



**THE CORPORATION OF
THE CITY OF COURTENAY**

**Statement of Financial Information
For the Year Ended December 31, 2019**

Statement of Financial Information
for the Year Ended December 31, 2019
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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:



Jennifer Nelson, CPA, CGA
Director of Financial Services
July 6, 2020

Independent Auditor's Report

To the Mayor and Council of the City of Courtenay:

Opinion

We have audited the consolidated financial statements of the City of Courtenay (the "City"), which comprise the consolidated statement of financial position as at December 31, 2019, and the consolidated statements of operations, accumulated surplus, changes in net financial assets and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the City as at December 31, 2019, and the results of its consolidated operations, changes in net financial assets and its consolidated cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

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

Other Information

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

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

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

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

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

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

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

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

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

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

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

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

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

Courtenay, British Columbia

May 11, 2020

MNP LLP

Chartered Professional Accountants


**THE CORPORATION OF THE CITY OF COURTENAY
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2019**

STATEMENT A

	2019	2018
FINANCIAL ASSETS		
Cash on Hand and on Deposit (Schedule 5)	\$ 23,580,932	\$ 20,373,559
Receivables (Note 1j)	3,512,739	4,903,482
Term Deposits (Schedule 5)	26,013,489	28,209,106
	53,107,160	53,486,147
FINANCIAL LIABILITIES		
Accounts Payable (Note 1k)	8,267,696	9,863,827
Trust and Other Deposits	6,150,397	6,195,200
Deferred Revenue - Development Cost Charges (Note 6)	7,138,260	6,259,106
Deferred Revenue - Other (Note 8)	2,851,913	2,396,837
Long-Term Debt (Schedule 4)	10,043,266	11,458,117
	34,451,532	36,173,087
NET FINANCIAL ASSETS	18,655,628	17,313,060
NON-FINANCIAL ASSETS		
Inventories	226,853	207,310
Prepaid Expenses	378,060	552,308
Tangible Capital Assets (Note 12 & Schedule 3)	159,448,579	145,878,140
	160,053,492	146,637,758
ACCUMULATED SURPLUS (Schedule 2)	\$ 178,709,120	\$ 163,950,818

CONTINGENT LIABILITIES AND COMMITMENTS (NOTE 2)

SUBSEQUENT EVENT (NOTE 15)



Jennifer Nelson, CPA, CGA
Director of Financial Services

THE CORPORATION OF THE CITY OF COURTENAY
 CONSOLIDATED STATEMENT OF OPERATIONS
 FOR THE YEAR ENDED DECEMBER 31, 2019

REVENUE	2019 Budget (Note 13)	2019	2018
Taxes for Municipal Purposes	27,880,700	27,967,952	\$ 26,905,048
Sale of Services	15,899,100	16,594,427	15,636,658
Revenue From Own Sources	3,607,800	4,194,740	3,957,453
Federal Transfers	1,265,000	2,252,626	1,237,229
Provincial Transfers	1,716,800	1,542,312	4,368,365
Other Local Government Transfers	352,400	318,565	209,114
Contributions	364,500	11,524,248	4,158,398
DCC Revenue	-	394,111	543,473
Investment Income and Taxation Penalties	872,800	1,485,653	1,149,368
Other	364,800	380,782	499,078
Gain on Sale of Tangible Capital Assets	416,500	370,490	34,350
TOTAL REVENUE	52,740,400	67,025,906	58,698,534
EXPENSES			
General Government Services	6,542,662	5,938,079	6,410,965
Protective Services	10,139,993	9,412,733	8,893,741
Transportation Services	7,651,202	8,604,498	8,062,954
Sewer and Water Facilities	12,621,784	13,018,155	11,751,671
Environmental Health Services	3,609,182	3,691,353	3,664,589
Public Health and Welfare Services	371,712	367,008	367,106
Environmental Development Services	1,605,322	1,473,938	1,287,329
Recreational and Cultural Services	9,883,643	9,761,840	9,149,613
TOTAL EXPENSES	52,425,500	52,267,604	49,587,968
ANNUAL SURPLUS (Schedule 1)	314,900	14,758,302	9,110,566
ACCUMULATED SURPLUS AT BEGINNING OF YEAR	163,950,818	163,950,818	155,113,523
CHANGE OF CONTROL IN SID WILLIAMS THEATRE SOCIETY (SWTS) SURPLUS REDUCTION (Note 7b)	-	-	(273,268)
ACCUMULATED SURPLUS AT END OF YEAR	164,265,718	178,709,120	\$ 163,950,818

**THE CORPORATION OF THE CITY OF COURTENAY
CONSOLIDATED STATEMENT OF CHANGE IN NET FINANCIAL ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2019**

STATEMENT C

	2019 Budget (Note 13)	2019	2018
ANNUAL SURPLUS	\$ 314,900	\$ 14,758,302	\$ 9,110,566
Acquisition of tangible capital assets	(13,984,200)	(10,255,188)	(8,778,512)
Amortization of tangible capital assets	4,675,000	5,899,542	5,450,879
(Gains)/losses and other adjustments to tangible capital assets	-	(58,358)	1,022,292
Proceeds on sale of tangible capital assets	-	444,725	74,586
Developer tangible capital asset contribution	-	(9,601,154)	(4,087,948)
Change of control of SWTS surplus reduction (Note 7b)	-	-	(273,268)
	<u>(9,309,200)</u>	<u>(13,570,433)</u>	<u>(6,591,971)</u>
Acquisition of supplies inventories	-	(759,264)	(663,437)
Acquisition of prepaid expense	-	(783,939)	(921,956)
Consumption of supplies inventories	-	739,716	636,213
Use of prepaid expense	-	958,186	801,176
Change of control of SWTS inventory and prepaids (Note 7b)	-	-	26,133
	<u>-</u>	<u>154,699</u>	<u>(121,871)</u>
CHANGE IN NET FINANCIAL ASSETS	(8,994,300)	1,342,568	2,396,724
NET FINANCIAL ASSETS AT BEGINNING OF YEAR	17,313,060	17,313,060	14,916,336
NET FINANCIAL ASSETS AT END OF YEAR	<u>\$ 8,318,760</u>	<u>\$ 18,655,628</u>	<u>\$ 17,313,060</u>

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

**THE CORPORATION OF THE CITY OF COURTENAY
CONSOLIDATED STATEMENT OF CASH FLOW
FOR THE YEAR ENDED DECEMBER 31, 2019**

STATEMENT D

	2019	2018
CASH PROVIDED BY (APPLIED TO) FINANCING TRANSACTIONS		
OPERATING TRANSACTIONS		
Annual Surplus	14,758,302	\$ 9,110,566
Changes in non-cash items		
Amortization	5,899,542	5,450,879
Change in receivables	1,390,743	(1,943,349)
Change in accounts payable	(1,596,131)	2,812,197
Change in trust and other deposits	(44,803)	2,158,389
Change in deferred revenue	1,334,230	888,079
Change in inventories	(19,543)	(16,279)
Change in prepaids	174,248	(105,593)
Net (gains)/losses and other adjustments to tangible capital assets	(58,358)	1,022,292
Developer Tangible Capital Asset Contribution	(9,601,154)	(4,087,948)
Actuarial adjustment	(480,011)	(441,747)
Change of control of SWTS cash flows (Note 7b)	-	(273,268)
	11,757,065	14,574,218
CAPITAL TRANSACTIONS		
Cash used to acquire tangible capital assets	(10,255,188)	(8,778,512)
Proceeds on sale of tangible capital assets	444,725	74,586
	(9,810,463)	(8,703,926)
INVESTING TRANSACTIONS		
Purchase of term deposits	2,195,617	3,278,473
Cash Provided by (applied to) Investing Transactions	2,195,617	3,278,473
FINANCING TRANSACTIONS		
Repayment of long-term debt	(934,846)	(951,900)
Cash applied to Financing Transactions	(934,846)	(951,900)
INCREASE IN CASH ON HAND AND ON DEPOSIT	3,207,373	8,196,865
CASH ON HAND AND ON DEPOSIT AT BEGINNING OF YEAR	20,373,559	12,176,694
CASH ON HAND AND ON DEPOSIT AT END OF YEAR	\$ 23,580,932	\$ 20,373,559
Interest paid on outstanding debt and included in annual surplus above	\$ 579,943	\$ 604,010

THE CORPORATION OF THE CITY OF COURTENAY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2019

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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, and Reserve Funds. Transactions between these funds 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, 2019

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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 consolidated financial statements.

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

(d) Use of Estimates

The preparation of consolidated 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 consolidated 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) Non-financial assets

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

(f) Inventories

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

**THE CORPORATION OF THE CITY OF COURTENAY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2019**

1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(g) 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.

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	\$5,000 to \$10,000	Varies from 8 to 80 years
Sewer	\$10,000	Varies from 8 to 60 years
Other – Includes Storm	\$10,000	Varies from 25 to 75 years
Other Tangible Capital Assets (includes IT software)	\$5,000	5 years

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

(h) Financial Instruments

Financial Instruments consist of cash on hand and on 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.

(i) Debt Charges

Interest payments are charged against current fund balances in the period they become payable and have been accrued to December 31, 2019. Actuarial adjustments are offset against interest charged. Principal payments are applied directly to loan balances in the period they accrue.

THE CORPORATION OF THE CITY OF COURTENAY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2019

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1. SIGNIFICANT ACCOUNTING POLICIES (continued)

(j) Receivables

Following is a breakdown of receivables outstanding at December 31, 2019 with 2018 comparatives:

	2019	2018
Federal Government	\$ 60,462	\$ 251,016
Provincial Government	655,431	2,802,609
Regional and other Local Governments	266,936	189,455
Property Taxes	1,190,930	860,963
Other	1,338,980	799,439
 Total Receivables	 \$ 3,512,739	 \$ 4,903,482

(k) Accounts Payable

Following is a breakdown of accounts payable and accrued liabilities outstanding at December 31, 2019 with 2018 comparatives:

	2019	2018
Federal Government	\$ 1,985,207	\$ 1,355,232
Provincial Government	227,672	85,303
Regional and other Local Governments	920,250	1,189,404
Employee Retirement Benefits (Note 10)	1,138,000	1,023,500
Trade and accrued liabilities	3,996,567	6,210,388
 Total Accounts Payable	 \$ 8,267,696	 \$ 9,863,827

(l) 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, 2019.

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.

**THE CORPORATION OF THE CITY OF COURTENAY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2019**

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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 2019 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:

2020	\$	935,534
2021		885,800
2022		810,918
2023		733,004
2024		710,918
		<u>\$ 4,076,174</u>

(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, 2019, 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.

THE CORPORATION OF THE CITY OF COURTENAY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2019

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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, 2018, the plan has about 205,000 active members and approximately 101,000 retired members. Active members include approximately 40,000 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, 2018, indicated a \$2.866 billion funding surplus for basic pension benefits on a going concern basis.

The City of Courtenay paid \$1,138,310 (2018 - \$1,042,964) for employer contributions to the plan in fiscal 2019.

The next valuation will be as at December 31, 2021, with results available in 2022.

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.

4. HOST FINANCIAL ASSISTANCE AGREEMENT

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

**THE CORPORATION OF THE CITY OF COURTENAY
 NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2019**

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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 2019 with comparatives to 2018.

	2019	2018
Opening Balance of Unspent Funds	\$ 1,954,704	\$ 3,517,375
Additions:		
Amounts Received During the Year	2,252,626	1,119,960
Interest Earned	44,193	48,701
Deductions:		
Amount Spent on Projects	(1,454,924)	(2,731,332)
Closing Balance of Unspent Funds	\$ 2,796,599	\$ 1,954,704

THE CORPORATION OF THE CITY OF COURTENAY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2019

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6. DEFERRED REVENUE - DEVELOPMENT COST CHARGES

In order to conform with the Public Sector Accounting Standards of CPA Canada, the unspent development cost charges 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 2019 and 2018.

	2019				
	General Reserve DCC BL #2840	Water Utility Reserve DCC BL #2840	Sewer Utility Reserve DCC BL #2840	Sewer Utility Reserve DCC BL #1638	2019 Total
Balance Forward	\$ 5,115,312	\$ 489,706	\$ 619,834	\$ 34,254	\$ 6,259,106
Increases					
Interest	94,671	8,629	13,943	569	117,813
Other Contributions	1,104,938	118,567	360,427		1,583,932
	<u>1,199,609</u>	<u>127,196</u>	<u>374,370</u>	<u>569</u>	<u>1,701,744</u>
Decreases					
Revenue Recognized to Fund Capital Projects	(281,411)		(112,700)	-	(394,111)
Reclassifications, redemptions, refunds	(184,954)	(240,466)	(3,060)	-	(428,479)
	<u>(466,365)</u>	<u>(240,466)</u>	<u>(115,760)</u>	<u>-</u>	<u>(822,590)</u>
Ending Balance Deferred Revenue - DCC	<u>\$ 5,848,556</u>	<u>\$ 376,436</u>	<u>\$ 878,444</u>	<u>\$ 34,823</u>	<u>\$ 7,138,260</u>
	2018				
	General Reserve DCC BL #2840	Water Utility Reserve DCC BL #2840	Sewer Utility Reserve DCC BL #2840	Sewer Utility Reserve DCC BL #1638	2018 Total
Balance Forward	\$ 4,314,899	\$ 594,553	\$ 602,938	\$ 33,806	\$ 5,546,196
Increases					
Interest	64,900	8,485	9,834	448	83,667
Other Contributions	982,379	45,968	144,369		1,172,715
	<u>1,047,279</u>	<u>54,453</u>	<u>154,203</u>	<u>448</u>	<u>1,256,383</u>
Decreases					
Revenue Recognized to Fund Capital Projects	(246,866)	(159,300)	(137,307)	-	(543,473)
Reclassifications, redemptions, refunds	(246,866)	(159,300)	(137,307)	-	(543,473)
	<u>(493,732)</u>	<u>(318,600)</u>	<u>(274,614)</u>	<u>-</u>	<u>(1,086,946)</u>
Ending Balance Deferred Revenue - DCC	<u>\$ 5,115,312</u>	<u>\$ 489,706</u>	<u>\$ 619,834</u>	<u>\$ 34,254</u>	<u>\$ 6,259,106</u>

**THE CORPORATION OF THE CITY OF COURTENAY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2019**

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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 2019 and 2018, which has been excluded from the City's consolidated financial statements.

CEMETERY PERPETUAL CARE FUND FINANCIAL POSITION	<u>2019</u>	<u>2018</u>	CEMETERY PERPETUAL CARE FUND FINANCIAL ACTIVITIES	<u>2019</u>	<u>2018</u>
Financial Assets			Revenue		
Cash on Hand	\$ 114,331	\$ 101,292	Fees Levied	\$ 16,331	\$ 14,299
Investments - MFA	<u>246,720</u>	<u>242,228</u>	Interest Revenue	<u>6,910</u>	<u>5,711</u>
Liabilities			Expenditure		
Interest Payable to City	<u>6,910</u>	<u>5,711</u>	Interest Expense	<u>6,910</u>	<u>5,711</u>
Net Financial Position	<u>\$ 354,141</u>	<u>\$ 337,809</u>	Excess Revenue over Expenditure	<u>\$ 16,331</u>	<u>\$ 14,299</u>

- (b) Effective June 30, 2018, the Sid Williams Theatre Society (SWTS) updated its constitution and bylaws to conform with the new BC Societies Act. The new bylaws remove the City's control (as defined by Canadian Public Sector Accounting Standards) therefore the City has removed the balances and transactions of the Society from these financial statements as of June 30, 2018.

8. DEFERRED REVENUE – OTHER

Other Deferred Revenue recorded in the Liability section of the City's Consolidated 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. Following is a breakdown of the change in this balance for 2019 and 2018:

	<u>2019</u>	<u>2018</u>
Opening Balance	\$ 2,396,837	\$ 2,221,668
Additions to Deferred Revenue	2,016,817	1,561,741
Revenue Recognized	(1,561,741)	(1,386,572)
Ending Balance Deferred Revenue Other	<u>\$ 2,851,913</u>	<u>\$ 2,396,837</u>

THE CORPORATION OF THE CITY OF COURTENAY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2019

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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, 2019 the City had debt reserve funds of \$342,394 (\$334,600 in 2018).

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 2019 were based on an interest (discount) rate of 2.60% per annum (2018 - 3.20%) and an inflation rate of 2.5% for both 2019 and 2018. The total estimated employee retirement benefit liability at December 31, 2019 is \$1,138,000 (\$1,023,500 in 2018) and is included in the accounts payable balance on Statement A. Following is a breakdown of the benefit liability:

	2019	2018
Accrued benefit liability at beginning of year	\$ 1,023,500	\$ 944,400
Expense	145,200	144,445
Benefit Payments	(30,700)	(65,345)
Accrued benefit liability at end of year	\$ 1,138,000	\$ 1,023,500

THE CORPORATION OF THE CITY OF COURTENAY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2019

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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 2019 revenues and expenses with 2018 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.

THE CORPORATION OF THE CITY OF COURTENAY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2019

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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 in the consolidated financial statements in 2019 is \$9,601,154 (\$4,087,948 in 2018).

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, 2019

PAGE 13 OF 14

13. RESTATEMENT OF 2019 BUDGET

The budget amounts presented throughout these consolidated financial statements are based upon the Five Year Financial Plan approved by Council on May 6, 2019 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 6, 2019 budget approved by Council and reflected in these consolidated financial statements:

Adjustments to 2019 Budgeted Annual Surplus

Budgeted Surplus per Council approved Budget	\$	-
Purchase of Capital Assets		13,984,200
Amortization Budgeted		(4,675,000)
Transfer from Reserves		(9,765,600)
Transfer to Reserves		3,568,600
Use of Prior Year Surplus		(3,736,200)
Debt principle repayments in Financial Plan		<u>938,900</u>
Budgeted Surplus per Consolidated Statement of Operations	\$	<u>314,900</u>

**THE CORPORATION OF THE CITY OF COURTENAY
 NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
YEAR ENDED DECEMBER 31, 2019**

14. CONTRACTUAL RIGHTS

Following is the breakdown of the contractual rights at December 31, 2019:

Contractual Right with	Description of Contractual Right	2020	2021	2022	2023	2024	Total
Courtenay Fire Protection District	Courtenay Fire Protection	419,733	428,128	436,690	445,424	454,332	\$ 2,184,307
Comox Valley Regional District	Greater Merville Fire Protection	249,605	254,597	259,689	264,883	270,181	\$ 1,298,955

15. SUBSEQUENT EVENT

Subsequent to year-end, there was a global outbreak of COVID-19 (coronavirus), which has had a significant impact on municipalities through the restrictions put in place by the Canadian, provincial and municipal governments regarding travel, municipality operations and isolation/quarantine orders. At this time, it is unknown the extent of the impact the COVID-19 outbreak may have on the City of Courtenay as this will depend on future developments that are highly uncertain and that cannot be predicted with confidence. These uncertainties arise from the inability to predict the ultimate geographic spread of the disease, and the duration of the outbreak, including the duration of travel restrictions, office closures or disruptions, and quarantine/isolation measures that are currently, or may be put, in place by Canada and other countries to fight the virus.

THE CORPORATION OF THE CITY OF COURTENAY
 CONSOLIDATED SCHEDULE OF SEGMENT DISCLOSURE BY SERVICE
 YEAR ENDED DECEMBER 31, 2019
 (Audited)

SCHEDULE 1
 (Note 11)
 Page 1 of 2

	General Government Services		Protective Services		Transportation Services		Environmental Health Services		Public Health and Welfare Services	
	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
REVENUE										
Taxation	24,761,750	23,742,557	-	-	-	-	-	-	-	-
Sales of Services	-	-	845,895	880,487	-	-	3,437,934	3,385,701	-	-
Revenue from Own Sources	-	-	1,006,190	969,042	146,581	97,016	-	-	-	-
Government Transfers	1,442,553	1,311,012	19,700	19,200	2,285,588	4,105,692	-	-	178,200	79,604
Transfer from Other Funds	-	-	-	-	-	-	-	-	-	-
Other Revenue	83,439	81,430	-	-	134,623	121,061	-	-	162,720	138,828
Other Contributions	1,000	-	-	-	9,371,824	2,824,512	-	-	-	-
Interest Earned	1,208,264	919,980	25,106	14,898	91,493	92,925	-	-	-	-
Gain on sale of TCA	445	900	-	300	368,856	17,737	-	-	-	-
Total Revenues	27,497,451	26,055,879	1,896,891	1,883,927	12,398,965	7,258,943	3,437,934	3,385,701	340,920	218,432
EXPENSES										
Salaries and Benefits	3,998,399	3,862,230	2,328,039	2,028,793	2,872,417	2,470,821	76,722	66,410	231,953	250,400
Goods and Services	1,341,527	1,212,412	6,740,553	6,482,558	2,515,574	2,431,965	3,242,629	3,126,043	100,244	85,777
Amortization Expense	310,475	303,689	340,679	352,734	3,063,889	2,816,126	345,952	319,600	34,811	30,929
Debt Servicing	(17,523)	(41,366)	(3,348)	(433)	87,422	146,989	-	-	-	-
Other Expenditures	305,201	246,982	6,810	1,477	296	1,019	26,050	152,200	-	-
Loss on Disposal of TCA	-	827,018	-	28,612	64,900	196,034	-	336	-	-
Total Expenses	5,938,079	6,410,965	9,412,733	8,893,741	8,604,498	8,062,954	3,691,353	3,664,589	367,008	367,106
ANNUAL SURPLUS	\$ 21,559,372	\$ 19,644,914	\$ (7,515,842)	\$ (7,009,814)	\$ 3,794,467	\$ (804,011)	\$ (253,419)	\$ (278,888)	\$ (26,088)	\$ (148,674)

THE CORPORATION OF THE CITY OF COURTENAY
CONSOLIDATED SCHEDULE OF SEGMENT DISCLOSURE BY SERVICE
YEAR ENDED DECEMBER 31, 2019
(Audited)

SCHEDULE 1
(Note 11)
Page 2 of 2

	Environmental Development Services		Recreational and Cultural Services		Water Utility Services		Sewer Utility Services		Consolidated	
	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
REVENUE										
Taxation	-	-	-	-	1,175,166	1,164,158	2,031,036	1,998,334	27,967,952	26,905,048
Sales of Services	-	-	-	-	7,043,027	6,505,181	5,267,571	4,865,289	16,594,427	15,636,658
Revenue from Own Sources	607,291	561,481	2,003,554	2,048,292	369,231	255,072	61,893	26,551	4,194,740	3,957,453
Government Transfers	52,797	52,621	124,665	129,310	10,000	99,129	-	18,140	4,113,503	5,814,708
Transfer from Other Funds	-	-	-	-	-	-	-	-	-	-
Other Revenue	-	137,759	-	20,000	-	-	-	-	380,782	499,078
Other Contributions	116,608	223,889	112,063	354,501	1,205,524	566,455	1,111,340	732,514	11,918,359	4,701,871
Interest Earned	18,959	13,053	20,503	14,317	49,549	42,445	71,779	51,750	1,485,653	1,149,368
Gain on sale of TCA	-	-	1,189	15,413	-	-	-	-	370,490	34,350
Total Revenues	795,655	988,803	2,261,974	2,581,833	9,852,497	8,632,440	8,543,619	7,692,578	67,025,906	58,698,534
EXPENSES										
Salaries and Benefits	1,040,755	899,836	5,206,229	4,921,832	989,438	972,987	583,588	511,384	17,327,540	15,984,693
Goods and Services	237,863	314,705	3,236,955	2,954,328	5,490,460	5,049,174	731,676	591,012	23,637,481	22,247,974
Amortization Expense	2,533	2,533	973,555	898,864	478,666	427,823	348,982	298,581	5,899,542	5,450,879
Debt Servicing	-	-	30,617	50,444	(1,399)	(369)	4,167	6,998	99,936	162,263
Other Expenditures	192,787	70,255	314,338	322,655	-	-	4,145,491	3,890,928	4,990,973	4,685,516
Loss on Disposal of TCA	-	-	146	1,490	2,636	2,585	244,450	568	312,132	1,056,643
Total Expenses	1,473,938	1,287,329	9,761,840	9,149,613	6,959,801	6,452,200	6,058,354	5,299,471	52,267,604	49,587,968
ANNUAL SURPLUS	\$ (678,283)	\$ (298,526)	\$ (7,499,866)	\$ (6,567,780)	\$ 2,892,696	\$ 2,180,240	\$ 2,485,265	\$ 2,393,107	\$ 14,758,302	\$ 9,110,566

THE CORPORATION OF THE CITY OF COURTENAY
CONSOLIDATED SCHEDULE OF TANGIBLE CAPITAL ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2019
(Audited)

SCHEDULE 3

	Land	Land Improvements	Buildings	Equipment/ Furniture/ Vehicles	Engineering Structures				Other Tangible Capital Assets	Total	2018
					Roads	Water	Sewer	Other			
COST											
Opening Balance Construction-in-progress (CIP)	-	60,411	493,570	18,093	3,688,835	1,490,291	284,462	133,789	28,242	\$ 6,197,693	1,358,665
Add: Construction-in-progress (CIP)	-	100,566	418,677	25,737	454,655	47,567	172,880	199,439	51,448	1,470,968	5,116,804
Less: Transfers into Service	-	(13,222)	(125,907)	(38,335)	(3,276,880)	(1,482,567)	(73,245)	(174,457)	-	(5,184,613)	(277,776)
Less: Writedowns & Reallocations	-	(47,189)	9,726	20,242	(138,784)	-	37,464	146,783	(28,242)	0	-
Closing Balance Construction-in-progress	-	100,566	796,066	25,737	727,826	55,291	421,561	305,554	51,448	2,484,048	6,197,693
Opening Balance Tangible Capital Assets	22,029,129	7,170,786	31,626,276	18,605,276	94,623,803	21,770,590	11,686,385	22,986,681	1,092,975	231,591,901	225,162,223
Add: Additions (including Transfers into Service)	1,108,516	421,408	808,529	1,357,868	9,774,293	4,587,540	2,487,788	3,022,439	-	23,568,382	8,027,432
Less: Disposals	(222)	(26,500)	-	(826,718)	(329,543)	(17,187)	(265,000)	(1,194)	-	(1,466,363)	(1,597,754)
Closing Balance Tangible Capital Assets and CIP	23,137,423	7,666,260	32,700,349	19,697,885	104,783,306	26,288,334	14,287,081	26,478,106	1,139,223	256,177,967	237,789,594
ACCUMULATED AMORTIZATION											
Opening Balance	-	3,063,018	11,970,167	11,014,688	47,135,502	7,150,432	2,092,481	8,703,029	782,136	91,911,453	86,961,449
Add: Amortization	-	275,755	732,739	975,326	2,449,470	445,254	232,959	691,711	96,329	5,899,542	5,450,879
Less: Reallocations	-	-	(66,147)	109,715	(226,796)	3,850	-	226,796	(47,418)	-	-
Less: Accum Amortization on Disposals	-	(26,500)	-	(750,259)	(268,554)	(14,550)	(20,550)	(1,194)	-	(1,081,607)	(500,874)
	-	3,312,273	12,636,759	11,349,470	49,089,621	7,584,985	2,304,890	9,620,342	831,047	96,729,388	91,911,454
Net Book Value for year ended December 31, 2019	\$ 23,137,423	\$ 4,353,987	\$ 20,063,590	\$ 8,348,415	\$ 55,693,685	\$ 18,703,349	\$ 11,982,191	\$ 16,857,764	\$ 308,176	\$ 159,448,579	\$ 145,878,140

THE CORPORATION OF THE CITY OF COURTENAY
CONSOLIDATED SCHEDULE OF DEBENTURE AND OTHER LONG-TERM DEBT
YEAR ENDED DECEMBER 31, 2019
(Audited)

SCHEDULE 4

Bylaw Number	Maturity Date	Interest Rate	Principal Outstanding Dec 31/18	Current Year Borrowing	Actuarial Adjustment/ Princ. Reduction	Principal Outstanding Dec 31/19
General Capital Fund						
Debenture Debt						
2171	2021	1.75	546,301	-	173,291	373,010
2227	2023	2.90	183,184	-	33,821	149,363
2304	2029	2.85	589,360	-	41,484	547,876
2227	2020	1.55	27,142	-	13,305	13,837
2354	2025	5.10	204,221	-	27,017	177,204
2355	2030	1.55	420,530	-	27,987	392,543
2356	2020	1.55	144,192	-	70,683	73,509
2425	2026	1.75	356,693	-	38,711	317,982
2453	2026	1.75	708,185	-	76,858	631,327
2458	2022	2.25	514,201	-	121,089	393,112
2539	2023	2.25	1,485,173	-	223,907	1,261,266
2538	2025	4.50	323,899	-	41,009	282,890
2680	2027	2.90	2,808,716	-	265,404	2,543,312
2681	2027	2.90	1,043,237	-	98,578	944,659
TOTAL GENERAL CAPITAL FUND			<u>9,355,034</u>	<u>-</u>	<u>1,253,144</u>	<u>8,101,890</u>
Water Capital Fund						
Debenture Debt						
2424	2026	1.75	297,244	-	32,259	264,985
TOTAL WATER CAPITAL FUND			<u>297,244</u>	<u>-</u>	<u>32,259</u>	<u>264,985</u>
Sewer Capital Fund						
Debenture Debt						
2305	2029	2.85	442,020	-	31,113	410,907
2353	2030	1.55	1,183,491	-	78,764	1,104,727
2423	2026	1.75	180,328	-	19,571	160,757
			<u>1,805,839</u>	<u>-</u>	<u>129,448</u>	<u>1,676,392</u>
TOTAL ALL CAPITAL FUNDS			<u>11,458,117</u>	<u>-</u>	<u>1,414,851</u>	<u>10,043,266</u>

THE CORPORATION OF THE CITY OF COURTENAY

Statement of Financial Information

(as required under the Financial Information Act)

**2019 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>
Cole-Hamilton, Will	Councillor	\$ 25,234	\$ 9,649
Frisch, David	Councillor	\$ 25,234	\$ 7,527
Hillian, Douglas A.	Councillor	\$ 25,234	\$ 4,401
McCollum, Melanie	Councillor	\$ 25,234	\$ 6,336
Morin, Wendy	Councillor	\$ 25,234	\$ 5,254
Theos, Manno	Councillor	\$ 25,934	\$ 5,829
Wells, Robert	Mayor	\$ 71,905	\$ 8,750
TOTALS		<u>\$ 224,015</u>	<u>\$ 47,746</u>

Benefits

Insurance Policy Coverage: Personal Accident Insurance, Mayor and Council

AON Risk Solutions

Principal Sum: \$ 250,000

Weekly Accident Indemnity: \$ 750

Accidental Dental Reimbursement Benefit: \$ 5,000

Accidental Medical Reimbursement Benefit: \$ 25,000

Total premium - all members \$ 336

**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 2019

Employee	Position	Total Remuneration (Includes Taxable Benefits)	Expenses
Aikens, D.	Roads 2	\$ 75,603	\$ -
Allen, D.	Chief Administrative Officer	\$ 185,842	\$ 10,204
Armstrong, R.	Manager of Asset Management	\$ 98,555	\$ 5,816
Bardonnex, D.	Fire Chief	\$ 115,747	\$ 7,751
Beatson, D.	Land Use Planner	\$ 76,234	\$ 704
Bell, M.	Parks Utility Supervisor	\$ 79,103	\$ 265
Berard, A.	Manager of Financial Planning, Payroll & Business Performance	\$ 93,648	\$ 2,273
Boguski, B.	Roads Foreman	\$ 84,228	\$ 2,056
Borecky, N.	Information Systems Manager	\$ 93,233	\$ 3,000
Brand, B.	Water Foreman	\$ 94,899	\$ 70
Buck, I.	Director of Development Services	\$ 130,626	\$ 2,148
Butler, L.	Manager of Engineering Strategy	\$ 100,651	\$ 3,305
Carmichael, S.	Turfgrass Supervisor	\$ 78,094	\$ 1,499
Carter, R.	Roads 1	\$ 75,026	\$ 82
Chan, J.	Manager of Business Administration	\$ 86,792	\$ 4,062
Coelho, N.	Roads 2	\$ 79,451	\$ -
Collins, K.	Manager of Recreation Programming	\$ 96,408	\$ -
Davidson, C.	Manager of Engineering Projects	\$ 76,693	\$ 1,994
Dojack, T.	Foreman - Civic Properties Maintenance	\$ 83,883	\$ 431
Donais, B.	Engineering Technologist	\$ 77,674	\$ 354
Doty, L.	Engineering Technologist	\$ 78,382	\$ 354
Eshpeter, M.	Building Inspector 3	\$ 77,016	\$ 707
Featherstone, B.	Equipment Operator	\$ 76,645	\$ -
Feucht, R.	Development Engineer	\$ 112,371	\$ 2,108
Fisher, K.	Wastewater Foreman	\$ 102,293	\$ 1,285
Fitzgerald, M.	Manager of Development Planning	\$ 75,554	\$ 95
Gothard, N.	Policy Planner	\$ 75,745	\$ 2,154
Grant, D.	Carpenter	\$ 78,890	\$ -
Guderjahn, B.	Manager of Purchasing	\$ 96,400	\$ 694
Guillo, A.	Manager of Communications	\$ 96,596	\$ 2,573
Henderson, D.	Deputy Fire Chief / Training Officer	\$ 102,151	\$ 271
Jernslet, E.	Manager of Civic Properties Maintenance	\$ 93,277	\$ 6,180
Johns, T.	Horticulture Supervisor	\$ 79,097	\$ -
Kearns, M.	Manager of Parks	\$ 97,599	\$ 2,492
Kellinghusen, J.	Equipment Operator	\$ 76,345	\$ 218
Kerr, C.	EVT / Fire Inspector & Volunteer Firefighter	\$ 93,773	\$ 1,843
Kitching, L.	Pay & Benefits Coordinator	\$ 75,770	\$ 3,980
Knapman, P.	Occupational Health & Safety Coordinator	\$ 88,520	\$ 3,808
Kushner, T.	Director of Public Works / Assistant CAO	\$ 148,904	\$ 7,416
Lamb, G.	Fire Inspector & Volunteer Firefighter	\$ 100,248	\$ 819
Law, C.	Engineering Technologist	\$ 77,383	\$ 157
Love, D.	Senior Advisor - Strategic Initiatives	\$ 120,750	\$ 3,670
MacDonald, K.	Deputy Fire Chief	\$ 103,324	\$ 4,601
McBryan, M.	Utilities Maintenance - Water 2	\$ 76,021	\$ 70
Millar, C.	Manager of Recreation Facilities Operations	\$ 95,958	\$ -
Moore, B.	Shop Foreman	\$ 88,737	\$ 279

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 2019**

<u>Employee</u>	<u>Position</u>	<u>Total Remuneration</u> <small>(Includes Taxable Benefits)</small>	<u>Expenses</u>
Mousseau, C.	Engineering Technologist	\$ 77,233	\$ 3,773
Nelson, J.	Director of Financial Services	\$ 124,201	\$ 3,802
O'Grady, R.	Director of Engineering Services	\$ 130,162	\$ 7,025
Park, N.	Programmer Analyst	\$ 79,921	\$ 2,830
Pitcher, A.	Engineering Technologist	\$ 76,437	\$ 852
Reid, R.	Manager of Human Resources	\$ 85,872	\$ 440
Rose, L.	Utilities Construction Foreman	\$ 99,025	\$ 3,142
Salmon, D.	Network Coordinator	\$ 86,498	\$ 1,755
Schleppe, S.	Utilities Maintenance - Water 2	\$ 88,930	\$ 179
Setta, T.	Planning	\$ 97,409	\$ 3,660
Shaw, D.	Public Works Inspector	\$ 81,975	\$ 1,498
Shaw, K.	Manager of Transportation & Utilities - Public Works	\$ 122,836	\$ 8,778
Snider, D.	Director of Recreation & Cultural Services	\$ 129,430	\$ 5,153
Sorichta, W.	Manager of Corporate Services Administration	\$ 96,830	\$ 1,222
Strachan, D.	Roads Maintenance Foreman	\$ 100,283	\$ -
Sweeney, T.	Manager of Building & Administrative Services	\$ 95,416	\$ 150
Thompson, C.	Asset Management Technician	\$ 76,644	\$ 3,792
Tillapaugh, S.	Arborist Supervisor	\$ 78,708	\$ 444
Ward, J.	Director of Legislative Services / Deputy CAO	\$ 144,827	\$ 495
Welsh, J.	Fire Inspector & Volunteer Firefighter	\$ 91,577	\$ 632
Wood, I.	Mechanic	\$ 83,658	\$ -
Wyka, R.	Manager of Finance	\$ 94,397	\$ 3,937
Total for employees where remuneration is > \$75,000		\$ 6,412,404	\$ 145,343
Consolidated total for employees where remuneration < \$75,000		\$ 7,426,726	\$ 53,310
Elected Officials, direct payments		\$ 224,011	\$ 47,746
TOTALS		\$ 14,063,140	\$ 246,399

Statement of Severance Agreements

There were two severance agreements under which payment commenced between the City of Courtenay and its unionized and non-unionized employees during the fiscal year 2019.

These agreements represent from 4.5 to 7 months of compensation.

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

THE CORPORATION OF THE CITY OF COURTENAY

Statement of Individual Vendors Paid (as required under the Financial Information Act) For the Year Ended December 31, 2019

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

Vendor Name	Amount Paid YTD 2019
7 STORY CIRCUS	\$58,558
ABOVE & BEYOND TREE SERVICE	\$32,563
ACME SUPPLIES LTD	\$42,486
ACS COMPUTER SOLUTIONS	\$91,968
ACTIVE NETWORK	\$42,212
ANDREW-SHERET LTD	\$225,169
AON REED STENHOUSE INC	\$226,867
APLIN & MARTIN CONSULTANTS LTD.	\$78,478
AR MOWER & SUPPLY LTD	\$43,378
ASSOCIATED ENGINEERING (B.C.) LTD.	\$94,530
ASSOCIATED FIRE & SAFETY	\$28,221
BC ASSESSMENT AUTHORITY	\$300,315
BC HYDRO	\$994,755
BC LIFE AND CASUALTY COMPANY	\$169,874
BEE CLEAN BUILDING MAINTENANCE	\$30,123
BLACK PRESS GROUP	\$60,686
BUMPER TO BUMPER	\$54,489
CENTRAL BUILDERS' SUPPLY LTD	\$49,595
CENTRAL SQUARE TECHNOLOGIES	\$130,777
CINDERELLA'S CLEANING SERVICES LTD.	\$51,496
COMMISSIONAIRES	\$374,643
COMOX VALLEY BOBCAT & EXC LTD	\$81,398
COMOX VALLEY MARTIAL ARTS & FITNESS	\$40,661
COMOX VALLEY REGIONAL DISTRICT	\$17,942,203
COPCAN CIVIL LIMITED	\$481,185
COURTENAY & DISTRICT MUSEUM	\$133,815
COURTENAY DOWNTOWN BUSINESS ASSOC	\$60,000
CUMBERLAND READY MIX LTD	\$42,644
CUMBERLAND SAND & GRAVEL LTD	\$25,869
CUPE LOCAL 556	\$143,672
D.K.I SERVICES LTD.	\$109,695
DAMS FORD LINCOLN SALES LTD	\$158,010
DEKRA-LITE	\$29,230
DIALOG BC ARCHITECTURE ENGINEERING INTERIOR DESIGN PLANNING INC.	\$92,366
DIGITAL BOUNDARY GROUP	\$34,231
DILLON CONSULTING LTD.	\$28,663
E B HORSMAN & SON	\$53,226
EDGETT EXCAVATING	\$1,250,705
EMTERRA ENVIRONMENTAL	\$1,687,125
ENLIGHTENING ENTERPRISES LTD	\$25,207
ESC AUTOMATION	\$395,012
ESRI CANADA	\$48,554
FINELINE ROAD MARKING	\$202,633
FOOTPRINTS SECURITY PATROL INC.	\$32,192
FORTIS BC - NATURAL GAS	\$73,650
GEOADVICE ENGINEERING INC	\$186,587
GROW TREE CARE	\$35,107
GUILLEVIN INTERNATIONAL INC	\$93,566
HABITAT SYSTEMS INCORPORATED	\$97,768

THE CORPORATION OF THE CITY OF COURTENAY

**Statement of Individual Vendors Paid
(as required under the Financial Information Act)
For the Year Ended December 31, 2019**

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

Vendor Name	Amount Paid YTD 2019
HEALTH SOURCE PLUS	\$86,582
HYLAND PRECAST INC	\$27,598
ICONIX WATERWORKS LTD PARTNERSHIP	\$105,108
IMPERIAL WELDING LTD	\$28,170
INFINITE ROAD MARKING LTD.	\$94,115
INNOVYZE INC	\$50,159
INTERNATIONAL WEB EXPRESS INC.	\$34,159
INTERPROVINCIAL TRAFFIC SERVICES LTD.	\$59,676
J WATERS ELECTRIC LTD	\$87,843
JOMA Environmental Ltd	\$47,481
JSF TECHNOLOGIES INC	\$41,950
KENDRICK EQUIPMENT	\$412,662
KMI COLUMBARIA	\$61,381
KNAPPETT INDUSTRIES (2006) LTD	\$497,451
LEIGHTON CONTRACTING (2009) LTD	\$498,688
LIDSTONE & COMPANY	\$128,284
LIME DESIGN INC.	\$46,200
MACDONALD HAGARTY ARCHITECTS LTD	\$41,984
MAINROAD MAINTENANCE PRODUCTS LP	\$38,319
MASTERCRAFT FLOORING LTD.	\$87,010
MCELHANNEY LTD	\$246,849
MEDICAL SERVICES PLAN	\$96,750
METRO MOTORS LTD	\$145,852
MEYERS NORRIS PENNY LLP	\$54,162
MICROSOFT LICENSING GP	\$47,967
MINISTER OF FINANCE	\$4,372,734
MONK OFFICE SUPPLY LTD	\$79,828
MUNICIPAL INSURANCE ASSOCIATION OF BC	\$197,766
MUNICIPAL PENSION FUND	\$151,577
MYRA SYSTEMS CORP.	\$83,615
NELSON ROOFING AND SHEET METAL LTD	\$302,511
NORTHLAND NISSAN LTD.	\$30,532
OUTLOOK ENGINEERING AND LANDSCAPE ARCHITECTURE	\$45,501
PACIFIC AIR MECHANICAL	\$281,340
PACIFIC BLUE CROSS	\$524,204
PARKLAND REFINING (BC) LTD	\$67,145
PBX ENGINEERING LTD.	\$71,504
PILON TOOL RENTALS (1972) LTD	\$96,712
PIPE-EYE VIDEO INSPECTIONS & SERVICES LTD.	\$50,972
PLANET CLEAN COURTENAY	\$36,826
POSTAGE-ON-CALL	\$27,000
PRECISION TREE SERVICES LTD.	\$76,184
R HENN & ASSOCIATES	\$27,564
RAYLEC POWER LTD	\$70,502
RECEIVER GENERAL FOR CANADA - PAYROLL	\$3,866,171
RECEIVER GENERAL FOR CANADA - RCMP	\$5,359,772
REGIONAL HOSPITAL DIST OF COMOX - STRATHCONA	\$4,177,321
RICOH CANADA INC	\$72,302
RIDGELINE MECHANICAL LTD.	\$131,614
ROLLINS MACHINERY LTD	\$97,581

THE CORPORATION OF THE CITY OF COURTENAY

Statement of Individual Vendors Paid
 (as required under the Financial Information Act)
For the Year Ended December 31, 2019

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


Vendor Name	Amount Paid YTD 2019
SHAW CABLE	\$31,282
SID WILLIAMS THEATRE SOCIETY	\$251,940
SUNCOR ENERGY PRODUCTS	\$149,927
SUPERIOR FARMS INC.	\$36,324
TAYCO PAVING	\$2,684,482
TELUS COMMUNICATIONS (BC)	\$74,181
TELUS MOBILITY (BC)	\$82,314
TERRALINK HORTICULTURE	\$26,233
TLC HOME & PROPERTY MAINTENANCE	\$255,780
TOWER FENCE PRODUCTS	\$125,178
URBAN SYSTEMS LTD.	\$1,541,970
VANCOUVER ISLAND REGIONAL LIBRARY	\$1,340,716
VICTORIA PLAYCO INSTALLATIONS LTD	\$65,042
VILLAGE OF CUMBERLAND	\$51,155
WACOR HOLDINGS LTD	\$998,612
WAYPOINT INSURANCE	\$69,351
WEST ISLAND CAPITAL CORPORATION	\$38,333
WESTERN TRAFFIC	\$144,089
WISHBONE INDUSTRIES LTD.	\$57,363
WORKERS COMPENSATION BOARD	\$293,352
YOUNG ANDERSON	\$49,632
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TOTAL AMOUNTS OVER \$25,000	\$58,498,590
TOTAL AMOUNTS LESS THAN \$25,000	\$3,541,865
TOTALS PAID TO ALL VENDORS	<u><u>\$62,040,455</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 2019, 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*.



Bob Wells
Mayor

JUL 07 2020

Date



Jennifer Nelson, CPA, CGA
Director of Financial Services

July 6, 2020

Date