIONAL GROWTH STRATEGY REFERENCE:

Not applicable.

CITIZEN/PUBLIC ENGAGEMENT:

Staff have consulted with the Pickleball Association, and staff from the Regional District and Town of Comox. Through the working group staff will **consult** with those listed as well as the Parks and Recreation Advisory Commission, service clubs and the School District as identified in the *IAP2 Spectrum of Public Participation*.



OPTIONS:

- OPTION 1:** That council direct staff to work with regional partners to establish the working group to evaluate regional strategies for outdoor pickleball courts; and
That based on the outcome of the working group, Council consider allocating \$100,000 in the 2019 capital budget as the City of Courtenay contribution to a regional pickleball facility.
- OPTION 2:** That Council direct staff to begin preparation for a six court pickleball complex in Courtenay with a budget of \$250,000 in 2019.
- OPTION 3:** That Council direct staff to establish a multi-use approach to the Lewis Park tennis courts.

Prepared by:

Dave Snider RLA

Director of Recreation and Cultural Services



THE CORPORATION OF THE CITY OF COURTENAY

STAFF REPORT

To: Council

File No.: 0360-20

From: Chief Administrative Officer

Date: June 11, 2018

Subject: Terms of Reference for a Development Industry Working Group

PURPOSE:

The purpose of this report is to provide Council with a draft terms of reference for the proposed City of Courtenay Development Industry Working Group.

CAO RECOMMENDATIONS:

That based on the June 11, 2018 staff report "Terms of Reference for a Development Industry Working Group" Council approve OPTION 1 and approve the draft terms of reference for the working group and accept the industry representatives outlined in the report; and

That Council appoint two elected officials to the group.

Respectfully submitted,

David Allen, BES, CLGEM, SCLGM
Chief Administrative Officer

BACKGROUND:

At the December 4, 2017 Council meeting and again at the February 5, 2018 Committee of the Whole meeting Council discussed resolutions pertaining to processing times for development applications. The preamble to the December 4th resolution also included commentary on affordable housing. The general theme of the subsequent discussions at the two Council meetings was to find ways to enhance dialogue between the City and the development industry to resolve perceived stumbling blocks in the application review process and further expedite development approvals.

On February 19, 2018 staff brought forward a report outlining recent development application approval timelines and a request to move forward with a development industry working group. At that meeting Council passed the following resolution:

That based on the February 19th, 2018 staff report "Development Application Approval and Process Review", Council approve OPTION 1 and direct staff to prepare a terms of reference

for a development review working group consisting of 3 development representatives, 3 City staff and 2 elected officials.

DISCUSSION:

Staff have prepared the attached terms of reference (see Attachment No. 1). The intent of the group is to provide a vehicle for communication between the City of Courtenay and the Comox Valley development industry.

Staff have initially reached out to a cross section of three development industry representatives that are active in the City and all of them have agreed to participate in the group. These are: Rick Waldhaus from Crown Isle that has multiple subdivision applications with the City each year; Don Cameron of Cameron Construction who is very active in the building/construction industry including approximately 40 active building permits; and Bob Hudson the branch manager for McElhanney Consulting Services who represent a number of clients through the various stages of development. Appointments will be for a one year term. Staff appointees to the working group will be the Director of Development Services, the Manager of Planning and the Development Engineer. Other City staff will attend meeting from time to time including the CAO, the Director of Public Works Services and the Director of Engineering as required based on agenda items. Staff request that Council appoint two Council representatives to the group.

Specific agenda items will be developed by the group on a meeting to meeting basis but it is expected one of the first topics to discuss will be the three items of concern the Comox Valley Development and Construction Association (CVDCA) raised in their May 7, 2018 letter with respect to the recently adopted Subdivision and Development Servicing bylaw.

It is proposed this group be active initially for 1 year after which it will be evaluated with respect to how well it is functioning and the need for it to continue or evolve into some other form of engagement.

It is also acknowledged that should the CVDCA disband, or participation in the working group declines then Council will consider whether to disband the working group.

FINANCIAL IMPLICATIONS:

Administrative costs are anticipated to be minimal and will be absorbed within the existing Development Services budget.

ADMINISTRATIVE IMPLICATIONS:

Preparation of this report took approximately 3 hours. As this is a new level of service without an increase in staffing resources it is anticipated there will be a direct impact on application processing times as senior Development Services staff time is redirected to prepare for and attend meetings and prepare any policy updates resulting from the discussion.

This additional staff time could potentially be partially offset by efficiencies to various development application processes identified as a result of the work of the working group. However this is speculative at this time.

ASSET MANAGEMENT IMPLICATIONS:

Within the Asset Management Framework the Development Services Department is responsible for the approval of new City assets through the development approval process. It is critical that this is done with care and attention to ensure infrastructure is safe, reliable and does not unduly burden the City tax payer.

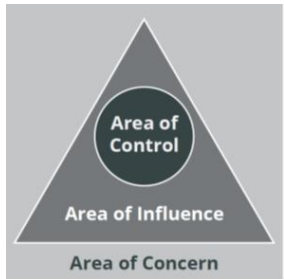
It is anticipated the working group will spend time discussing issues with infrastructure (asset) standards and construction approval.

STRATEGIC PRIORITIES REFERENCE:

Participation in a Development Industry Working Group aligns with the strategic priority “We focus on organizational and governance excellence”.

We focus on organizational and governance excellence

- We support and encourage initiatives to improve efficiencies
- We support meeting the fundamental corporate and statutory obligations
- We recognize staff capacity is a finite resource
- Communication with our community is a priority, and is considered in all decisions we make
- We responsibly provide services at a level which the people we serve are willing to pay



- **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:

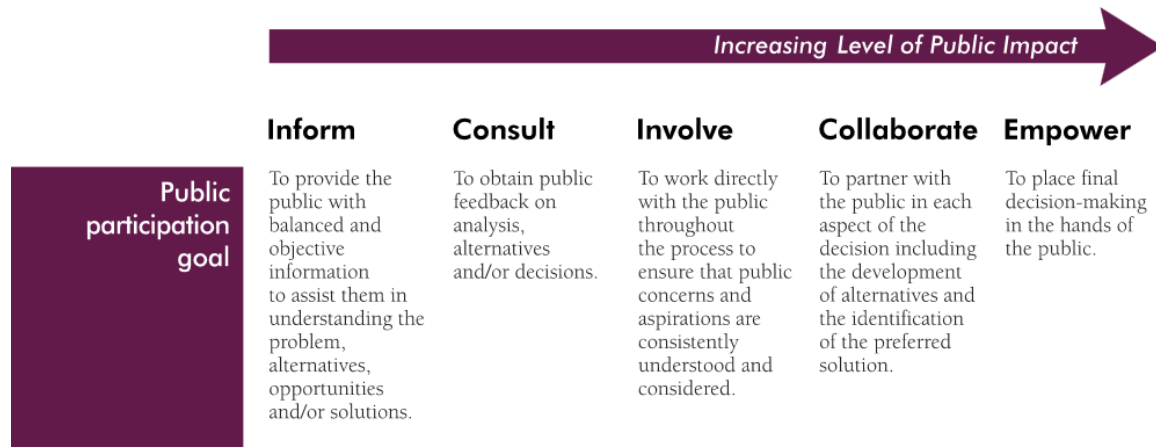
There is no direct reference to the OCP.

REGIONAL GROWTH STRATEGY REFERENCE:

There is no direct reference to the RGS.

CITIZEN/PUBLIC ENGAGEMENT:

There is no direct public participation as the proposed working group is intended to provide a vehicle for communication between the City of Courtenay and the Comox Valley Development and Construction Association (CVDCA). However, should there be any policy development or revisions to existing policy resulting from the discussions Staff will **consult** the public based on the IAP2 Spectrum of Public Participation:



OPTIONS:

- OPTION 1: Approve the Terms of Reference as attached, accept the industry representatives outlined in the report and appoint two elected officials to the group.
- OPTION 2: Direct staff to amend the proposed Terms of Reference with the addition or removal of specific clauses.
- OPTION 3: Direct staff not to pursue a working group at this time.

Prepared by:

Ian Buck, MCIP, RPP
Director of Development Services

Attachment No.1

**TERMS OF REFERENCE
DEVELOPMENT INDUSTRY WORKING GROUP**

PURPOSE:

The purpose of the working group is to provide a vehicle for communication between the City of Courtenay and the Comox Valley development industry.

DUTIES AND RESPONSIBILITIES:

1. The intent of the group is to provide a vehicle for communication between the City of Courtenay and the Comox Valley Development and Construction Association (CVDCA), or other development industry representatives; it is not intended that issues affecting specific developers or specific parcels of land will be the subject of these meetings, although these may be raised as examples of concerns or issues being discussed.
2. The meeting shall be chaired by the City of Courtenay's Director of Development Services or his designate and a development industry representatives on an alternate meeting rotation.
3. The Working Group is not a decision making body or even one intended to make formal recommendations and thus it shall operate on the basis of consensus as opposed to formal recorded votes – the intent is to insure an adequate level of two-way communication between the City and the industry on issues of mutual interest.
4. Agenda and notes for each meeting shall be the responsibility of the City of Courtenay; however in preparing the Agenda, input from all members will be obtained.
5. Other procedures and conventions shall apply, as may be agreed to from time to time by the Working Group.

MEMBERSHIP

1. The Working Group membership will include City of Courtenay staff representing various departments (Building, Planning, Engineering, Public Works Services etc.), two elected officials from City Council, and three development industry representatives selected by the City and whose participation will help contribute to a diversity of industry representation.
2. Elected officials and industry members shall be appointed to a term of a maximum of one year.
3. The Working Group will be evaluated after one year and will dissolve if participation in the working group declines or is unproductive.
4. On matters where it is agreed that it would be desirable to involve a broader representation of the industry, separate processes and meetings may be established to ensure the necessary breadth of consultation.

MEETING ARRANGEMENT

1. The meetings shall be quarterly however the membership may determine to meet more frequently if required to address an issue.

2. The meetings shall be held at City Hall unless another pre-determined location is selected.
3. Meetings will run from 10am to noon.



STAFF REPORT

To: Council

File No.: 4320-20

From: Chief Administrative Officer

Date: June 11, 2018

Subject: Structural change to liquor licence (Match Eatery and Public House) – 361 Hunt Road

PURPOSE:

The purpose of the report is to obtain Council direction to request public input with respect to the Playtime Gaming Group's application for a structural change to the recently approved liquor licence to include a new outdoor patio within the licenced area at the above referenced business and location.

CAO RECOMMENDATIONS:

THAT, based on the June 11, 2018 staff report, 'Structural change to liquor licence (Match Eatery and Public House) – 361 Hunt Road', Council approve OPTION 1 and direct staff to post notice on the City's website requesting public input on the proposed change to the liquor licence for Council consideration at the regular meeting scheduled for July 3, 2018.

Respectfully submitted,

David Allen, BES, CLGEM, SCLGM
Chief Administrative Officer

BACKGROUND:

Playtime Gaming Group Inc. is in the process of making an application to the the Liquor Control and Licencing Branch (LCLB) for a new liquor primary licence with a Family Foodservice Term and Condition for their new food establishment called "Match Eatery and Public House" at the above referenced location. Council passed a resolution in support of this application at the May 22 regular Council meeting. The application considered on May 22nd was for the interior of the building only. The application under current consideration is to make a structural change to the new liquor licence to include the proposed outdoor patio. The applicant is advancing this application while the new liquor licence application is being considered by the LCLB.

A related development permit with variances for the future patio was approved by Council at the March 19, 2018 Council meeting (File No. DPwV 1722). Council considered the development permit with variance application only from a form and character perspective related to the City's development permit guidelines. At that time there was significant concern expressed by the on site management of the BC Housing owned Washington Inn related to noise impacts of a licensed patio. Council was advised at that time that staff believed noise would still be a concern in the neighbourhood and that Council would have

the opportunity to evaluate potential noise and impact on the community as part of this structural change of liquor licence application.

Pursuant to section 38 (3)(c) of the *Liquor Control and Licensing Act*, the local government must gather the views of residents when the applicant has given the local government for the area in which the establishment is proposed to be located or is located notice of the application. In order to gather the views of residents, the City will post notice of the application on the City's main website for two weeks.

DISCUSSION:

The proposed patio is permitted under the current zoning and meets all the requirements. During the discussion of the development permit with variances application, staff anticipated and shared the noise concerns brought forward by the Washington Inn. Accordingly, staff requested the applicant to conduct a noise attenuation study and incorporate design solutions to the proposed patio. The study indicates that anticipated noise level from the restaurant and patio will be reasonable and below industry maximum standards both daytime and night time. The applicant and their architect responded and made some changes to the façade design such as installation of clear tempered glass. The report is attached as **Attachment No 3**.

As anticipated, BC Housing, the Washington Inn on-site building manager and one of the residents of the Washington Inn responded to the standard referral and raised concerns about noise impacts from the patio. BC Housing specifically recommends a sound attenuation wall be constructed adjacent to the patio. The responses are attached to this report (**Attachment No. 2**). Staff have requested that the applicant further investigate the feasibility of constructing a wall and its impact on noise mitigation.

Section 71 (9) of the *Liquor Control and Licensing Regulation* states that a local government or first nation that wishes to provide comments and recommendations for the LCLB under section 38 (3) of the Act must do so in accordance with the following requirements:

- (a) the comments and recommendations must be in writing;
- (b) the comments must include the views of the local government or first nation on
 - (i) the impact of noise on the community in the immediate vicinity of the establishment unless subparagraph (ii) or (iii) apply,
 - (ii) in the case of an application that involves a temporary use area endorsement, the impact of noise on the community in the immediate vicinity of the proposed locations of event sites under corresponding temporary use area authorizations,
 - (iii) in the case of an application that involves a lounge or special event area endorsement, the impact of noise on the community in the immediate vicinity of the location of the service area under the endorsement,
 - (iv) the general impact on the community, and
- (c) if the local government or first nation has gathered the views of residents under section 38 (3) (c) of the Act, the comments must include
 - (i) the views of the residents, and
 - (ii) a description of the method used to gather those views;
- (d) the recommendations must include whether the application should be approved or rejected;

With respect to the requirement in section 38 (3) (c) of the *Liquor Control and Licensing Act*, staff is of the opinion that a notice on the City’s website will satisfy the requirements of the LCLB for a simple application like this and this has been normal practice in past years. Once Council receives public input on the application, a resolution addressing these points will be forwarded to the LCLB for final consideration. A proposed resolution in the correct format will be presented to Council for consideration at the regular Council meeting scheduled on July 3, 2018.

FINANCIAL IMPLICATIONS:

There is no direct financial implication related to this application.

ADMINISTRATIVE IMPLICATIONS:

Administration of liquor licencing is included in the City’s general statutory duties. To date, staff has spent four hours processing the application. It is anticipated an additional four hours will be required to complete the notification requirements, work with the applicant on the neighbours’ concerns and bring a report back to Council.

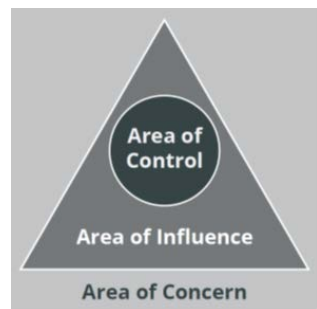
ASSET MANAGEMENT IMPLICATIONS:

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

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.

OFFICIAL COMMUNITY PLAN REFERENCE:

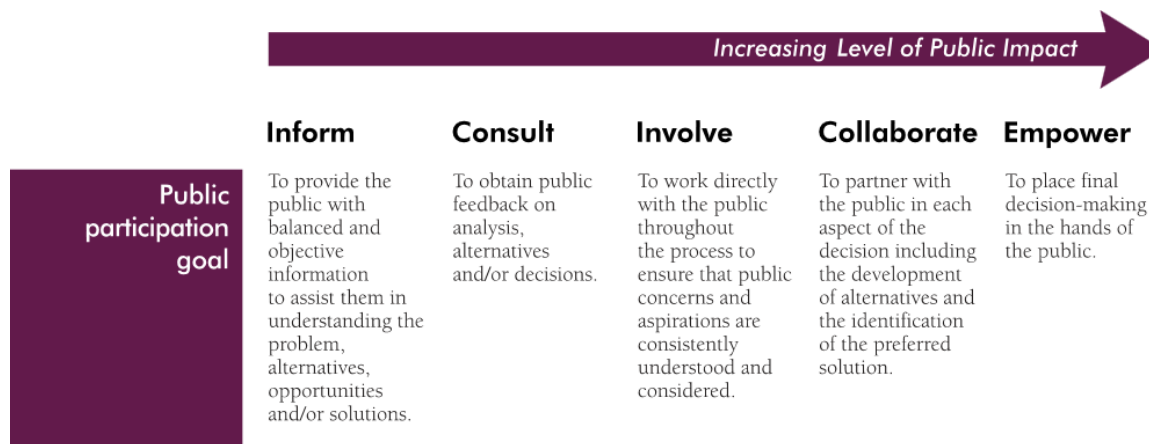
There is no direct reference related to this application.

REGIONAL GROWTH STRATEGY REFERENCE:

There is no direct reference related to this application.

CITIZEN/PUBLIC ENGAGEMENT:

Staff will consult members of the public based on the IAP2 Spectrum of Public Participation:
http://c.ymcdn.com/sites/www.iap2.org/resource/resmgr/imported/IAP2%20Spectrum_vertical.pdf



Public comment gathering period is open between June 12 and July 3, 2018 on the City’s main website. Any comments received from the public and the standard referral procedure will be attached to staff report for the Council meeting on July 3, 2018.

OPTIONS:

- Option 1: Direct staff to publish notice on the City’s website requesting public input on the proposed change of liquor service hours for Council consideration at the regular meeting scheduled for July 3, 2018. (Recommended)
- Option 2: Direct staff to obtain public input through an alternative method
- Option 3: Direct staff not to proceed with the application and advise the LCLB that the City does not support the request

Prepared by:

Tatsuyuki Setta, MCIP, RPP
Manager of Planning

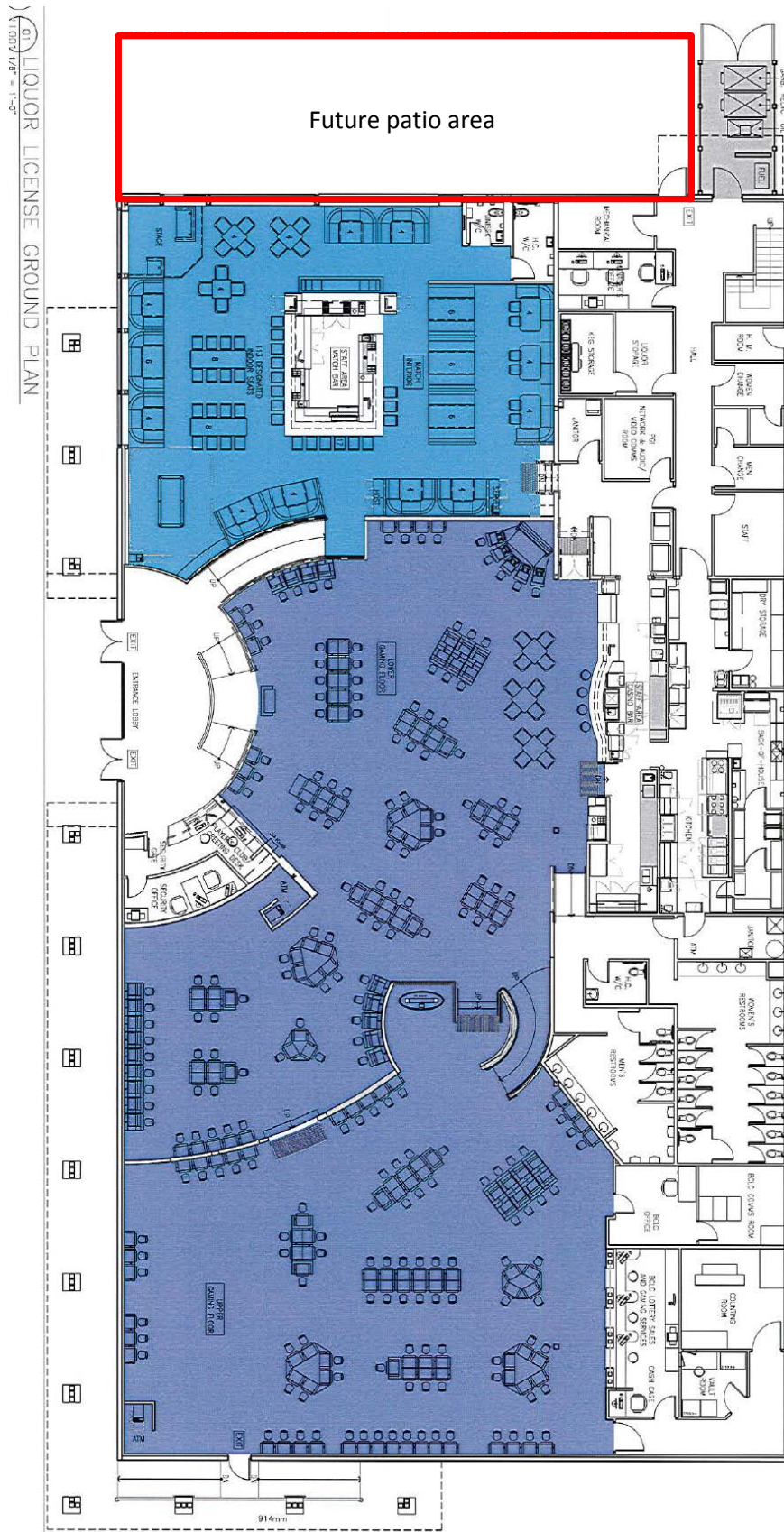
Approved by:

Ian Buck, MCIP, RPP
Director of Development Services

ATTACHMENTS:

- Attachment No. 1: Proposed Area of Structural Change
- Attachment No. 2: Letters from BC Housing and a resident
- Attachment No. 3: Copy of the Noise Impact Study

Attachment No. 1: Proposed Area of Structural Change



Area to add to the new licence

Attachment No. 2: Letters from BC Housing and their tenant

March 28, 2018

Mr. T. Setta,
Manager of Planning,
City of Courtenay, BC

RE: New patio at the Casino

Dear Sir:

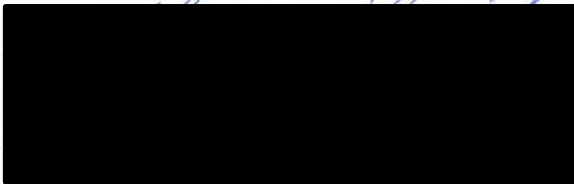
As a tenant at The Washington Apts., I am writing this letter to express my concern regarding the proposed outside patio bar, where the Casino is.

I am a senior woman who has only recently been able to secure housing after being homeless for four months in Victoria. With BC Housing's help, I was able to acquire my new home here.

The entrance door of my apartment opens directly in front of this new patio. Already there is plenty of activity surrounding my unit, and the idea of having an open bar with loud music and people coming and going until late at night is disturbing. I consider this my permanent resident and I could not see myself moving again.

Thank you for hearing my concern.

Sincerely,

A large black rectangular redaction box covers the signature and name of the tenant. The redaction is complete, obscuring all text in this area.



Wesley Zacharias
Property Portfolio Manager

BC Housing

Vancouver Island Region
#201 - 3440 Douglas St.
Victoria, BC V8Z 3L5
www.bchousing.org

Tel 250-978-2931
Fax 250-978-2921
wzacharias@bchousing.org

March 28, 2018

Mr. Tatsuyuki Setta,
Manager of Planning
City of Courtenay, BC

RE: GATEWAY CASINOS & ENTERTAINMENT LTD.
Planning Referral - Liquor Licence Applications-361 Hunt Rd

BC Housing has many concerns regarding Gateway Casino's application for numerous liquor licences for the outdoor patio being constructed alongside our residential development. We are alarmed and apprehensive about how the predictable increase in noise, additional traffic and activity will affect our community.

BC Housing purchased the Washington Apts. two years ago in a move to retain a low-income housing option in the Comox Valley. In addition to living on a very low, fixed income, our residents are vulnerable in other ways, including those suffering with mental health and addiction issues, physical disabilities and seniors living without family attention. These are disenfranchised individuals who have no voice, or means to voice their concerns in this regard.

We are certain you can appreciate how the introduction of an outdoor bar/restaurant complete with loud speakers and sub-woofers within 50 feet of our tenant's front doors is difficult for us to reconcile. The amplified level of voices and laughter over loud music as well as the increase in traffic coming and going along the road in-between the patio and our residence will disturb our tenant's rights to peace and quiet in their neighbourhood. Those who live at The Washington literally have no other options for housing in the Comox Valley. Therefore, BC Housing would like to recommend the installation (at the cost of Gateway) of a noise reducing concrete fence, at maximum height allowance, along the full length of the property line between the two sites. This would reduce more of the inevitable noise issues as well as serve to reduce the ongoing flow of foot and vehicle traffic to and from the casino from our parking lot.

As an arm of the Government of British Columbia, our mandate is to improve the lives of our citizens by offering living options that are safe and affordable. Since acquiring The Washington Apts., the community has significantly improved benefiting not only our residents, but the larger community as well. In fact, The Washington community has begun to enjoy a modicum of peace and quiet. To introduce a second outdoor bar with loud music flanking our east boundary, without a solid fence or any physical barrier will not only aggravate and disrupt our efforts toward stability, but would re-introduce the sense of oppression and frustration we are working hard to alleviate.

Through poverty and lack of opportunity, most of our tenants live lives of quiet desperation. We appeal to your municipal duty to represent all your citizens. The installation of a noise reducing fence would certainly mitigate our noise and disturbance concerns.

Sincerely,

Wes Zacharias
Property Portfolio Manager, BC Housing
wzacharias@bchousing.org



Mark Beebe

Site Representative

washingtonstudio@shaw.ca

Washington Apartments

T: 250-338-0330

F: 250-338-0346

1-1033 Ryan Road

Courtenay, BC V9N 3R6

www.bchousing.org

To whom it may concern,

My name is Mark Beebe I am the building site representative at Washington Apartments. I wish to express my concerns with the expansion of the Casino outdoor patio. This will greatly affect the quality of peace and enjoyment of our home. We are presently experiencing disruptions all day long with continuous high flow traffic, liquor store/bar at the end of the building, the Casino at the other end, and the Post Office (deliveries throughout the night starting at 10:30 pm, 3:30 am and 5:30am 6 days a week) this includes loading and unloading/air brakes/ and reverse warning beeping sounds. Our bedroom window faces directly across from where the new patio will be built. With the liquor license approval being approved, an increase in noise intensity and increased activity effects our residential area further. BC Housing's residents are a combination of venerable adults. Please take all of these concerns into consideration when making your decision.

Thank you for your time and careful thought,

Sincerely,

A handwritten signature in blue ink, appearing to read "Mark Beebe".

Mark Beebe

Attachment No. 3: Copy of the Noise Impact Study



April 18, 2017

File: 2553-16A

Gateway Casinos & Entertainment Limited
4331 Dominion Street
Burnaby, BC
V5G 1C7

Attention: Glenn Atchison

Dear Glenn:

Re: Match, Courtenay - Noise Impact Assessment

We understand that Gateway Casinos & Entertainment Limited (Gateway) have recently acquired the Chances Playtime gaming facility, located at 361 Hunt Road in Courtenay, BC. Gateway plans to undertake renovations at the site which include an 85 person outdoor patio and a performance stage in the restaurant area. The City of Courtenay has requested a noise impact assessment relating to the redevelopment of the site. This letter presents a discussion of relevant noise criteria for the outdoor patio and band related noise and the predicted noise level at relevant noise sensitive receivers.

Site Description

Chances Playtime, a gaming facility and restaurant, currently operates at 361 Hunt Road in Courtenay. It is proposed that the existing Chances Playtime building will be refurbished with Match Eatery and Public House venue that will include an 85 seat outdoor patio area on the southwest side of the existing building. The subject site is zoned commercial. The closest dwelling is an apartment block located approximately 20 m west of the site. There are also single family residences to the north, east and south of the site. Figure 1 below shows the location of the site, the closest dwellings, and the receiver locations that we selected for further assessment. We note there is an existing bar and restaurant to the west of the apartment building.

The outdoor patio is proposed for the southwest section of the site. The patio will have enough seating for 85 patrons and a total of 16 speakers installed in the space. Operating times for the patio will be seasonal. It is expected that the patio will be open approximately 40% of the year from 11 am to midnight, 7 days a week. In addition to the patio, a stage is being installed inside the restaurant. The band will primarily provide background music for patrons on Friday and Saturday nights between 8 pm and midnight. Figure 2 below shows the site layout. It is expected that the stage will be used for a 3-piece band.

BKL CONSULTANTS LTD acoustics · noise · vibration
#308 - 1200 Lynn Valley Road, North Vancouver, BC V7J 2A2

E: Martin@bkl.ca | W: www.bkl.ca
T: 604-988-2508 | F: 604-988-7457

Glenn Atchison

- 2 -

April 18, 2017



Figure 1: Subject Site and Closest Noise Sensitive Receivers

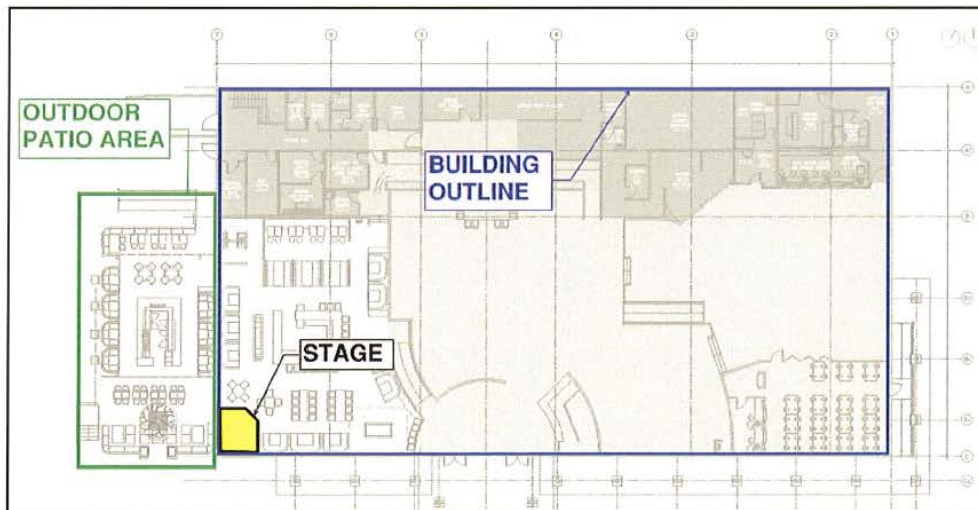


Figure 2: Subject Site Layout

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- 3 -

April 18, 2017

Noise Criteria

There are no quantitative noise level criteria that legally apply within the City of Courtenay, including Bylaw 2804 which discusses noise nuisance. Therefore, we have considered other guidance documents to determine appropriate noise criteria for the outdoor patio area and band related noise. Specifically, we have reviewed the guidance of the following documents:

- *World Health Organization (WHO) - Guidelines for Community Noise - 1999*
- *City of Vancouver - Vancouver Noise Bylaw 6555 - 2015*
- *Guidance for Evaluating Human Health Impacts in Environmental Assessment: Noise (Health Canada Guideline), issued by Health Canada in July 2016 (Health Canada 2016)*

Based on these documents, we developed criteria for the daytime and nighttime periods as summarized in Table 1 below.

For the daytime period, we have set the criteria to be appropriate for use of outdoor living areas. For the nighttime period, the WHO Guideline suggests average internal noise levels should not exceed 30 dBA. We have determined the noise criteria by calculating the corresponding outdoor levels for two scenarios: with windows open and with windows closed. We have used information provided in the Health Canada Guideline, which states that an outdoor-to-indoor transmission loss of 15 dBA for an open window and 27 dBA loss for closed windows is typical for residential receivers.

Please refer to Appendix A for further details on the selected criteria.

Table 1: Proposed Noise Criteria

Time period	Hours	Level
Daytime	7 am to 10 pm	55 dB L _{Aeq}
Nighttime - windows closed	10 pm to 7 am	57 dB L _{Aeq}
Nighttime - windows open	10 pm to 7 am	45 dB L _{Aeq}

Noise Predictions

The architectural drawings of the development, provided by Gateway via email on July 8, 2016, show that a total of 13 loudspeakers and three subwoofers are proposed for the outdoor patio. 12 of the units are pendant mounted, with the sound directed down toward the seated patrons. The further four speakers will be wall mounted. We understand that a permanent roof for the patio is being considered, however this has not been included in the model. Figure 3 shows the distribution of the speakers throughout the patio area. We have also modelled noise from 40 patrons talking in a raised voice in the patio area. In addition to noise from the patio area, we have predicted the break-out noise from the interior restaurant while the band is playing. Given that music levels can vary, we have provided

Glenn Atchison

- 4 -

April 18, 2017

the predicted noise level reduction from the edge of the patio area to the receivers, provided in Table 2 below.

Table 2: Predicted Noise Reduction from Sources to Receivers

Receiver	Source Noise Reduction to Receiver (dBA)	
	Patio Noise	Break-out Noise
1(E)	9	9
1(N)	34	30
2	30	30
3	30	27
4	25	24

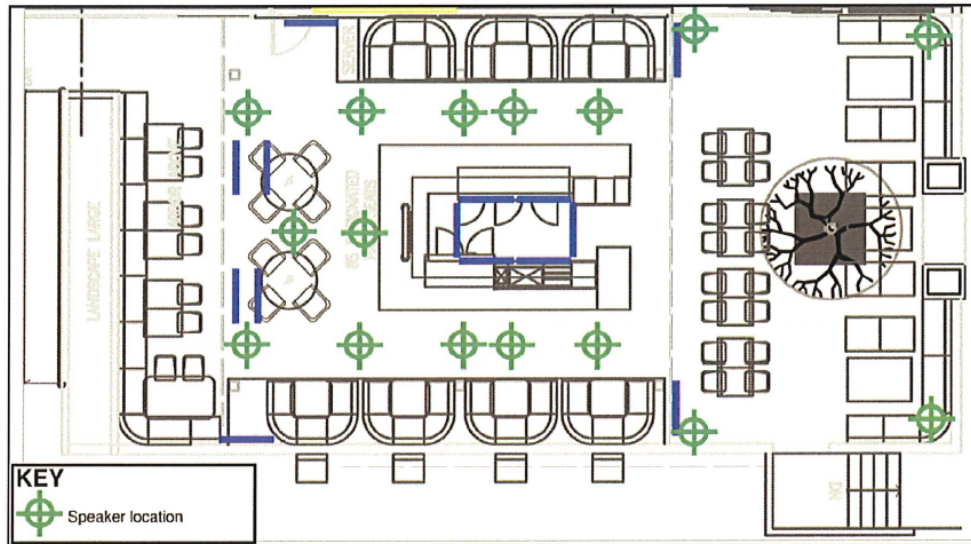


Figure 3: Speaker Locations Patio Area

While music noise levels can fluctuate, we can estimate the expected noise source levels based on our experience on previous projects.

Based on other Gateway projects, we estimate that the music volume in the patio areas is expected to

Glenn Atchison

- 5 -

April 18, 2017

be approximately 65 dB L_{Aeq} . Performance bands typically generate an interior reverberant noise level between 95 and 105 dB L_{Aeq} but, as the band will only be providing background music for the restaurant, we estimate the interior noise level will be closer to 85 dB L_{Aeq} . We have assumed an internal reverberant level of 85 dB L_{Aeq} for the assessment. The primary path of the sound will be through the windows on the west and south side of the building.

Table 3 below compares the predicted combined noise level from the outdoor patio area as well as the band break-out noise with the nighttime noise criteria.

Table 3: Predicted Noise Levels and Nighttime Noise Criteria

Receiver	Predicted Noise Level (dB L_{Aeq})			Comply?	
	Patio	Break-out band	Combined	Open windows	Closed windows
				(45 dB L_{Aeq})	(57 dB L_{Aeq})
1(E)	54	46	55	No	Yes
1(N)	29	25	30	Yes	Yes
2	34	34	37	Yes	Yes
3	35	37	39	Yes	Yes
4	41	40	44	Yes	Yes

Provided the source level estimates are reasonable, the predicted noise levels are at or below the daytime criterion of 55 dB L_{Aeq} for all receivers. The nighttime, open windows criteria of 45 dB L_{Aeq} is complied with at most receivers, with the exception of 1(E).

This indicates that the internal noise level would be above 30 dBA when windows are open for the apartments on the east facade of the building and some of the apartments that face into the apartment courtyard. With windows closed, the internal noise level criteria should be achieved.

The project noise level at the apartments on the north and south facade of the building comply with the open window noise criteria, as the orientation of the building provides some additional screening to these apartments.

The significance of the noise impact at the apartment receivers will depend on the current noise levels at the apartments including noise from the existing venue located next to the west facade of the building. We note this venue has an existing patio area.

Recommendations

To minimize the noise impact of the site, we recommend restaurant windows are closed after 10 pm

Glenn Atchison

- 6 -

April 18, 2017

on nights when the band is performing.

The assessment assumes that the music speakers have a relatively flat frequency response, i.e., that the bass is not louder than the rest of the music. To ensure this occurs on site, we recommend avoiding the use of subwoofers outdoors and that the sound systems are commissioned prior to use and equalized to ensure a flat frequency response.

If a permanent roof for the patio is installed, this has the potential to provide noise shielding for some of the elevated apartment units. However, there is also the potential that patrons will raise their voices further in order to hear each other as the patio will be a semi-enclosed space. To minimize this risk, we recommend adding an acoustically absorptive treatment with a minimum NRC of 0.9 to the underside of the patio roof.

Conclusions

Predicted noise levels from the proposed outdoor patio and break-out noise from the restaurant are expected to be below both the daytime and nighttime project noise criterion for most receivers, provided noise source levels are within the expected range.

Patio and restaurant noise is predicted to exceed the nighttime criteria for some receivers in the apartment building west of the site, specifically those on the east facade and for some of the apartments facing into the courtyard. For these receivers, the project noise levels are expected to exceed the nighttime criteria when windows are open. With windows closed, we expect the internal noise level criteria to be achieved.

The significance of the noise impact at the apartment receivers will depend on the current noise levels that they are exposed to, including noise from the existing venue to the west of the apartment building. We note this venue has an existing patio area. Noise impacts can be minimized by following our recommendations noted above.

We trust this information is satisfactory. Please feel free to contact us if you have any queries regarding this document.

Regards

BKL Consultants Ltd.

per:



Brigette Martin, EIT

Glenn Atchison

- 7 -

April 18, 2017

Appendix A - Criteria Discussion

World Health Organization(WHO) - Guidelines for Community Noise

The WHO issued the Guidelines for Community Noise document in 1999. This document outlines guideline values at the level of the lowest adverse health effect. Specifically, the guidelines consider the noise exposure levels that could result in annoyance, speech intelligibility interference, sleep disturbance or hearing impairment. The relevant values for this study relate to the guideline values provided for outdoor living areas and outside bedrooms provided in Table 4.1, extract provided in Table A1 below.

Table A1: Extract from WHO Guidelines (Table 4.1)

Specific Environment	Critical Health Effect	LAeq [dB]	LAm _{ax} , fast [dB]
Outdoor living area	Serious annoyance	55 dB L _{Aeq(16 hrs)}	N/A
Outdoor living area	Moderate annoyance	50 dB L _{Aeq(16hrs)}	N/A
Inside bedrooms, nighttime	Sleep disturbance	30 dB L _{Aeq(8hrs)}	45

Review of Relevant Municipality Noise Bylaws

We reviewed the noise bylaws for a number of municipalities near the City of Courtenay on Vancouver Island and the Lower Mainland. For the majority of the municipalities on Vancouver Island, the noise bylaw is similar to the City of Courtenay bylaw and does not provide a quantitative noise limit. The municipalities that do specify a bylaw limit are similar to the City of Vancouver Bylaw, which we have summarized below.

City of Vancouver - Vancouver Noise Bylaw 6555

The City of Vancouver Noise Bylaw provides quantitative noise criteria based on how the subject site and noise sensitive receiver are zoned. The bylaw allows less stringent criteria for the Activity, Event and Intermediate Zones of the City. Given our understanding of the City of Courtenay, we believe that area near the site would mostly be considered a Quiet Zone. Quiet Zones are defined as the portion of the City not defined as Activity, Event or Intermediate Zones.

The noise criteria for noise coming from and being received in a Quiet Zone is 55 dBA during the daytime period and 45 dBA during the nighttime period, where daytime is defined as 7 am to 10 pm, Monday to Saturday and from 10 am to 10 pm on Sunday or public holidays.

May 17, 2018

BC Municipalities

VIA Email

Dear Mayor and Council:

Re: Provincial Employer Health Tax

At its May 14, 2018 Regular Council meeting, the Council for the City of Langley considered a report from the City's Director of Corporate Services regarding the Province's announcement that it will be implementing, commencing January 1, 2019, an employer health tax to replace the Medical Services Plan premiums that individuals currently pay. The report is enclosed for reference.

Council subsequently passed the following resolution:

WHEREAS the Province of BC has introduced an Employer Health Tax (EHT) in the form of a new 1.95% payroll tax starting January 1, 2019 in order to replace the Medical Service Plan (MSP) premiums which will not be fully phased out until January 1, 2020;

WHEREAS in 2019, the City of Langley will be required to pay approximately \$236,000 for the EHT in addition to the \$55,000 for the MSP which will require a 1.0% property tax increase to fund the additional costs;

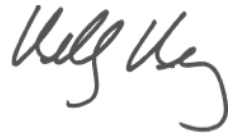
WHEREAS the EHT will transfer the tax burden from individuals to businesses causing unintended consequences on the local taxpayers as the primary source of revenue for local governments is through property taxation;

THEREFORE BE IT RESOLVED THAT the Province of BC exempt local governments, regional districts and school boards from the imposition of the EHT to lessen the financial burden on local taxpayers, especially those that are on fixed incomes.

Council further resolved:

THAT correspondence be sent to all BC municipalities urging each municipality to write to the provincial government requesting the elimination or reduction of the newly implemented Employer Health Tax.

Yours truly,
CITY OF LANGLEY

A handwritten signature in black ink, appearing to read "Kelly Kenney".

Kelly Kenney
Corporate Officer

Enclosure





REPORT TO COUNCIL

To: **Mayor Schaffer and Councillors**

Subject **Provincial Employer Health Tax**

Report #: 18-29

File #: 1610.00

From: Darrin Leite, CPA, CA

Doc #: 156637

Date: May 7, 2018

RECOMMENDATION:

THAT Council endorse the following motion to be sent to the Provincial government to amend the implementation of the Employer Health Tax:

WHEREAS the Province of BC has introduced an Employer Health Tax (EHT) in the form of a new 1.95% payroll tax starting January 1, 2019 in order to replace the Medical Service Plan (MSP) premiums which will not be fully phased out until January 1, 2020;

WHEREAS in 2019, the City of Langley will be required to pay approximately \$236,000 for the EHT in addition to the \$55,000 for the MSP which will require a 1.0% property tax increase to fund the additional costs;

WHEREAS the EHT will transfer the tax burden from individuals to businesses causing unintended consequences on the local taxpayers as the primary source of revenue for local governments is through property taxation;

THEREFORE BE IT RESOLVED THAT the Province of BC exempt local governments, regional districts and school boards from the imposition of the EHT to lessen the financial burden on local taxpayers, especially those that are on fixed incomes.

PURPOSE:

The City of Langley is expressing concern on behalf of the local property taxpayers about the implementation of a new payroll tax being introduced by the Province of British Columbia.

POLICY:

None.

COMMENTS/ANALYSIS:

The Provincial government announced that they will be implementing, starting January 1, 2019, an employer health tax to replace the Medical Services Plan premiums that individual's currently pay. The UBCM surveyed local governments in British Columbia to determine what the impact of the new 1.95% payroll tax would have. The City of Langley is significantly impacted.

In 2017, the City paid \$110,000 for MSP premiums and the payment reduced in half to \$55,000 in 2018. However, in 2019, the EHT will cost the City approximately \$236,000 in addition to the \$55,000 MSP premiums that will not be fully eliminated until January 1, 2020. The City will have to pass on this new financial burden to the taxpayers in the City resulting in a 1% property tax increase in order to fund the additional cost.

The City of Langley believes it is unfair to be required to pay both the EHT and MSP premiums in 2019, the transition year, until the MSP premiums are fully eliminated in 2020. In addition, it is a concern when an increase in property taxes is being required to fund provincial healthcare services.

BUDGET IMPLICATIONS:

The City's expenses will increase to \$291,000 in 2019 from the \$55,000 spent in 2018 on MSP premiums. This \$236,000 will require a 1% property tax increase to balance the budget.

ALTERNATIVES:

Forgo the opportunity to write a letter to the Province to express the concern over the implementation of the new EHT.

Respectfully Submitted,



Darrin Leite, CPA, CA
Director of Corporate Services

Attachment(s): UBCM Employer Health Tax Impact on Local Government Survey
Results and Analysis

CHIEF ADMINISTRATIVE OFFICER'S COMMENTS:

I support the recommendation.



Francis Cheung, P. Eng.
Chief Administrative Officer

Employer Health Tax Impact on Local Governments

Survey Results and Analysis

Union of BC Municipalities

May 2018

Introduction

The Province of British Columbia's 2018/19 – 2020/21 Budget and Fiscal Plan includes a commitment to eliminate Medical Services Plan (MSP) premiums and fund this change through the implementation of an employer health tax (EHT). Since local governments are subject to this proposed tax, the Union of BC Municipalities (UBCM), with support from the British Columbia Government Finance Officers Association, surveyed local government financial officers in April of 2018 to better understand the impact of the EHT on local government finance. The data from the survey provided the basis for this report.

Local Government Finance

Local governments have a limited revenue base that relies heavily on property taxation¹. While the property tax provides revenue stability and predictability, it does not fairly distribute costs across income levels, placing an undue share on lower and middle income British Columbians. Local governments are also subject to significant external cost drivers due to decisions made by other orders of government. In recognition of both current and projected stresses, BC local governments have called for a joint review of the local government finance system.² One of the objectives of such a review is to prevent the property tax becoming unaffordable for a greater number of British Columbians.

UBCM Employer Health Tax Survey

77 respondents participated in the UBCM survey, representing just over 40% of local governments in British Columbia. Respondents varied in population from 107 (Village of Zeballos) to 631,406 (City of Vancouver). The survey solicited information on local government costs for employee MSP premiums and estimated EHT costs for the period 2017-2020. This data is provided in the Appendix to this report.

Employer Health Tax and Local Government

In 2017, all but one of the 77 survey respondents paid some portion of employee MSP premiums. For unionized employees, employer-paid MSP contributions are a negotiated benefit and vary from contract to contract. Local governments may

¹ Union of BC Municipalities, *Strong Fiscal Futures: A Blueprint for Strengthening BC Local Governments' Finance System* (2013), 18.

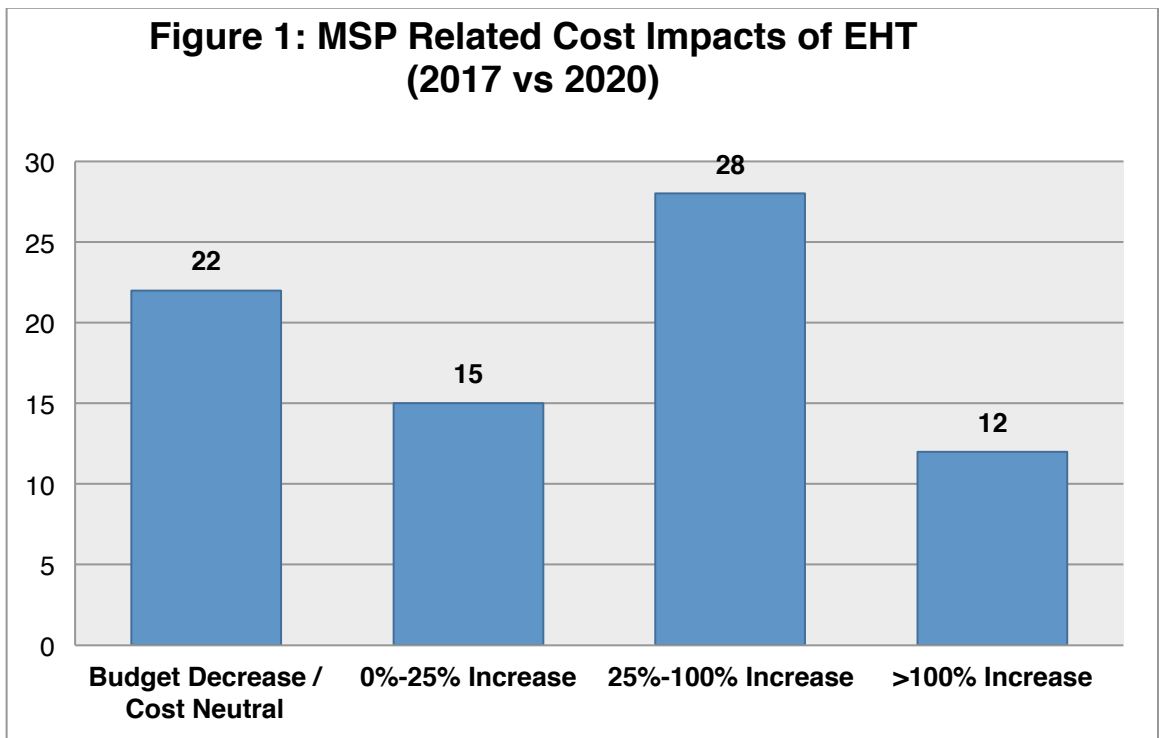
² Union of BC Municipalities, *Local Government Finance Policy Paper* (2013).

also pay a portion of MSP premiums for exempt staff, although this too is a matter of local determination.

The employer health tax will be imposed upon businesses and organizations in accordance with the size of their payroll. Businesses and organizations with payrolls less than \$500,000 will be exempt from the EHT. The tax rate will start at 0.98 percent for annual payrolls in excess of \$500,000 and will gradually increase to 1.95 percent for payrolls greater than \$1,500,000 per year.

Due to differences such as population served, the degree of contracting out, and levels of service, local government payrolls vary in size from hundreds of thousands to hundreds of millions. As a result, the impact of EHT implementation on local governments varies considerably (Figure 1).

Taking into account the elimination of MSP premiums effective January 1, 2020, 29% of respondents indicated cost reductions or cost neutrality as a result of EHT implementation relative to 2017 MSP premium costs. Correspondingly, 71% respondents indicated increased costs in relation to EHT implementation in comparison to 2017, with 36% of respondents indicating increases of 25-100% and 15% indicating increases greater than 100%.

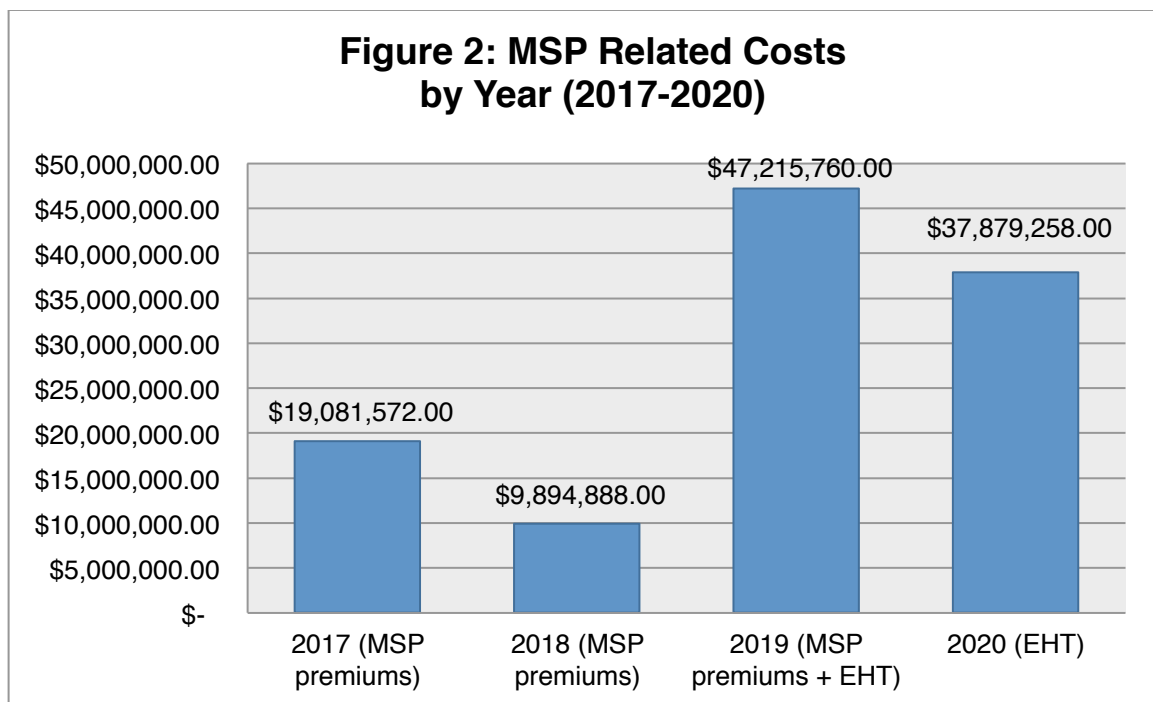


Source: UBCM survey (77 of 189 local governments)

Another way of analyzing the survey data is to consider the impact on local government as a sector. As a group, the 77 communities that contributed to the survey will see its MSP related costs double between 2017 and 2020 as a result of the EHT (Figure 2).

The survey responses also demonstrate that the provincial government decision to reduce MSP premiums by 50% effective 2018 provided significant cost savings for local governments that paid some portion of employee MSP premiums. This relief was effectively eliminated by the introduction of EHT. The transition year of 2019, in which MSP premiums are retained while the EHT is phased in, will also create an extraordinary single year increase in which MSP related costs will more than quadruple for the respondents.

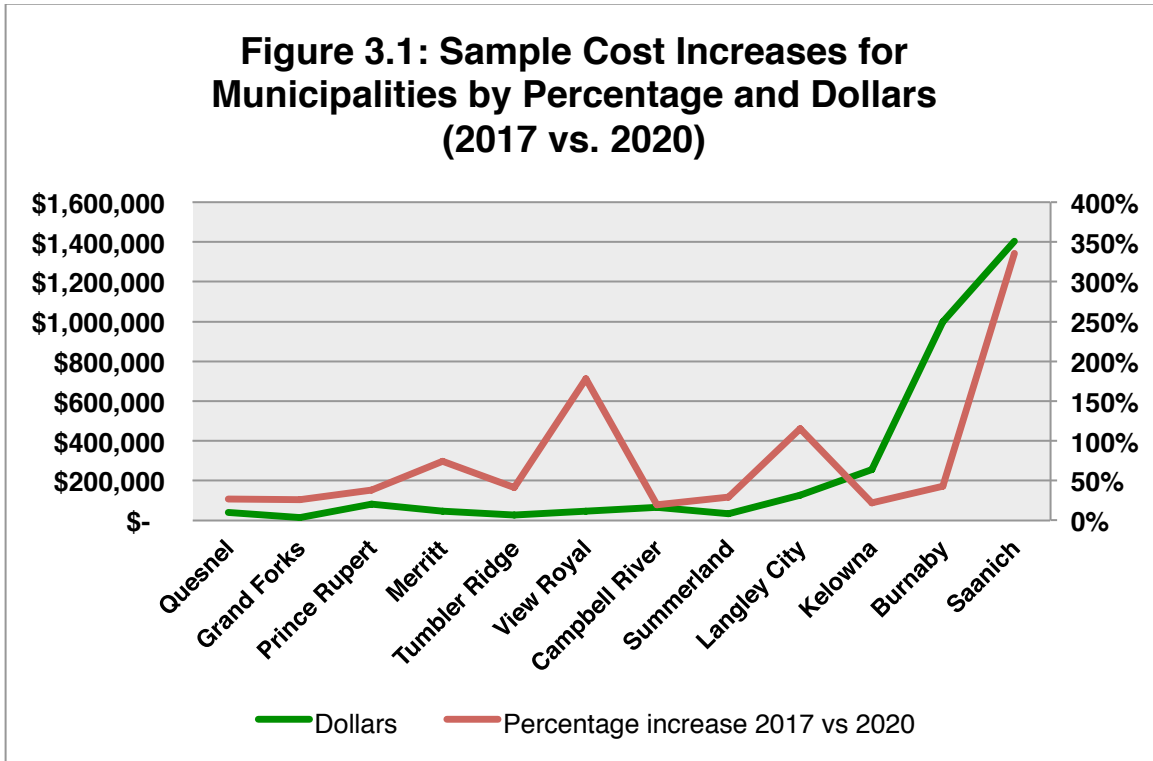
Given that UBCM’s survey data reflects information for 40% of BC local governments, the actual increase in for the entire local government sector in 2019 and beyond resulting from EHT implementation are greater than indicated by our survey.



Source: UBCM survey (77 of 189 local governments)

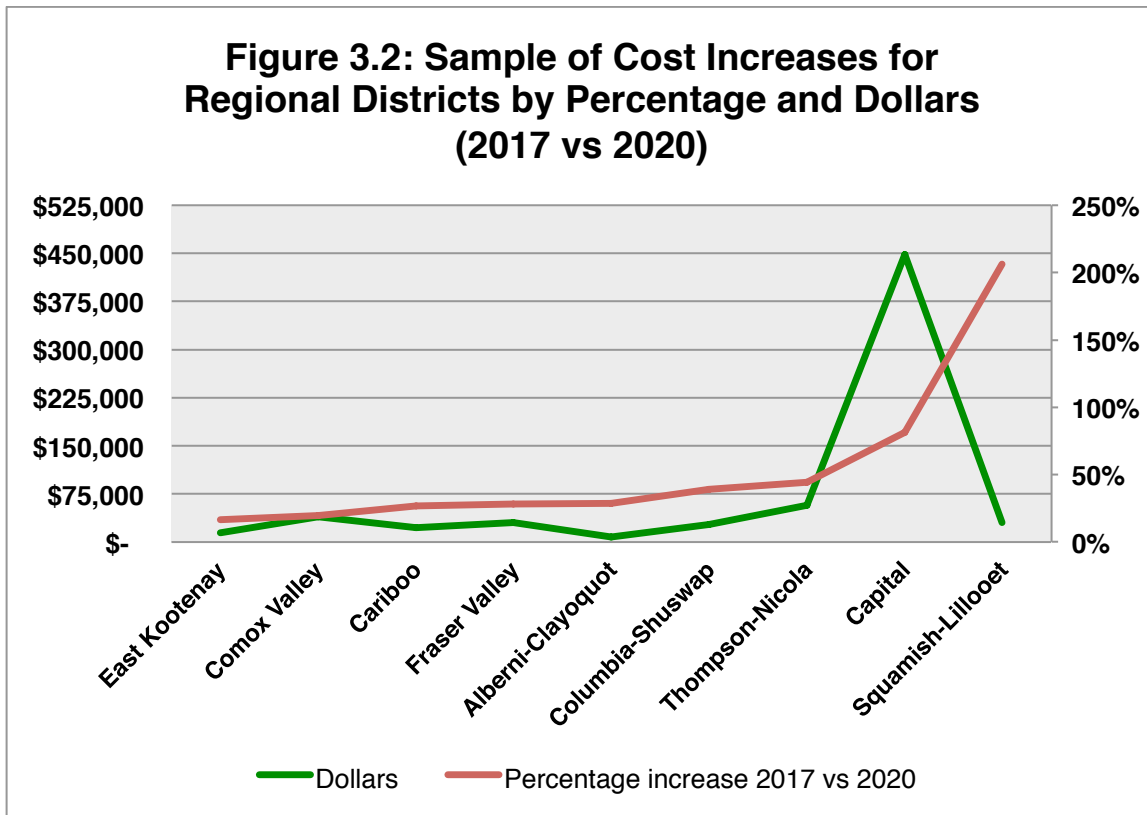
While 21 respondents will see a net cost savings by 2020 through the implementation of EHT, the savings will be modest for most of this group. Conversely, for communities facing cost increases due to EHT implementation, the increases are dramatic. Increased employee MSP related costs for

communities like Vancouver, Saanich, Victoria, and Burnaby will run into the millions. Excluding these four communities, the majority of local governments with populations greater than 50,000 will also see significant impacts, with an average MSP related cost increase of \$631,500, or a budget increase of 92% from 2017 to 2020. Figure 3.1 demonstrates the range of cost increases due to the EHT for a sample of municipalities based on a comparison of 2017 and 2020 MSP related costs.



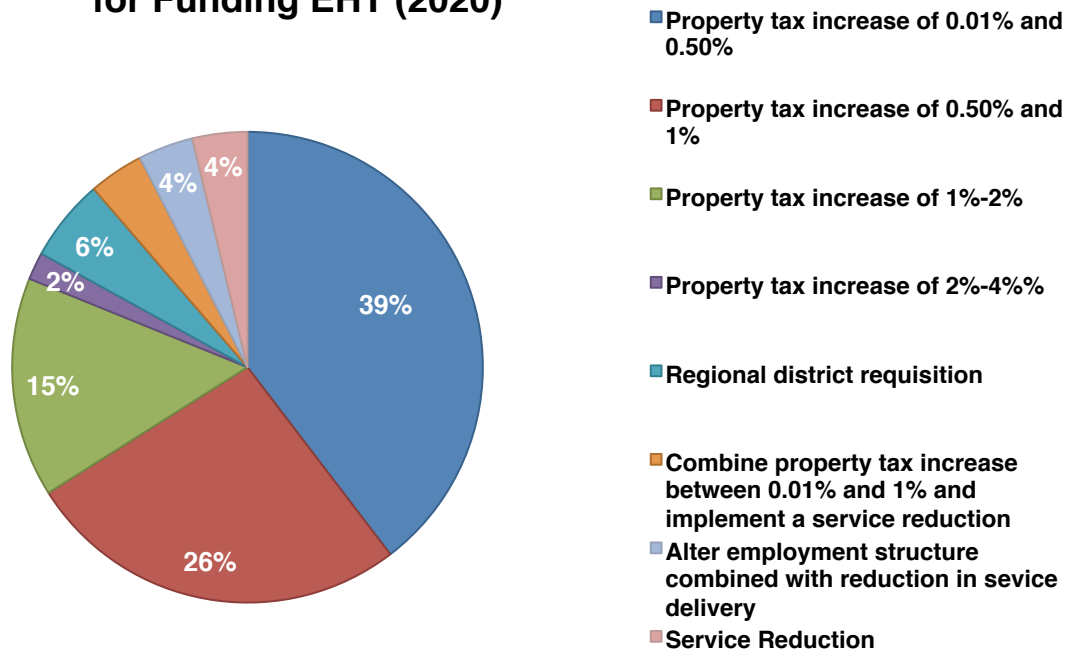
Local government costs will be further increased when the effect of regional districts is factored in (Figure 3.2). Regional districts cannot collect taxes directly from residents, and instead rely on a requisition that is submitted to the Ministry of Municipal Affairs and Housing and direct billing of municipalities. Regional districts that see a net increase in costs as a result of EHT implementation may choose to fund this increase through its requisition, thus further increasing the impact of the EHT on taxpayers in municipalities and electoral areas within the regional district.

Figure 3.2: Sample of Cost Increases for Regional Districts by Percentage and Dollars (2017 vs 2020)



Local governments that have a MSP related cost increase due to the EHT will need to consider how best to fund the change. As indicated in Figure 4, these Councils and Boards will face a choice of reducing services, increasing property taxation, or a mixture of both. The majority of respondents have indicated that these options involve some form of property tax increase, with 15% indicating that such increases are likely in the range of 1-2%.

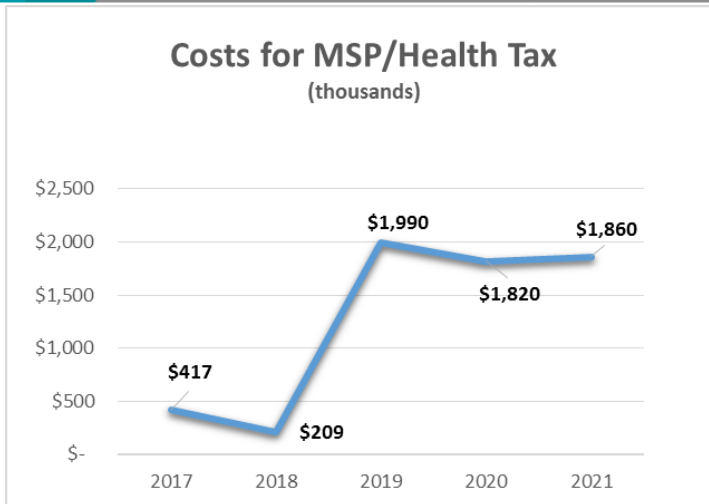
Figure 4: Local Government Options for Funding EHT (2020)



Case Study: District of Saanich

The proposed employer health tax will have significant budget implications for the District of Saanich. The estimated cost for Saanich in 2019 during the transitional year of EHT implementation is \$1.78 million for the new tax plus \$209,000 for employee MSP premiums. These costs will be distributed between the general fund (property taxation) and the sewer and water utilities (user fees). The general fund portion equates to a 1.3% property tax increase. In subsequent years, the tax will rise in step with collective agreement settlements that are currently 2% to 2.5%. Saanich Council will be faced with a choice of increasing taxes, reducing services, or a combination of the two. Budget reductions implemented after the 2008 economic downturn have left few options remaining.

If the assumption is that the increase should be managed through operating budget reductions, the impact translates into a reduction of at least 15 positions and therefore impactful reductions in service levels. Alternately, capital funding could be reduced moving backwards on a decade of Council commitment to achieve sustainable funding levels for infrastructure replacement.



“Saanich cannot manage a 1.3% property tax increase from this additional expense through simple ‘belt tightening’. We would have to amputate a limb.”
Paul Thorkelsson, CAO

The impact on Saanich property owners could be compounded with increased levies for the Capital Regional District and Hospital District, BC Assessment, and BC Transit who would also be subject to the employer health tax and facing the same challenges to fund it.

The impact on Saanich’s medium to large business property owners is twofold as they face paying the EHT directly on top of any property taxation increases that may be implemented. An option is to put the burden solely on residential properties, but this is likely to meet strong resistance as 92% of Saanich’s assessment base is residential and due to low non-market revenue in recent years, annual tax increases are trending over 3%.

Employer-paid MSP premiums are a negotiated benefit. Implementation of this tax applied will remove the ability for Saanich to negotiate this benefit as part of collective bargaining. Where property tax currently funds only a small portion of the premiums for some staff, a shift to the health tax confers a considerable benefit without any bargaining and passes the cost on to Saanich property owners.

Conclusion

The introduction of the employer health tax will lead to increased Medical Services Plan related costs for a considerable portion of the local government sector. While a small portion of local governments will see reduced MSP related costs once the EHT is implemented, the savings for most of these communities are negligible. Conversely, the cost impacts for some larger communities are considerable. Based on the survey information provided to UBCM, Medical Services Plan related costs for respondents would double between 2017 and 2020. On a one-time basis, due to implementation of the EHT while MSP

premiums are still in place, MSP related costs for respondents would quadruple between 2018 and 2019.

Given that the communities most impacted tend to be larger population centres, it is safe to conclude that the implementation of the EHT will lead to property tax increases for the majority of British Columbia's population. This will have a particular impact on the private sector, since businesses that are already paying the EHT directly will likely face increased property taxes as well.

Due to the extent of these impacts, many local governments are questioning a tax policy that results in the funding of a provincial service (healthcare) through property taxation.

Appendix A – Survey Results: Medical Services Plan (MSP) Related Costs by Year

Local Government	2017 (MSP Premiums)	2018 (MSP Premiums)	2019 (MSP Premiums + Employer Health Tax)	2020 (Employer Health Tax)
Alberni-Clayoquot RD	\$26,625.00	\$19,000.00	\$52,600.00	\$34,300.00
Anmore	\$16,050.00	\$8,100.00	\$17,500.00	\$9,400.00
Ashcroft	\$19,912.00	\$10,000.00	\$20,000.00	\$10,000.00
Belcarra	\$10,502.00	\$5,252.00	\$11,421.00	\$6,169.00
Burnaby	\$2,302,000.00	\$1,086,000.00	\$4,400,000.00	\$3,300,000.00
Campbell River	\$336,211.00	\$340,000.00	\$562,300.00	\$400,800.00
Capital RD	\$552,000.00	\$271,000.00	\$1,271,000.00	\$1,000,000.00
Cariboo RD	\$83,000.00	\$41,500.00	\$141,500.00	\$105,000.00
Chase	\$14,550.00	\$8,550.00	\$24,462.00	\$15,912.00
Columbia-Shuswap RD	\$69,746.00	\$35,000.00	\$130,000.00	\$96,900.00
Colwood	\$78,225.00	\$39,113.00	\$170,000.00	\$130,000.00
Comox Valley RD	\$202,282.00	\$220,000.00	\$337,900.00	\$241,500.00
Courtenay	\$188,000.00	\$92,250.00	\$317,250.00	\$225,000.00
Creston	\$45,000.00	\$22,500.00	\$75,500.00	\$54,000.00
Dawson Creek	\$195,825.00	\$100,850.00	\$352,315.00	\$259,009.00
Duncan	\$45,600.00	\$22,500.00	\$75,577.00	\$54,000.00
East Kootenay RD	\$84,038.00	\$42,018.00	\$139,919.00	\$97,901.00
Elkford	\$40,472.00	\$20,250.00	\$79,868.00	\$60,810.00
Enderby	\$15,075.00	\$7,500.00	\$22,575.00	\$15,075.00
Fort St. John	\$265,266.00	\$127,800.00	\$524,366.00	\$406,480.00
Fraser Valley	\$106,500.00	\$53,000.00	\$189,500.00	\$136,500.00
Gold River	\$24,500.00	\$14,000.00	\$45,200.00	\$31,200.00
Grand Forks	\$52,000.00	\$26,000.00	\$64,000.00	\$65,500.00
Harrison Hot Springs	\$20,775.00	\$12,060.00	\$25,000.00	\$12,500.00
Invermere	\$34,875.00	\$17,100.00	\$53,560.00	\$36,460.00
Kaslo	\$12,150.00	\$6,300.00	\$12,500.00	\$6,301.00
Kelowna	\$1,151,000.00	\$575,520.00	\$1,955,520.00	\$1,407,600.00
Kent	\$33,750.00	\$16,875.00	\$88,407.00	\$71,532.00
Keremeos	\$14,400.00	\$7,200.00	\$18,600.00	\$11,600.00
Ladysmith	\$85,397.00	\$42,683.00	\$150,331.00	\$107,648.00
Lake Country	\$97,875.00	\$55,350.00	\$163,400.00	\$107,648.00
Langley District	\$630,500.00	\$386,000.00	\$1,666,000.00	\$1,300,000.00
Langley City	\$110,000.00	\$55,000.00	\$291,000.00	\$236,000.00
Lantzville	\$21,150.00	\$11,250.00	\$31,996.00	\$21,161.00
Logan Lake	\$24,300.00	\$12,150.00	\$42,650.00	\$31,000.00
Lytton	\$8,100.00	\$4,050.00	\$9,048.00	\$4,998.00

Maple Ridge	\$350,000.00	\$175,000.00	\$875,000.00	\$700,000.00
McBride	\$6,390.00	\$6,300.00	\$6,300.00	-
Merritt	\$62,452.00	\$31,225.00	\$138,027.00	\$108,938.00
Metchosin	\$13,320.00	\$6,660.00	\$21,012.00	\$14,636.00
Mission	\$268,000.00	\$134,000.00	\$499,650.00	\$365,650.00
Nakusp	\$25,200.00	\$12,600.00	\$27,600.00	\$15,225.00
New Denver	\$3,600.00	\$1,800.00	\$7,427.00	\$5,739.00
New Hazelton	\$9,000.00	\$4,500.00	\$10,311.00	\$6,012.00
New Westminster	\$706,200.00	\$363,150.00	\$1,817,450.00	\$1,483,400.00
North Cowichan	\$222,500.00	\$112,500.00	\$405,000.00	\$298,350.00
Oak Bay	\$167,099.00	\$83,550.00	\$451,004.00	\$367,454.00
Okanagan-Similkameen RD	\$125,000.00	\$65,000.00	\$180,000.00	\$120,000.00
Oliver	\$42,000.00	\$22,000.00	\$61,000.00	\$41,000.00
Peace River RD	\$52,885.00	\$30,000.00	\$74,709.00	\$48,165.00
Penticton	\$380,704.00	\$190,352.00	\$594,853.00	\$404,501.00
Port Alice	\$13,538.00	\$6,770.00	\$13,026.00	\$6,381.00
Port Coquitlam	\$340,000.00	\$170,000.00	\$785,000.00	\$630,000.00
Port McNeill	\$9,900.00	\$4,950.00	\$15,453.00	\$10,503.00
Port Moody	\$254,480.00	\$130,000.00	\$715,000.00	\$600,000.00
Prince George	\$667,358.00	\$333,679.00	\$1,678,291.00	\$1,371,504.00
Prince Rupert	\$213,000.00	\$107,000.00	\$394,000.00	\$293,000.00
Quesnel	\$152,000.00	\$76,000.00	\$268,660.00	\$192,660.00
Radium Hot Springs	\$12,600.00	\$6,300.00	\$13,300.00	\$7,000.00
Saanich	\$417,420.00	\$208,710.00	\$1,989,410.00	\$1,820,000.00
Sidney	\$90,990.00	\$47,970.00	\$142,970.00	\$97,000.00
Sooke	\$54,975.00	\$36,000.00	\$114,000.00	\$78,000.00
Squamish	\$237,033.00	\$121,000.00	\$440,828.00	\$326,548.00
Squamish-Lillooet RD	\$14,659.00	\$7,500.00	\$51,293.00	\$44,888.00
Summerland	\$111,450.00	\$55,700.00	\$197,200.00	\$144,300.00
Sunshine Coast RD	\$334,000.00	\$160,096.00	\$415,856.00	\$255,760.00
Thompson-Nicola RD	\$129,150.00	\$65,000.00	\$251,405.00	\$186,405.00
Trail	\$87,600.00	\$43,800.00	\$76,200.00	\$32,450.00
Tumbler Ridge	\$63,923.00	\$44,775.00	\$133,509.00	\$90,198.00
Ucluelet	\$38,301.00	\$21,600.00	\$57,395.00	\$36,511.00
Vancouver	\$5,000,000.00	\$2,500,000.00	\$17,500,000.00	\$15,000,000.00
Vernon	\$436,635.00	\$220,000.00	\$668,500.00	\$448,500.00
Victoria	\$800,000.00	\$400,000.00	\$2,300,000.00	\$1,900,000.00
View Royal	\$25,200.00	\$13,000.00	\$81,000.00	\$70,000.00
Warfield	\$6,900.00	\$3,450.00	\$8,950.00	\$5,500.00
Williams Lake	\$113,059.00	\$56,530.00	\$199,706.00	\$143,176.00
Zeballos	\$5,400.00	\$2,700.00	\$2,700.00	-

**CITY OF COURTENAY HERITAGE ADVISORY COMMISSION
MINUTES**

Meeting of the City of Courtenay Heritage Advisory Commission meeting held on March 28, 2018 at 10:05 a.m. in the Boardroom of City Hall.

Present:

L. Burns	J. Hagen	A. Ireson	C. Piercy
T. Setta (staff)			

Absent:

R. Dingwall	D. Griffiths	J. Fortin	L. Grant
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1. The Meeting Agenda and Minutes from Last Meeting

Moved by L. Burns and seconded by C. Piercy that the February 28, 2018 minutes be adopted as amended.

Carried

2. Opening Remarks

L. Burns is celebrating his 89th birthday.

3. Old Business

- | | |
|--------------------------|---|
| HERITAGE CLOCKS | <ul style="list-style-type: none">• A.Ireson reported that L.Burns and himself met with the Manager of Civic Properties Maintenance to discuss candidate locations and other implications for the clock installation.• The Manager of Civic Properties Maintenance to provide potential cost and other implications on installation of the clocks. |
| PIONEER GRAVES TREE | <ul style="list-style-type: none">• No progress at this time. Work in progress |
| RESIDENTIAL INVENTORY | <ul style="list-style-type: none">• Member's individual work in progress |
| HERITAGE ARCHIVE STORAGE | <ul style="list-style-type: none">• L. Burns and T. Setta conducted and searched archived materials at the storage building. All four boxes are stored in old Co-operators' building on Cliffe Avenue• L. Burns continue to finalize an archive list• Members believe that the Museum is the best place to place materials. A better management system including recording method needs to be in place. |
| TRAIN STATION | <ul style="list-style-type: none">• A. Ireson reported that Heritage BC provides a program called "watch list", which is aimed to increase public awareness toward heritage buildings that owned by and/or located in private land.• A.Ireson suggested it might be a tool that the City could utilize.• A. Ireson to contact the Heritage BC to find out implications and report at the next meeting |

CITY'S WEBSITE

- The Commission agreed to put the following information on the City's website to promote and celebrate heritage in the community.
- Proposed that E&N in April and May and the panels to be displayed at the entrance area during tax time.
- June-July: Afloat, August-September: Stewart Block or 40 Houses

4. **New Business**

MUSEUM REPORT

- No report at this time

IN KIND HOURS

- Total 8.75 hours in February

BUDGET

- No report at this time

HERITAGE BC ANNUAL CONFERENCE

- Staff to prepares travel documents and pre-approve A. Ireson's trip to is to the conference held between May 10 to 12 in New Westminster

NEXT WROKSHOP

- On April 11th at 9: 15 at the Museum

5. **Correspondence**

NEW MEMBER

- The Bylaw states that the minimum number is seven. Currently eight members are on the Commission. Commission to maintain the current number.

6. **For Your Information**

None

7. **Meeting Adjournment**

Meeting Adjourned at 11:40 a.m.

8. **Next Meeting** April 26, 2018

adopted as corrected
Judith



BRIEFING NOTE

6To: Council
From: Chief Administrative Officer
Subject: Downtown Courtenay Transit Exchange Expansion

File No.: 8500-04
Date: June 11, 2018

ISSUE:

The purpose of this briefing note is to update Council on the addition of two transit stops to temporarily expand the Downtown Courtenay Transit Exchange for the September 2018 BC Transit Service Change.

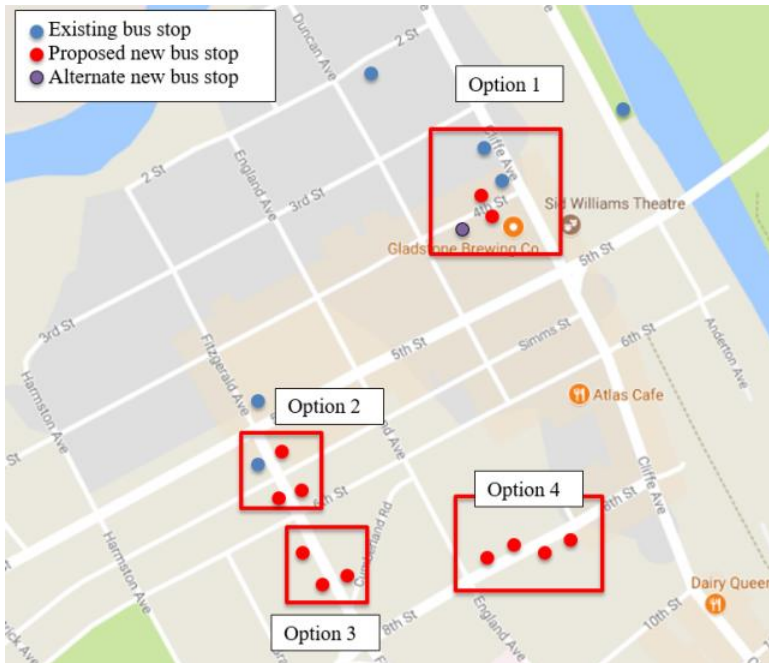
BACKGROUND:

Transit service within Courtenay is provided by the Comox Valley Regional District (CVRD) through a partnership with BC Transit. In July 2017, the CVRD Board approved changes to the transit service to increase the service level. This includes the implementation of the Frequent Transit Network and alteration of existing transit routes to integrate with the Frequent Transit Network. In order to implement the service increase, BC Transit, in consultation with the CVRD and City of Courtenay staff, reviewed a number of options to provide appropriate levels of transit stop capability within the Downtown Courtenay Transit Exchange.

DISCUSSION:

The implementation of the September 2018 Service Change, which includes the Frequent Transit Network requires additional capacity be added at the existing Downtown Courtenay Transit Exchange.

Option 1 of the Frequent Transit Network is the preferred short term solution as it meets the required



needs of the service in the most cost effective manner and with minimal impact for transit passengers and the community overall. This option is a temporary expansion of the existing transit exchange location at the Museum. This requires the addition of two new bus stop locations on either side of 4th Street.

Consultation was undertaken by City and CVRD staff with local stakeholders including businesses (Gladstone and Mudsharks), as well as Museum staff and the Boys and Girls Club staff. A consensus was achieved that resulted in

Downtown Courtenay Transit Exchange Expansion

a new west-bound and east bound bus stop with the loss of a total of only three on-street parking spaces, and includes a new loading zone for the Museum patrons and the relocation of the handicap accessible parking spaces further west on 4th Street (see attachment 1). Both the Museum and local businesses are comfortable with the temporary bus stop locations and appreciated being a part of the decision making process.

These new bus stops will be installed by the end of June 2018.

FINANCIAL IMPLICATIONS

The addition of two new bus stops will require the installation of new curb markings at a cost of less than \$300. The bus-stop signs are supplied by the CVRD. The on-going maintenance of bus stop signage and curb marking is included in the annual budget.

Prepared by:



Trevor Kushner,

Director of Public Works Services

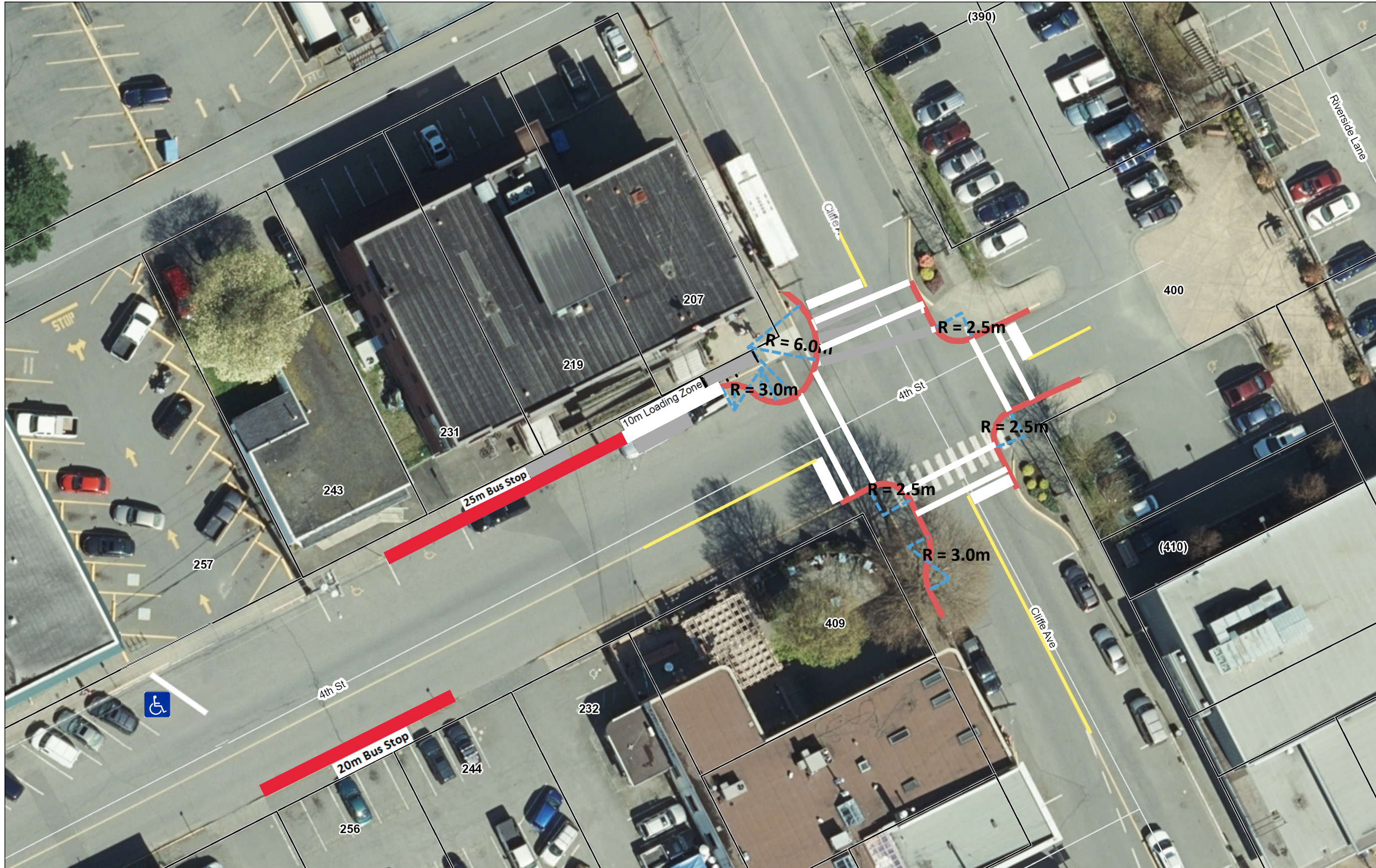
Attachment:

1. *Map of New 4th Street Bus Stop Locations*



Legend

- Courtenay Parcels
- Courtenay City Boundary
- Courtenay Roads
- Comox Valley Roads
- Ocean_Trim_UTM10



1: 350



17.8 0 8.89 17.8 Meters

Notes

This map was automatically generated using Geocortex Essentials.



BRIEFING NOTE

To: Council
From: Chief Administrative Officer
Subject: Urban Forest Strategy Update

File No.: 1845-20
Date: June 7, 2018

PURPOSE:

To update Council on the Urban Forest Strategy with emphasis on consultation events beginning later this month.

BACKGROUND:

At the July 4, 2017 meeting Council directed staff to proceed with issuing a Request for Proposal and implement an Urban Forest Strategy. Staff advertised the Request for Proposal in February 2018 and subsequently engaged the services of Diamond Head Consulting (www.diamondheadconsulting.com). The goals of the Strategy are to establish baseline information about Courtenay's urban forest, formulate a community-informed vision for the urban forest and identify strategies and actions to achieve the vision.

KEY CONSIDERATIONS:

The Urban Forest Strategy is structured into three distinct and sequential phases:

1. Inventory
2. Community visioning and goal setting
3. Action planning

Inventory and analyses of Courtenay's urban forest is underway and information is now available to share with the public in order to conduct the community visioning and consultation phase of the project.

The public consultation strategy is as follows:

- Stakeholder meetings with each the local development industry and the nature conservation community on June 25.
- Public workshops the evening of June 25 from 7-9pm and afternoon of June 26 from 1-3pm (location to be confirmed).
- An on-line survey with interactive 'story-map' functionality to be available throughout the summer (a GIS supported story-map allows for individuals to submit comments and photos in relation to a map). A dedicated project webpage will be created on the City's website.
- A public open house after the summer.

Diamond Head Consulting will be providing an update to Council on the project at the June 25 Committee of the Whole meeting. The update will include opportunity for Council to share ideas and ask questions about the project.

Following the consultation phase the consultant will work with staff to draft the vision, targets and action plan to achieve the Strategy goals. The draft Strategy will be provided for public viewing and feedback in the fall when a public open house will be held. Anticipated project completion is fall 2018.

The budget for the project includes \$75,000 from the City of Courtenay 2017 budget and a \$10,000 provincial Infrastructure Planning Grant.

Prepared by,

A handwritten signature in black ink, appearing to read 'Ian Buck', is positioned above the printed name.

Ian Buck, MCIP, RPP
Director of Development Services

Wendy Kotilla, Coordinator
Youth and Ecological Restoration Program (YER)
4327 Minto Road
Courtenay, BC V9N 9P7
250-336-8487; wkotilla@shaw.ca
www.youthecology.ca

May 22, 2018

Youth and Ecological Restoration Program Video Production Funding Request 2018

The Youth and Ecological Restoration Program (YER) supports Comox Valley youth at risk. Since 2004, there have been 320 youth participants in the twenty-hour program with a 95% completion rate. This community-based program provides youth aged twelve to eighteen with one-on-one work experience and intergenerational connections through working with Comox Valley environmental organizations. On YER completion youth make a public presentation to a community group about their experience. YER offers youth opportunities to gain a sense of pride, success and hope through involvement with people and places in our community. The YER website created in 2009 is at: www.youthecology.ca.

YER delivers a unique combination of ecological restoration methods, ecotherapy practices and mentoring support. There have been partnerships created with one hundred and forty-six groups, including ten referral agencies, thirty environmental work placements and one hundred and six presentation locations (see list on pages three to six). The five main local groups that youth have worked with are: Millard Piercy Watershed Stewards, Morrison Creek Streamkeepers, MARS Wildlife Rescue, Oyster River Enhancement Society and Tsolum River Restoration Society.

This year YER will be creating an educational and promotional video with local videographer Ed Carswell www.carswellfilm.ca. Ed has produced youth empowerment and education videos for 30 years and won several awards for creative and interpretive approaches. Onsite interviews will capture the youth as they experience conducting ecological restoration and enhancement with community members and environmental professionals. It will highlight the youth narrative of restoring local watersheds to gain a sense of worth, belonging and place. Several youth will be featured in the video working with the five Comox Valley environmental groups listed above.

The video will also document the YER history from a vision to a successful program that offers youth opportunities to be involved with meaningful work and improve their sense of community belonging. The goal is to promote YER as an educational and therapeutic program to empower youth at risk. It will be motivational for youth, as well as for educators interested in starting a similar program in their community.

After fourteen successful years of supporting Comox Valley vulnerable youth, it is timely and important for YER to produce this video. **The video cost will be about \$6,550.00; for a budget breakdown please see page two. Thank you for any amount that you can contribute.**

Yours Respectfully,
Wendy Kotilla
250-336-8487
wkotilla@shaw.ca

Youth & Ecological Restoration Program

Video Production Budget 2018

Pre-Production - Spring 2018	
TOTAL PRE-PRODUCTION	\$400.00
Production - Spring, Summer and Fall 2018	
Camera person and equipment - 50 hours @ \$75	3,750.00
Salmon enhancement & wildlife rehabilitation projects:	
Oyster River Enhancement Society – Spring and Fall 2018	
Millard Piercy Watershed Stewards - Spring 2018	
Morrison Creek Streamkeepers - Fall 2018	
MARS Wildlife Rescue - Spring 2018	
Tsolum River Restoration Society - Spring 2018	
Phase II projects in summer – Nymph Falls Park & Minto Road	
Interviews with youth & instructor - various shots of process	
TOTAL PRODUCTION	\$3,750.00
Post Production - Fall and Winter 2018	
Editing - 32 hours @ \$75	\$2,400.00
20 minute educational version & 2 minute promotional version	
TOTAL POST PRODUCTION	\$2,400.00
TOTAL VIDEO PRODUCTION COSTS	\$6,550.00

Funding Contributions:

Oyster River Enhancement Society	\$2,500.00
Courtenay & District Fish and Game Protective Association	\$1,000.00
Paul Horgen	\$500.00
Jane Gilcrest	\$250.00
Millard Piercy Watershed Stewards	\$200.00
Individual Contributions	\$160.00
Cummings Home	\$50.00
TOTAL CONTRIBUTIONS	\$4,660.00
REMAINING FUNDS REQUIRED:	\$1,890.00

Youth and Ecological Restoration Program

Wendy Kotilla

wkotilla@shaw.ca

Office: 250 336-8487

www.youthecology.ca

Carswellfilm.ca

Ed Carswell

carswellfilm@gmail.com

Mobile: 250 897-2623

Office: 250 897- 0525

APPENDIX A: YOUTH AND ECOLOGICAL RESTORATION PROGRAM (YER) COMMUNITY PARTNERSHIPS (Page 1 of 4)

YER partnered with one hundred and forty-six groups July 2004 to March 2017.

Ten groups referred youth clients from July 2004 to March 2017:

- BC Children's Hospital www.bcchildrens.ca
- Comox Valley Community Justice Centre www.cjc-comoxvalley.com
- Comox Valley Family Services Association www.comoxvalleyfamilyservices.com
- Comox Valley School District #71: Cumberland Community; Glacier View Learning Centre; Highland Secondary; Lake Trail Middle; Mark R. Isfeld Secondary; Nala'atsi Alternate; G.P. Vanier
- Comox Valley Youth Resource Society
- John Howard Society of North Island www.jhsni.bc.ca/
- Ministry of Children and Family Development: www.gov.bc.ca/mcf/
Probation Services; Mental Health; Parent Teen Mediation; Over Twelve; Foster Parents
- Queen Alexandra Centre for Children's Health www.queenalexandra.org
- Wachiay Friendship Centre, Raven Back Youth Group www.wachiay.org
- Vancouver Island Health Authority www.viha.ca

Thirty groups had youth conduct ecological restoration work from July 2004 to March 2017:

- Brooklyn Creek Watershed Society www.bcws.ca
- BC Hydro, Bridge Coastal Fish & Wildlife Restoration Program
- BC Ministry of Environment www.gov.bc.ca/env
- BC Ministry of Environment, Environmental Protection www.gov.bc.ca/env
- BC Ministry of Transportation www.gov.bc.ca/tran
- Comox Valley Environmental Council
- Comox Valley Land Trust www.cvlantrust.org
- Comox Valley Nature www.comoxvalleynaturalist.bc.ca
- Comox Valley Project Watershed Society www.projectwatershed.bc.ca
- Comox Valley Regional District www.rdc.bc.ca
- Comox Valley Sustainability Network
- Comox Valley Water Watch
- Comox Valley Watershed Assembly
- Courtenay & District Fish & Game Protective Association www.courtenayfishandgame.org
- Cumberland Community Forestry Society www.cumberlandforest.com
- Department of Fisheries and Oceans www.pac.dfo-mpo.gc.ca
- Fanny Bay Enhancement Society www.fbses.ca
- Garry Oak Ecosystem Recovery Team www.goert.ca
- Georgia Strait Alliance www.georgiastrait.org
- Hart Watershed Society
- Millard/Piercy Watershed Stewards www.millardpiercy.org
- Morrison Creek Streamkeepers www.morrisoncreek.org/
- Mountaineer Avian Rescue Society www.wingtips.org
- Natural Journeys Society
- Oyster River Enhancement Society www.oysterriverenhancement.org/
- Perseverance Creek Streamkeepers
- Streamside Native Plants http://members.shaw.ca/nativeplants/streamside_home.html
- Sunrise Rotary Club www.strathconasunrise.bc.ca
- Tsolum River Restoration Society www.tsolumriver.org/
- World Community Development Education Society www.worldcommunity.ca

**APPENDIX A (cont.): YOUTH AND ECOLOGICAL RESTORATION PROGRAM (YER)
COMMUNITY PARTNERSHIPS (Page 2 of 4)**

YER partnered with one hundred and forty-six Comox Valley groups July 2004 to March 2017.

One hundred and six community groups had youth presentations from July 2004 to March 2017:

- Airport Elementary School, Grade 1
- Airport Elementary School, Grade 2/3
- Arden Park Elementary School, Kindergarten
- Arden Park Elementary School, Grade 1
- Arden Park Elementary School, Grade 4
- Arden Park Elementary School, Grade 6
- Aspen Park Elementary School, Grade 2
- Aspen Park Elementary School, Grade 3
- Aspen Park Elementary School, Grade 4
- Aspen Park Elementary School, Grade 7
- Berwick Retirement Society www.berwickrc.com/comox
- Brooklyn Elementary, Grade 5
- Casa Loma Seniors Village www.retirementconcepts.com/homes/comox-valley
- Comox Rotary Club www.comoxrotary.bc.ca
- Comox Valley Aboriginal Head Start Program, Pre-School Group
- Comox Valley Boys and Girls Club, Adventure Club www.cvboysandgirlsclub.ca
- Comox Valley Boys and Girls Club, Voices Choices Group www.cvboysandgirlsclub.ca
- Comox Valley Community Justice Centre www.cjc-comoxvalley.com
- Comox Valley Land Trust, Annual General Meeting www.cvlandtrust.org
- Comox Valley Land Trust, Board Meeting www.cvlandtrust.org
- Comox Valley Natural History Society www.comoxvalleynaturalist.bc.ca
- Comox Valley Senior Peer Counselling
- Comox Valley Project Watershed Society www.projectwatershed.bc.ca
- Comox Valley Regional District, Community Services Branch
- Comox Valley Watershed Assembly
- Comox Valley Women's Resource Society
- Comox Valley Youth for Christ www.comoxvalley.yfccanada.org
- Comox Valley Youth Resource Society
- Courtenay & District Fish & Game Protective Association www.courtenayfishandgame.org
- Courtenay Elementary School, Kindergarten
- Courtenay Elementary School, Grade 2/3
- Courtenay Elementary School, Grade 3/4
- Courtenay Elementary School, Grade 5/6
- Cumberland Elementary School, Grade 5/6
- Creekside Commons www.creeksidecommons.ca
- Cumberland Community School, Grade 1/2
- Cumberland Community School, Grade 4/5
- Cumberland Community School, Grade 5/6
- Cumberland Community School, Grade 8
- Cumberland Junior School
- Cumberland Lodge
- Cumberland Rotary Club www.rotarycc.org
- Cummings Home, Seniors Assisted Living Facility
- Earth Day Festival
- Eureka Support Society and Clubhouse
- Fanny Bay Enhancement Society www.fbse.ca
- Fanny Bay Old Age Pensioners, Seniors Craft Group

**APPENDIX A (cont.): YOUTH AND ECOLOGICAL RESTORATION PROGRAM (YER)
COMMUNITY PARTNERSHIPS (Page 3 of 4)**

YER partnered with one hundred and forty-six Comox Valley groups July 2004 to March 2017.

One hundred and six community groups had youth presentations July 2004 to March 2017 (cont.):

- Glacier View Lodge Society www.glacierviewlodge.ca
- Glacier View School, Brideway Program
- Glacier View School, Independent Learning Program
- Glacier View School, Key Program
- Glacier View School, Senior Alternate Program
- Island Early Education Centre, After School Group
- John Howard Society, Staff Meeting www.jhsni.bc.ca/
- Kidzone Daycare
- Kiwanis Club of Courtenay www.facebook.com/pages/Kiwanis-Club-of-Courtenay-BC
- Lake Trail Middle School, Grade 8
- Lake Trail Middle School, Grade 9
- Lake Trail Middle School, Pride Program
- Lake Trail Middle School, Humanities Program
- Lake Trail Middle School, Youth and Family Support
- Lewis Centre, Youth Program, Day Camp www.courtenay.ca/recreation/programs.aspx
- Lighthouse Early Learning Centre www.cvcdcs.com/
- Linc Youth Centre, Action Committee
- Linc Youth Centre, Staff
- Linc Youth Centre, Youth Council
- Mark R. Isfeld Secondary School, Life Skills Program
- Merry Andrew Day Care
- Miracle Beach Elementary School, Grade 1
- Millard Piercy Watershed Stewards
- Ministry of Children and Family Development, Mental Health Team
- Ministry of Children and Family Development, Over Twelve Team
- Ministry of Children and Family Development, Probation Services
- Mountaineer Avian Rescue Society, AGM www.wingtips.org
- Nala'atsi Alternate School
- North Island College, Human Service Worker Program
- North Island College, Human Services Articulation Conference
- Oyster River Enhancement Society www.oysterriverenhancement.org/
- Puddleduck Daycare
- Pumpkin Patch Daycare
- Puntledge Park Elementary School, Kindergarten
- Puntledge Elementary School, Grade 3
- Puntledge Park Elementary School, Grade 4
- Puntledge Park Elementary School, Grade 5/6
- Queneesh Elementary School, Earth Day Celebration
- Queneesh Elementary School, Kindergarten to Grade 4
- Robb Road Elementary School, grade 4
- Roseberry Pre-School
- Royston Elementary School, Grade 7
- St. Josephs Hospital, Adolescent Support Group
- St. Josephs Hospital, Residential Care Facility
- St. Josephs Hospital, Transitional Ward
- Saltwater Waldorf School
- Scouts Canada, First Comox Scout Troup

**APPENDIX A (cont.): YOUTH AND ECOLOGICAL RESTORATION PROGRAM (YER)
COMMUNITY PARTNERSHIPS (Page 3 of 4)**

YER partnered with one hundred and forty-six Comox Valley groups July 2004 to March 2017.

One hundred and six community groups had youth presentations July 2004 to March 2017 (cont.):

- Scouts Canada, First Tsolum Cubs Group
- Stevenson Place (Seniors Independent Living) www.novapacific.ca/page131.htm
- Tsolum River Restoration Society www.tsolumriver.org/
- Tiger Too Pre-School
- Vanier Senior Secondary School, Counseling Group
- Vanier Senior Secondary School, Grade 8 English
- Vanier Senior Secondary School, Grade 8 Science
- Vanier Secondary School, Little Friends Day Care
- Wachiay Friendship Centre, Elders Lunch www.wachiay.org
- Wachiay Friendship Centre, Raven Back Youth Group www.wachiay.org
- Wee Care Early Childhood Centres, Royston Elementary www.weecareinc.com
- Youth and Ecological Restoration Program, Annual Community Celebration

From: FCM Communiqué [mailto:communique@fcm.ca]
Sent: Wednesday, May 16, 2018 10:13 AM
To: Allen, David
Subject: Seizing our moment: FCM's Special Advocacy Fund

May 16, 2018



Seizing our moment: FCM's Special Advocacy Fund

This week, you'll be receiving a package in the mail about FCM's Special Advocacy Fund. I'd like to take a moment to fill you in on what it's all about.

In March, your FCM Board of Directors approved a 2-year Special Advocacy Fund. This fund will drive FCM's largest effort ever leading up to Election 2019, and in the crucial first months of a new government. It'll fuel an ambitious, multi-faceted campaign targeting every federal party. Our goal is simple: to keep local priorities on the national agenda for years to come.

FCM has a long track-record of success when it comes to delivering results for members. Election 2015 took our progress to a new level, sparking unprecedented investments in municipal priorities. Election 2019 is a vital opportunity to build on those gains. To seize it, we need the right tools.

When your package arrives, it will include more information about FCM's Special Advocacy Fund, as well as your municipality's voluntary invoice. We can't risk seeing federal parties move on from local priorities. With your support, we can make municipal progress the "new normal" in Canada. And with your support, we can continue to build strong, more vibrant communities — and a better Canada.

For more information on FCM's Special Advocacy Fund, check out [our website](#).

Jenny Gerbasi,
FCM President

Find us: [f](#) [in](#) [t](#) [v](#)



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MUNICIPALITÉS

Special Advocacy Fund

24, rue Clarence Street
Ottawa, Ontario K1N 5P3
T. 613-241-5221
F. 613-241-7440

Allen, David
City of Courtenay
830 Cliffe Avenue
Courtenay, British Columbia V9N 2J7
Canada

INVOICE/FACTURE: ORD-17914-K4D4D9

DATE: 05/04/2018

ACCOUNT/COMPTE: 27

HST # / No. de TVH: 11891 3938 RT0001
QST # / No. de TVQ: 1202728231 TQ 0001

ITEM/DESCRIPTION	RATE/TAUX	TAX/TAXE	TOTAL
Contribution year 1 // année 1	\$700.00	\$35.00	\$735.00
Contribution year 2 // année 2	\$700.00	\$35.00	\$735.00
SUBTOTAL/SOUS-TOTAL:			\$1,400.00
GST/TPS:			\$70.00
TOTAL:			\$1,470.00

Learn all about FCM's Special Advocacy Fund and your voluntary contribution:

<http://fcm.ca/advocacyfund>

PAYMENT / PAIEMENT

By cheque payable to / Par chèque à l'ordre de

Federation of Canadian Municipalities
Fédération canadienne des municipalités

By Electronic Funds Transfer/

Par transfert de fonds électronique

Royal Bank of Canada (RBC)
90 Sparks St, Ottawa, ON K1P 5T7
Transit Number/Numéro de transit: 00006
Account Number/Numéro de compte: 1006063
accountsreceivable@fcm.ca

Choose your preferred payment option below / Veuillez choisir votre option de paiement:

Acct# 27

Payment Amount / Montant Payé

Option 1 - Full payment / Paiement complet

OR / OU

Option 2 - Partial payment / paiement partiel

Due immediately - Year 1 - contribution /
Échéance immédiate - contribution - année 1

Due April 1st, 2019 - Year 2 - contribution /
Échéance le 1er avril 2019 - contribution - année 2

