



**THE CORPORATION OF  
THE CITY OF COURTENAY**

**Statement of Financial Information  
For the Year Ended December 31, 2020**

STATEMENT OF FINANCIAL INFORMATION

For the Year Ended December 31, 2020

INDEX

Management Report.....	3
Auditor Report.....	4
Consolidated Statement of Financial Position.....	6
Consolidated Statement of Operations.....	7
Consolidated Statement of Change in Net Financial Assets.....	8
Consolidated Statement of Cash Flow.....	9
Notes to Consolidated Financial Statements.....	10
Consolidated Schedule of Segment Disclosure by Service.....	25
Consolidated Schedule of Accumulated Surplus and Reserves.....	27
Consolidated Schedule of Tangible Capital Assets.....	28
Consolidated Schedule of Debenture and Other Long-Term Debt.....	29
Consolidated Schedule of Investments.....	30
Schedule of Remuneration and Expenses of Elected Officials.....	31
Schedule of Employee Remuneration and Expenses.....	32
Statement of Severance Agreements.....	34
Schedule of Payments Made to Suppliers of Goods and Services.....	35
Schedule of Guarantee and Indemnity Agreements.....	38
Statement of Financial Information Approval.....	39

## 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:



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Jennifer Nelson, CPA, CGA  
Director of Financial Services  
June 17, 2021

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, 2020, and the consolidated statements of operations, changes in net financial assets and cash flows and related schedules 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, 2020, 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

April 26, 2021

*MNP* LLP

Chartered Professional Accountants

**THE CORPORATION OF THE CITY OF COURTENAY  
CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AS AT DECEMBER 31, 2020**

STATEMENT A

	2020	2019
<b>FINANCIAL ASSETS</b>		
Cash on Hand and on Deposit (Schedule 5)	\$ 27,062,580	\$ 23,580,932
Receivables (Note 1j)	3,763,857	3,512,739
Term Deposits (Schedule 5)	35,807,364	26,013,489
	66,633,801	53,107,160
<b>FINANCIAL LIABILITIES</b>		
Accounts Payable (Note 1k)	10,888,816	8,267,696
Trust and Other Deposits	6,049,909	6,150,397
Deferred Revenue - Development Cost Charges (Note 7)	8,885,487	7,138,260
Deferred Revenue - Other (Note 9)	2,709,157	2,851,913
Long-Term Debt (Schedule 4)	11,569,753	10,043,266
	40,103,122	34,451,532
<b>NET FINANCIAL ASSETS</b>	26,530,679	18,655,628
<b>NON-FINANCIAL ASSETS</b>		
Inventories	225,880	226,853
Prepaid Expenses	337,153	378,060
Tangible Capital Assets (Note 13 & Schedule 3)	163,018,502	159,448,579
	163,581,535	160,053,492
<b>ACCUMULATED SURPLUS (Schedule 2)</b>	\$ 190,112,214	\$ 178,709,120

**CONTINGENT LIABILITIES AND COMMITMENTS (NOTE 2)**

**SIGNIFICANT EVENT (NOTE 16)**



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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, 2020**

REVENUE	2020 Budget (Note 14)	2020	2019
Taxes for Municipal Purposes	29,410,700	29,339,207	27,967,952
Sale of Services	16,470,200	16,897,139	16,594,427
Revenue From Own Sources	3,688,000	3,248,232	4,194,740
Federal Transfers	1,173,800	1,133,150	2,252,626
Provincial Transfers	1,797,800	4,905,398	1,542,312
Other Local Government Transfers	458,500	214,431	318,565
Contributions	417,200	3,972,685	11,524,248
DCC Revenue	-	399,898	394,111
Investment Income and Taxation Penalties	687,200	912,018	1,485,653
Other	389,500	418,646	380,782
Gain on Sale of Tangible Capital Assets	301,000	873,017	370,490
<b>TOTAL REVENUE</b>	<b>54,793,900</b>	<b>62,313,821</b>	<b>67,025,906</b>
<b>EXPENSES</b>			
General Government Services	6,774,313	5,904,766	5,938,079
Protective Services	10,903,029	10,328,314	9,412,733
Transportation Services	8,113,194	7,792,469	8,604,498
Sewer and Water Facilities	13,807,810	12,751,544	13,018,155
Environmental Health Services	3,925,099	3,748,053	3,691,353
Public Health and Welfare Services	388,197	398,208	367,008
Environmental Development Services	1,683,767	1,500,510	1,473,938
Recreational and Cultural Services	10,450,092	8,486,863	9,761,840
<b>TOTAL EXPENSES</b>	<b>56,045,500</b>	<b>50,910,727</b>	<b>52,267,604</b>
<b>ANNUAL SURPLUS (DEFICIT) (Schedule 1)</b>	<b>(1,251,600)</b>	<b>11,403,094</b>	<b>14,758,302</b>
<b>ACCUMULATED SURPLUS AT BEGINNING OF YEAR</b>	<b>178,709,120</b>	<b>178,709,120</b>	<b>163,950,818</b>
<b>ACCUMULATED SURPLUS AT END OF YEAR</b>	<b>177,457,520</b>	<b>190,112,214</b>	<b>178,709,120</b>

**THE CORPORATION OF THE CITY OF COURTENAY  
CONSOLIDATED STATEMENT OF CHANGE IN NET FINANCIAL ASSETS  
FOR THE YEAR ENDED DECEMBER 31, 2020**

STATEMENT C

	2020 Budget (Note 14)	2020	2019
ANNUAL SURPLUS	(1,251,600)	\$ 11,403,094	\$ 14,758,302
Acquisition of tangible capital assets	(11,780,600)	(6,526,289)	(10,255,188)
Amortization of tangible capital assets	5,450,000	6,303,193	5,899,542
Gains and other adjustments to tangible capital assets	-	(702,017)	(58,358)
Proceeds on sale of tangible capital assets	-	1,031,484	444,725
Developer tangible capital asset contribution	-	(3,676,300)	(9,601,154)
	<u>(6,330,600)</u>	<u>(3,569,929)</u>	<u>(13,570,433)</u>
Acquisition of supplies inventories	-	(546,879)	(759,264)
Acquisition of prepaid expense	-	(1,165,761)	(783,939)
Consumption of supplies inventories	-	547,857	739,716
Use of prepaid expense	-	1,206,669	958,186
	<u>-</u>	<u>41,886</u>	<u>154,699</u>
CHANGE IN NET FINANCIAL ASSETS	(7,582,200)	7,875,051	1,342,568
NET FINANCIAL ASSETS AT BEGINNING OF YEAR	<u>18,655,628</u>	<u>18,655,628</u>	<u>17,313,060</u>
NET FINANCIAL ASSETS AT END OF YEAR	<u>\$ 11,073,428</u>	<u>\$ 26,530,679</u>	<u>\$ 18,655,628</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, 2020**

**STATEMENT D**

	2020	2019
<b>CASH PROVIDED BY (APPLIED TO) FINANCING TRANSACTIONS</b>		
<b>OPERATING TRANSACTIONS</b>		
Annual Surplus	11,403,094	14,758,302
Changes in non-cash items		
Amortization	6,303,193	5,899,542
Change in receivables	(251,118)	1,390,743
Change in accounts payable	2,621,120	(1,596,131)
Change in trust and other deposits	(100,488)	(44,803)
Change in deferred revenue	1,604,477	1,334,230
Change in inventories	973	(19,543)
Change in prepaids	40,907	174,248
Net gains and other adjustments to tangible capital assets	(702,017)	(58,358)
Developer Tangible Capital Asset Contribution	(3,676,300)	(9,601,154)
Actuarial adjustment	(537,979)	(480,011)
	16,705,862	11,757,065
<b>CAPITAL TRANSACTIONS</b>		
Cash used to acquire tangible capital assets	(6,526,289)	(10,255,188)
Proceeds on sale of tangible capital assets	1,031,484	444,725
	(5,494,805)	(9,810,463)
<b>INVESTING TRANSACTIONS</b>		
Purchase of term deposits	(9,793,875)	2,195,617
Cash Provided by (applied to) Investing Transactions	(9,793,875)	2,195,617
<b>FINANCING TRANSACTIONS</b>		
Repayment of long-term debt	(935,534)	(934,846)
Long-term debt proceeds	3,000,000	-
Cash applied to Financing Transactions	2,064,466	(934,846)
<b>INCREASE IN CASH ON HAND AND ON DEPOSIT</b>	3,481,648	3,207,373
<b>CASH ON HAND AND ON DEPOSIT AT BEGINNING OF YEAR</b>	23,580,932	20,373,559
<b>CASH ON HAND AND ON DEPOSIT AT END OF YEAR</b>	\$ 27,062,580	\$ 23,580,932
Interest paid on outstanding debt and included in annual surplus above	\$ 502,306	\$ 579,943

**THE CORPORATION OF THE CITY OF COURTENAY**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2020**

**PAGE 1 OF 15**

The Corporation of the City of Courtenay (“the City”) 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, 2020**

**PAGE 2 OF 15**

**1. SIGNIFICANT ACCOUNTING POLICIES (continued)**

(b) Revenue and Expense Recognition (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, 2020**

**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, 2020. 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, 2020**

PAGE 4 OF 15

**1. SIGNIFICANT ACCOUNTING POLICIES (continued)**

(j) Receivables

Following is a breakdown of receivables outstanding at December 31, 2020 with 2019 comparatives:

	2020	2019
Federal Government	\$ 137,384	\$ 60,462
Provincial Government	353,991	655,431
Regional and other Local Governments	808,102	266,936
Property Taxes	1,015,435	1,190,930
Other	1,448,945	1,338,980
 Total Receivables	 \$ 3,763,857	 \$ 3,512,739

(k) Accounts Payable

Following is a breakdown of accounts payable and accrued liabilities outstanding at December 31, 2020 with 2019 comparatives:

	2020	2019
Federal Government	\$ 2,900,445	\$ 1,985,207
Provincial Government	100,214	227,672
Regional and other Local Governments	2,182,594	920,250
Employee Retirement Benefits (Note 11)	1,150,700	1,138,000
Trade and accrued liabilities	4,554,863	3,996,567
 Total Accounts Payable	 \$ 10,888,816	 \$ 8,267,696

(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, 2020.

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, 2020**

PAGE 5 OF 15

**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 2020 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:

2021	1,003,032
2022	928,150
2023	850,236
2024	828,149
2025	671,616
	\$ 4,281,183

(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, 2020, 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, 2020**

**PAGE 6 OF 15**

**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, 2019, the plan has about 213,000 active members and approximately 106,000 retired members. Active members include approximately 41,000 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 \$1,222,922 (2019 - \$1,138,310) for employer contributions to the plan in fiscal 2020.

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, 2020**

**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 2020 with comparatives to 2019.

	2020	2019
Opening Balance of Unspent Funds	\$ 2,796,599	\$ 1,954,704
Additions:		
Amounts Received During the Year	1,133,150	2,252,626
Interest Earned	14,024	44,193
Deductions:		
Amount Spent on Projects	(1,392,812)	(1,454,924)
Closing Balance of Unspent Funds	\$ 2,550,961	\$ 2,796,599

**THE CORPORATION OF THE CITY OF COURTENAY  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2020**

**6. PROVINCIAL COVID-19 – SAFE RESTART GRANT**

COVID-19 Safe Restart Grant for Local Governments was provided to local governments to assist with the increased operating costs and revenue short falls as a result of the Covid-19 pandemic. Covid-19 Safe Restart Grant may be used towards specific eligible costs for funding such as addressing revenue short falls, facility reopening and operating costs, emergency planning and response costs, bylaw enforcement and protective services, computer and other technology costs, services for vulnerable persons.

The City of Courtenay received \$4,149,000 in Covid-19 Safe Restart Grant and reports the balance in a General Fund Reserve – New Works Covid-19 Restart Grant (Schedule 2) until it is used to fund the eligible costs. Interest is accrued and allocated monthly to the balance.

Following is a schedule of Covid-19 Safe Restart Grant receipts and disbursements received in 2020.

		2020
Safe Restart Grant Received	\$	4,149,000
Additions:		
Interest Earned		527
Deductions:		
Gaming Revenue Shortfall - Infrastructure Reserve contribution		(320,000)
Gaming Revenue Shortfall - Police Contract		(405,000)
Community Services Revenue Shortfalls		(1,351,789)
Other Revenue Shortfalls		(67,492)
Closing Balance of Unspent Funds	\$	2,005,246



**THE CORPORATION OF THE CITY OF COURTENAY  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2020**

**8. 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 2020 and 2019, which has been excluded from the City's consolidated financial statements.

<b>CEMETERY PERPETUAL CARE FUND FINANCIAL POSITION</b>	<u>2020</u>	<u>2019</u>	<b>CEMETERY PERPETUAL CARE FUND FINANCIAL ACTIVITIES</b>	<u>2020</u>	<u>2019</u>
<b>Financial Assets</b>			<b>Revenue</b>		
Cash on Hand	\$ 122,996	\$ 114,331	Fees Levied	\$ 14,296	\$ 16,331
Investments - MFA	<u>248,799</u>	<u>246,720</u>	Interest Revenue	<u>3,358</u>	<u>6,910</u>
<b>Liabilities</b>			<b>Expenditure</b>		
Interest Payable to City	<u>3,358</u>	<u>6,910</u>	Interest Expense	<u>3,358</u>	<u>6,910</u>
<b>Net Financial Position</b>	<u>\$ 368,437</u>	<u>\$ 354,141</u>	<b>Excess Revenue over Expenditure</b>	<u>\$ 14,296</u>	<u>\$ 16,331</u>

**9. 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 2020 and 2019:

	<u>2020</u>	<u>2019</u>
Opening Balance	\$ 2,851,913	\$ 2,396,837
Additions to Deferred Revenue	1,880,852	2,016,817
Revenue Recognized	(2,023,608)	(1,561,741)
	<u>2,709,157</u>	<u>2,851,913</u>
Ending Balance Deferred Revenue Other	<u>\$ 2,709,157</u>	<u>\$ 2,851,913</u>

**10. 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, 2020 the City had debt reserve funds of \$363,044 (\$342,394 in 2019).

**THE CORPORATION OF THE CITY OF COURTENAY**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**YEAR ENDED DECEMBER 31, 2020**

**11. 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 2020 were based on an interest (discount) rate of 2.00% per annum (2019 – 2.60%) and an inflation rate of 2.5% for both 2020 and 2019. The total estimated employee retirement benefit liability at December 31, 2020 is \$1,150,700 (\$1,138,000 in 2019) and is included in the accounts payable balance on Statement A. Following is a breakdown of the benefit liability:

	2020	2019
Accrued benefit liability at beginning of year	\$ 1,138,000	\$ 1,023,500
Expense	151,500	145,200
Benefit Payments	(138,800)	(30,700)
Accrued benefit liability at end of year	\$ 1,150,700	\$ 1,138,000

**12. 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 2020 revenues and expenses with 2019 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, 2020**

**PAGE 13 OF 15**

**13. 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 2020 is \$3,676,300 (\$9,601,154 in 2019).

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, 2020**

PAGE 14 OF 15

**14. RESTATEMENT OF 2020 BUDGET**

The budget amounts presented throughout these consolidated financial statements are based upon the Five Year Financial Plan approved by Council on April 6, 2020 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 April 6, 2020 budget approved by Council and reflected in these consolidated financial statements:

**Adjustments to 2020 Budgeted Annual Surplus**

<b>Budgeted Surplus per Council approved Budget</b>	<b>\$</b>	<b>-</b>
Purchase of Capital Assets		11,780,600
Amortization Budgeted		(5,450,000)
Transfer from Reserves		(7,199,100)
Transfer to Reserves		4,381,200
Use of Prior Year Surplus		(2,699,800)
Debt Issues in Financial Plan		(3,000,000)
Debt principle repayments in Financial Plan		935,500
<b>Budgeted Deficit per Consolidated Statement of Operations</b>	<b>\$</b>	<b><u>(1,251,600)</u></b>

**THE CORPORATION OF THE CITY OF COURTENAY  
 NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
YEAR ENDED DECEMBER 31, 2020**

**15. CONTRACTUAL RIGHTS**

Following is the breakdown of the contractual rights at December 31, 2020:

<b>Contractual Right with</b>	<b>Description of Contractual Right</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>Total</b>
Courtenay Fire Protection District	Courtenay Fire Protection	437,732	530,904	541,522	552,352	563,399	\$ 2,625,910
Comox Valley Regional District	Greater Merville Fire Protection	256,140	-	-	-	-	\$ 256,140

**16. SIGNIFICANT EVENT**

During the year, there was an outbreak of COVID-19 (coronavirus), which has had a significant impact on organizations through the restrictions put in place by the Canadian, provincial and municipal governments regarding travel, municipal operations and isolation/quarantine orders. At this time, the extent of the impact the COVID-19 outbreak may have on the City is unknown as it 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 geographical 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, 2020

SCHEDULE 1  
 (Note 12)  
 Page 1 of 2

	General Government Services		Protective Services		Transportation Services		Environmental Health Services		Public Health and Welfare Services	
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
<b>REVENUE</b>										
Taxation	26,070,165	24,761,750	-	-	-	-	-	-	-	-
Sales of Services	-	-	810,924	845,895	-	-	-	-	-	-
Revenue from Own Sources	-	-	1,558,585	1,006,190	85,353	146,581	-	-	-	-
Government Transfers	4,734,232	1,442,553	95,602	19,700	1,150,750	2,285,588	-	-	64,511	178,200
Transfer from Other Funds	-	-	-	-	-	-	-	-	-	-
Other Revenue	126,362	83,439	-	-	142,320	134,623	-	-	149,964	162,720
Other Contributions	16,330	1,000	-	-	3,341,783	9,371,824	-	-	-	-
Interest Earned	836,741	1,208,264	8,133	25,106	27,194	91,493	-	-	-	-
Gain on sale of TCA	543,006	445	-	-	51,159	368,856	-	-	-	-
<b>Total Revenues</b>	<b>32,326,836</b>	<b>27,497,451</b>	<b>2,473,244</b>	<b>1,896,891</b>	<b>4,798,559</b>	<b>12,398,965</b>	<b>3,565,976</b>	<b>3,437,934</b>	<b>214,475</b>	<b>340,920</b>
<b>EXPENSES</b>										
Salaries and Benefits	4,193,372	3,998,399	2,408,795	2,328,039	2,611,800	2,872,417	68,570	76,722	220,078	231,953
Goods and Services	1,234,537	1,341,527	7,577,103	6,740,553	1,698,043	2,515,574	3,242,308	3,242,629	139,555	100,244
Amortization Expense	331,243	310,475	328,646	340,679	3,317,490	3,063,889	376,526	345,952	38,575	34,811
Debt Servicing	(32,641)	(17,523)	(6,468)	(3,348)	13,565	87,422	-	-	-	-
Other Expenditures	178,255	305,201	2,418	6,810	460	296	58,580	26,050	-	-
Loss on Disposal of TCA	-	-	17,820	-	151,111	64,900	2,069	-	-	-
<b>Total Expenses</b>	<b>5,904,766</b>	<b>5,938,079</b>	<b>10,328,314</b>	<b>9,412,733</b>	<b>7,792,469</b>	<b>8,604,498</b>	<b>3,748,053</b>	<b>3,691,353</b>	<b>398,208</b>	<b>367,008</b>
<b>ANNUAL SURPLUS (DEFICIT)</b>	<b>\$ 26,422,070</b>	<b>\$ 21,559,372</b>	<b>\$ (7,855,070)</b>	<b>\$ (7,515,842)</b>	<b>\$ (2,993,910)</b>	<b>\$ 3,794,467</b>	<b>\$ (182,077)</b>	<b>\$ (253,419)</b>	<b>\$ (183,733)</b>	<b>\$ (26,088)</b>

THE CORPORATION OF THE CITY OF COURTENAY  
CONSOLIDATED SCHEDULE OF SEGMENT DISCLOSURE BY SERVICE  
YEAR ENDED DECEMBER 31, 2020

SCHEDULE 1  
(Note 12)  
Page 2 of 2

	Environmental Development Services		Recreational and Cultural Services		Water Utility Services		Sewer Utility Services		Consolidated	
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
<b>REVENUE</b>										
Taxation	-	-	-	-	1,202,909	1,175,166	2,066,133	2,031,036	29,339,207	27,967,952
Sales of Services	-	-	-	-	7,079,917	7,043,027	5,440,322	5,267,571	16,897,139	16,594,427
Revenue from Own Sources	576,244	607,291	659,500	2,003,554	300,417	369,231	68,133	61,893	3,248,232	4,194,740
Government Transfers	69,388	52,797	138,296	124,665	-	10,000	-	-	6,252,979	4,113,503
Transfer from Other Funds	-	-	-	-	-	-	-	-	-	-
Other Revenue	-	-	-	-	-	-	-	-	418,646	380,782
Other Contributions	114,105	116,608	73,171	112,063	484,667	1,205,524	342,527	1,111,340	4,372,583	11,918,359
Interest Earned	6,242	18,959	5,604	20,503	11,371	49,549	16,733	71,779	912,018	1,485,653
Gain on sale of TCA	-	-	1,150	1,189	277,702	-	-	-	873,017	370,490
<b>Total Revenues</b>	<b>766,179</b>	<b>795,655</b>	<b>877,721</b>	<b>2,261,974</b>	<b>9,356,983</b>	<b>9,852,497</b>	<b>7,933,848</b>	<b>8,543,619</b>	<b>62,313,821</b>	<b>67,025,906</b>
<b>EXPENSES</b>										
Salaries and Benefits	1,121,195	1,040,755	4,614,311	5,206,229	900,393	989,438	462,808	583,588	16,601,322	17,327,540
Goods and Services	275,340	237,863	2,527,101	3,236,955	5,280,017	5,490,460	783,889	731,676	22,759,893	23,637,481
Amortization Expense	1,267	2,533	1,021,205	973,555	521,187	478,666	367,054	348,982	6,303,193	5,899,542
Debt Servicing	-	-	(4,645)	30,617	(2,711)	(1,399)	(2,773)	4,167	(35,673)	99,936
Other Expenditures	102,708	192,787	328,891	314,338	-	-	4,439,680	4,145,491	5,110,992	4,990,973
Loss on Disposal of TCA	-	-	-	146	-	2,636	-	244,450	171,000	312,132
<b>Total Expenses</b>	<b>1,500,510</b>	<b>1,473,938</b>	<b>8,486,863</b>	<b>9,761,840</b>	<b>6,698,886</b>	<b>6,959,801</b>	<b>6,052,658</b>	<b>6,058,554</b>	<b>50,910,727</b>	<b>52,267,604</b>
<b>ANNUAL SURPLUS (DEFICIT)</b>	<b>\$ (734,331)</b>	<b>\$ (678,283)</b>	<b>\$ (7,609,142)</b>	<b>\$ (7,499,866)</b>	<b>\$ 2,658,097</b>	<b>\$ 2,892,696</b>	<b>\$ 1,881,190</b>	<b>\$ 2,485,265</b>	<b>\$ 11,403,094</b>	<b>\$ 14,758,302</b>

**THE CORPORATION OF THE CITY OF COURTENAY**  
**CONSOLIDATED SCHEDULE OF ACCUMULATED SURPLUS & RESERVES**  
**YEAR ENDED DECEMBER 31, 2020**

**SCHEDULE 2**

	2020	2019
<b>SURPLUS</b>		
Invested in Tangible Capital Assets	\$ 151,448,746	\$ 149,405,314
General Operating Fund	7,804,685	4,512,740
General Capital Fund	1,216,307	1,426,306
Water Utility Operating Fund	3,857,366	2,356,860
Water Utility Capital Fund	108,869	108,869
Sewer Utility Operating Fund	3,221,528	2,369,239
Sewer Utility Capital Fund	21,706	21,706
Gaming Fund	1,683,464	1,831,240
<b>Total Surplus</b>	<b>\$ 169,362,671</b>	<b>162,032,274</b>
<b>RESERVES</b>		
General Fund Reserves:		
Machinery and Equipment	1,656,316	1,431,296
Land Sale	778,916	390,704
New Works and Equipment	3,547,179	3,319,838
New Works - Community Gas Tax Funds (Note 5)	2,550,961	2,796,599
New Works - Covid-19 Restart Grant (Note 6)	2,005,246	-
General Asset Management Reserve	697,285	467,278
Risk Reserve	104,525	104,030
Public Parking	61,224	58,145
Parkland Acquisition	311,255	309,781
Police Contingency Reserve	511,413	670,590
Assessment Appeal	319,390	200,771
Housing Amenity	876,475	775,213
Tree Reserve	94,690	58,482
Amenity	563,386	613,943
	14,078,261	11,196,670
Water Utility Reserves:		
Water Utility	1,742,065	1,676,652
Water Asset Management Reserve	1,037,014	358,106
Machinery and Equipment	281,448	250,229
	3,060,527	2,284,987
Sewer Utility Reserves:		
Sewer Utility	566,687	539,110
Sewer Asset Management Reserve	2,397,909	2,087,695
Machinery and Equipment	646,159	568,384
	3,610,755	3,195,189
<b>Total Reserves</b>	<b>20,749,543</b>	<b>16,676,846</b>
<b>ACCUMULATED SURPLUS (Statement A)</b>	<b>\$ 190,112,214</b>	<b>\$ 178,709,120</b>

THE CORPORATION OF THE CITY OF COURTENAY  
 CONSOLIDATED SCHEDULE OF TANGIBLE CAPITAL ASSETS  
 FOR THE YEAR ENDED DECEMBER 31, 2020

	Land	Land Improvements	Buildings	Equipment/ Furniture/ Vehicles	Engineering Structures					Other Tangible Capital Assets	Total	2019										
					Roads	Water	Sewer	Other														
<b>COST</b>																						
Opening Balance Construction-in-progress (CIP)	-	100,565	796,066	25,737	727,826	55,291	421,561	305,554	51,448	\$	2,484,048	6,197,693										
Add: Construction-in-progress (CIP)	-	-	4,719	2,400	197,379	2,137	3,261,298	19,775	-		3,487,708	1,470,968										
Less: Transfers into Service	-	(60,581)	(385,864)	(23,237)	(114,869)	-	-	(126,867)	(51,448)		(762,866)	(5,184,613)										
Closing Balance Construction-in-progress	-	39,984	414,921	4,900	810,336	57,428	3,682,859	198,462	-		5,208,890	2,484,048										
Opening Balance Tangible Capital Assets	23,137,423	7,565,694	31,904,283	19,672,148	104,055,480	26,233,043	13,865,520	26,172,553	1,087,776		253,693,920	231,591,901										
Add: Additions (including Transfers into Service)	787,263	195,461	610,103	708,486	3,072,160	484,667	120,168	1,397,862	101,570		7,477,740	23,568,382										
Less: Disposals	(5,870)	-	-	(602,803)	(311,564)	(199,228)	-	(5,173)	-		(1,124,638)	(1,466,363)										
Closing Balance Tangible Capital Assets and CIP	23,918,816	7,801,139	32,929,307	19,782,731	107,626,412	26,575,910	17,668,547	27,763,704	1,189,346		265,255,912	256,177,967										
<b>ACCUMULATED AMORTIZATION</b>																						
Opening Balance	-	3,312,273	12,636,759	11,349,470	49,089,621	7,584,985	2,304,890	9,620,342	831,047		96,729,387	91,911,453										
Add: Amortization	-	286,622	751,377	995,727	2,689,761	487,075	251,267	742,001	99,363		6,303,193	5,899,542										
Less: Accum Amortization on Disposals	-	-	-	(527,388)	(164,675)	(100,003)	-	(3,104)	-		(795,170)	(1,081,607)										
	-	3,598,895	13,388,136	11,817,809	51,614,707	7,972,057	2,556,157	10,359,239	930,410		102,237,410	96,729,388										
<b>Net Book Value for year ended</b>																						
December 31, 2020	\$	23,918,816	\$	4,202,244	\$	19,541,171	\$	7,964,922	\$	56,011,705	\$	18,603,853	\$	15,112,390	\$	17,404,465	\$	258,936	\$	163,018,502	\$	159,448,579

SCHEDULE 4

THE CORPORATION OF THE CITY OF COURTENAY  
 CONSOLIDATED SCHEDULE OF DEBENTURE AND OTHER LONG-TERM DEBT  
 YEAR ENDED DECEMBER 31, 2020

Bylaw Number	Maturity Date	Interest Rate	Principal Outstanding Dec 31/19	Current Year Borrowing	Actuarial Adjustment/ Princ. Reduction	Principal Outstanding Dec 31/20
<b>General Capital Fund</b>						
Debenture Debt						
2139 Library	2021	1.75	373,010	-	181,956	191,054
2227 Fifth Street Bridge	2023	2.90	149,363	-	35,173	114,190
2304 Lerwick Road Ext. Prop Acquisition	2029	2.85	547,876	-	43,559	504,317
2227 City Hall Retaining Wall	2020	1.55	13,837	-	13,837	-
2354 Repaving Program	2025	5.10	177,204	-	27,706	149,498
2355 Lerwick Road Extension	2030	0.91	392,543	-	29,107	363,436
2356 City Hall Renovation	2020	1.55	73,509	-	73,509	-
2425 Lerwick Road Construction	2026	1.75	317,982	-	40,260	277,722
2453 Police Property Acquisition	2026	1.75	631,327	-	79,932	551,395
2458 Public Works Maintenance Building	2022	2.25	393,112	-	125,933	267,179
2539 Capital Infrastructure Work	2023	2.25	1,261,266	-	232,864	1,028,402
2538 Native Sons Hall Renovation	2025	1.28	282,890	-	42,649	240,241
2680 Lewis Centre Renovation	2027	2.90	2,543,312	-	276,020	2,267,292
2681 Infrastructure Works - Road Paving	2027	2.90	944,659	-	102,522	842,137
TOTAL GENERAL CAPITAL FUND			8,101,890	-	1,305,027	6,796,863
<b>Water Capital Fund</b>						
Debenture Debt						
2424 Water Extension - Lerwick Road	2026	1.75	264,985	-	33,550	231,435
TOTAL WATER CAPITAL FUND			264,985	-	33,550	231,435
<b>Sewer Capital Fund</b>						
Debenture Debt						
2305 Sewer Extension	2029	2.85	410,907	-	32,669	378,238
2353 Sewer Extension	2030	0.91	1,104,727	-	81,914	1,022,813
2423 Sewer Extension - Lerwick Road	2026	1.75	160,757	-	20,353	140,404
2985 Sewer Extension - Greenwood Trunk	2045	0.91	3,000,000	3,000,000	-	3,000,000
TOTAL ALL CAPITAL FUNDS			10,043,266	3,000,000	1,473,513	11,569,753

**THE CORPORATION OF THE CITY OF COURTENAY  
CONSOLIDATED SCHEDULE OF INVESTMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2020**

**SCHEDULE 5**

	2020	2019
<b>GENERAL OPERATING FUND</b>		
Cash on Hand	\$ 26,041,686	\$ 22,049,977
<b>GAMING FUND</b>		
Cash on Hand	1,020,894	1,530,955
Total Cash on Hand and on Deposit	\$ 27,062,580	\$ 23,580,932
 <b>GENERAL OPERATING FUND TERM DEPOSITS</b>		
Municipal Finance Authority, Money Market Fund at fluctuating rate, no maturity date	15,019,377	17,578
The Bank of Nova Scotia, various guaranteed investment certificates	20,787,987	25,995,911
Total Term Deposits	35,807,364	26,013,489
<b>TOTAL CASH AND INVESTMENTS</b>	<b>\$ 62,869,944</b>	<b>\$ 49,594,421</b>

**THE CORPORATION OF THE CITY OF COURTENAY**

**Statement of Financial Information**  
(as required under the Financial Information Act)  
**Schedule of Remuneration and Expenses of Elected Officials**  
**For the Year 2020**

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

**Remuneration and Expense Payments**

<u>Elected Official</u>	<u>Position</u>	<u>Remuneration</u>	<u>Expenses</u>
Wells, Robert	Mayor	\$ 75,090	\$ 450
Frisch, David	Councillor	\$ 26,309	\$ -
Hillian, Douglas A.	Councillor	\$ 26,309	\$ 350
Theos, Manno	Councillor	\$ 26,509	\$ -
McCollum, Melanie	Councillor	\$ 26,309	\$ -
Morin, Wendy	Councillor	\$ 26,309	\$ 350
Cole-Hamilton, Will	Councillor	\$ 26,309	\$ 2,458
TOTAL		<u>\$ 233,144</u>	<u>\$ 3,608</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 Schedule of Remuneration and Expenses of Elected Officials, usually based on 26 pay periods, includes an additional pay period for 2020, based on calendar year. This situation occurs once every 11 years.

**THE CORPORATION OF THE CITY OF COURTENAY**

**Statement of Financial Information**

(as required under the Financial Information Act)

**Schedule of Employee Remuneration and Expenses for the Year 2020**

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

<u>Employee</u>	<u>Position</u>	<u>Total Remuneration</u>		<u>Expenses</u>
Adams, J.	Utilities Maintenance - Sewer 1	\$	76,471	\$ 334
Aikens, D.	Roads 2	\$	77,923	\$ 25
Allen, D.	Chief Administrative Officer	\$	173,303	\$ 1,659
Armstrong, R.	Manager of Asset Management Technical Services	\$	107,183	\$ 2,588
Bardonnex, D.	Fire Chief	\$	121,811	\$ 275
Beatson, D.	Planner 2	\$	76,320	\$ 564
Bell, M.	Parks Utility Supervisor	\$	82,960	\$ 422
Berard, A.	Manager of Financial Planning, Payroll & Business Performance	\$	103,170	\$ 1,826
Berg, D.	Utilities Maintenance - Sewer 2	\$	84,236	\$ 614
Boguski, B.	Manager of Transportation Maintenance	\$	95,733	\$ 423
Borecky, N.	Manager of Information Systems	\$	87,862	\$ 113
Brand, B.	Acting Manager of Utilities	\$	99,092	\$ 818
Brooks, B.	Engineering Technologist - Utilities	\$	79,298	\$ 380
Buck, I.	Director of Development Services	\$	140,830	\$ 636
Carmichael, S.	Turfgrass Supervisor	\$	82,848	\$ 937
Carter, R.	Roads 1	\$	82,433	\$ 783
Chan, J.	Manager of Business Administration	\$	92,506	\$ 1,244
Coelho, N.	Roads 2	\$	87,493	\$ 113
Collins, K.	Manager of Recreation Programming	\$	101,310	\$ -
Cox, T.	Office Supervisor	\$	76,614	\$ 29
Davidson, C.	Director of Engineering Services	\$	123,058	\$ 2,852
Dojack, T.	Foreman - Civic Properties	\$	92,628	\$ 1,354
Donais, B.	Engineering Technologist	\$	80,490	\$ 2,424
Dooris, C.	Assistant Manager - Recreation Programming	\$	77,089	\$ 62
Doty, L.	Engineering Technologist	\$	81,605	\$ 380
Featherstone, B.	Equipment Operator	\$	78,821	\$ 162
Feucht, R.	Development Engineer	\$	118,063	\$ 450
Fisher, K.	Utilities Maintenance - Water 2	\$	78,187	\$ 360
Fitzgerald, M.	Manager of Development Planning	\$	104,110	\$ 564
Forsythe, R.	Painter / Signman	\$	82,631	\$ -
Franceshini, G.	Custodial Supervisor	\$	76,061	\$ 187
Gavelin, E.	Network Technician	\$	80,987	\$ 2,975
Gothard, N.	Policy Planner	\$	82,187	\$ 597
Grant, D.	Carpenter	\$	84,571	\$ 898
Grimsrud, M.	Planner 2	\$	75,860	\$ 990
Guderjahn, B.	Manager of Purchasing	\$	101,331	\$ 534
Guillo, A.	Manager of Communications	\$	104,190	\$ 650
Hayes, S.	Engineering Technologist	\$	79,012	\$ 1,470
Henderson, D.	Deputy Fire Chief / Training Officer	\$	107,410	\$ 320

**THE CORPORATION OF THE CITY OF COURTENAY**

**Statement of Financial Information**

(as required under the Financial Information Act)

**Schedule of Employee Remuneration and Expenses for the Year 2020**

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

<u>Employee</u>	<u>Position</u>	<u>Total Remuneration</u>		<u>Expenses</u>
Innis, M.	Utilities Maintenance - Water 1	\$	84,064	\$ 2,123
Jernslet, E.	Manager of Civic Properties Maintenance	\$	98,446	\$ 4,354
Johns, T.	Horticulture Supervisor	\$	83,035	\$ 536
Kanigan, J.	Building Inspector 1	\$	78,454	\$ 370
Kearns, M.	Manager of Parks Maintenance	\$	106,634	\$ 2,464
Kellinghusen, J.	Equipment Operator	\$	78,916	\$ 261
Kerr, C.	EVT / Fire Inspector	\$	96,437	\$ -
Kitching, L.	Pay & Benefits Coordinator	\$	79,255	\$ 1,646
Knapman, P.	Occupational Health & Safety Coordinator	\$	94,668	\$ 1,057
Kushner, T.	Interim Chief Administrative Officer	\$	175,848	\$ 935
Lamb, G.	Fire Inspector	\$	103,461	\$ 790
Law, C.	Engineering Technologist	\$	81,145	\$ 160
Love, D.	Senior Advisor - Strategic Initiatives	\$	107,995	\$ 3,911
MacDonald, K.	Deputy Fire Chief	\$	108,646	\$ 2,743
Machin, J.	GIS Coordinator	\$	78,474	\$ 1,575
Matthews, R.	Executive Assistant / Deputy Corporate Officer	\$	78,057	\$ -
McBryan, M.	Utilities Maintenance - Water 2	\$	79,246	\$ 261
McClintock, K.	Accountant	\$	77,122	\$ 1,390
Millar, C.	Manager of Recreation Facility Operations	\$	101,310	\$ -
Miller, C.	Engineering Technologist - Transportation	\$	76,075	\$ 446
Moore, B.	Shop Foreman	\$	91,629	\$ 1,117
Mossing, S.	Assistant Manager - Recreation Facility Operations	\$	76,346	\$ 1,790
Mousseau, C.	Engineering Technologist	\$	81,245	\$ 180
Nelson, J.	Director of Financial Services	\$	138,642	\$ 1,179
Park, N.	Programmer Analyst	\$	84,965	\$ -
Peterson, G.	Procurement Specialist	\$	76,359	\$ 699
Pitcher, A.	Engineering Technologist	\$	81,145	\$ 3,207
Roach, L.	Manager of Human Resources	\$	89,685	\$ 2,984
Robson, D.	Custodial Supervisor	\$	76,826	\$ 187
Rose, L.	Utilities Construction Foreman	\$	103,698	\$ 360
Salmon, D.	Network Coordinator	\$	91,274	\$ 2,529
Schleppe, S.	Utilities Maintenance - Water 2	\$	89,749	\$ 1,549
Setta, T.	Manager of Community & Sustainability Planning	\$	102,204	\$ 1,384
Shaw, D.	Public Works Inspector	\$	82,507	\$ 510
Shaw, K.	Director of Public Works Services	\$	137,666	\$ 1,971
Smith, C.	Assistant Manager - Active Recreation	\$	75,219	\$ 126
Snider, D.	Director of Recreation & Cultural Services	\$	124,044	\$ 2,161
Sorichta, W.	Corporate Officer	\$	108,771	\$ -
Stevenson, S.	Roads 1	\$	77,911	\$ 235
Strachan, D.	Roads Maintenance Foreman	\$	102,182	\$ 945

**THE CORPORATION OF THE CITY OF COURTENAY**

**Statement of Financial Information**

(as required under the Financial Information Act)

**Schedule of Employee Remuneration and Expenses for the Year 2020**

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

<u>Employee</u>	<u>Position</u>	<u>Total Remuneration</u>		<u>Expenses</u>	
Styles, C.	Administrative Assistant - Public Works Services	\$	75,805	\$	78
Sweeney, T.	Manager of Building and Administrative Services	\$	100,318	\$	2,582
Thompson, C.	Asset Management Technologist	\$	81,145	\$	1,518
Tillapaugh, S.	Arboriculture Supervisor	\$	83,303	\$	1,193
Ward, J.	Director of Legislative Services / Deputy CAO	\$	106,256	\$	916
Welsh, J.	Fire Inspector	\$	93,271	\$	-
Wood, I.	Mechanic	\$	84,819	\$	-
Wyka, R.	Manager of Finance	\$	103,170	\$	1,725
Total for employees where remuneration is over \$75,000		\$	8,125,126	\$	87,156
Consolidated total for employees where remuneration less than \$75,000		\$	5,381,939	\$	38,109
Elected Officials, direct payments		\$	233,144	\$	3,608
TOTAL REMUNERATION		\$	13,740,208	\$	128,873

The Schedule of Employee Remuneration and Expenses, usually based on 26 pay periods, includes an additional pay period for 2020, based on calendar year. This situation occurs once every 11 years.

**Statement of Severance Agreements**

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

There were three severance agreements under which payment commenced between the City of Courtenay and its non-unionized employees during the fiscal year 2020.

These agreements represent from 2 to 10 months of compensation.

# THE CORPORATION OF THE CITY OF COURTENAY

## Statement of Financial Information

(as required under the Financial Information Act)

### Schedule of Payments Made to Suppliers of Goods and Services For the Year 2020

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

<b>Vendor Name</b>	<b>Amount Paid YTD 2020</b>
ABC PRINTING	\$ 32,388
ACME SUPPLIES LTD	\$ 39,832
ACS COMPUTER SOLUTIONS	\$ 55,783
ACTIVE NETWORK	\$ 127,206
ANDREW SHERET LTD	\$ 196,008
AON REED STENHOUSE INC	\$ 322,750
ASSOCIATED ENGINEERING (B.C.) LTD.	\$ 53,305
ASSOCIATED FIRE & SAFETY	\$ 39,532
BC ASSESSMENT AUTHORITY	\$ 339,669
BC HYDRO	\$ 834,003
BEE CLEAN BUILDING MAINTENANCE	\$ 126,034
BLACK PRESS GROUP	\$ 51,170
BUMPER TO BUMPER	\$ 61,124
C3 MAINLINE INSPECTIONS INC.	\$ 212,839
CENTRAL BUILDERS' SUPPLY LTD	\$ 65,730
CENTRAL SQUARE TECHNOLOGIES	\$ 62,556
COMMISSIONAIRES (THE)	\$ 348,931
COMOX VALLEY REGIONAL DISTRICT	\$ 18,269,123
COURTENAY DOWNTOWN BUSINESS ASSOC	\$ 60,000
CUMBERLAND READY MIX LTD	\$ 34,501
CUMBERLAND, VILLAGE OF	\$ 58,805
CUPE LOCAL 556	\$ 136,731
CURRENT ENVIRONMENTAL LTD	\$ 31,829
D.K.I SERVICES LTD.	\$ 71,933
DIALOG BC ARCHITECTURE ENGINEERING INTERIOR DESIGN PLANNING INC.	\$ 217,524
E B HORSMAN & SON	\$ 101,565
EDDIE'S EQUIPMENT REPAIR LTD.	\$ 33,751
EDGETT EXCAVATING	\$ 303,920
EMPLOYER HEALTH TAX	\$ 170,392
EMTERRA ENVIRONMENTAL	\$ 1,896,985
ESRI CANADA	\$ 94,152
FITNESS EXPERIENCE	\$ 26,679
FOOTPRINTS SECURITY PATROL INC.	\$ 119,856
FORTIS BC - NATURAL GAS	\$ 67,714
GEOADVICE ENGINEERING INC	\$ 65,213

# THE CORPORATION OF THE CITY OF COURTENAY

## Statement of Financial Information

(as required under the Financial Information Act)

### Schedule of Payments Made to Suppliers of Goods and Services For the Year 2020

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

<b>Vendor Name</b>	<b>Amount Paid YTD 2020</b>
GROW TREE CARE	\$ 49,091
GUILLEVIN INTERNATIONAL INC	\$ 94,370
HEALTH SOURCE PLUS	\$ 917,827
ICONIX WATERWORKS LTD PARTNERSHIP	\$ 71,093
INFINITE ROAD MARKING LTD.	\$ 93,222
INSURANCE CORPORATION OF BC	\$ 86,063
INTERGROUP CONSULTANTS	\$ 26,520
INTERNATIONAL WEB EXPRESS INC.	\$ 25,630
INTERPROVINCIAL TRAFFIC SERVICES LTD.	\$ 88,433
J WATERS ELECTRIC LTD	\$ 68,614
JENNER CHEVROLET BUICK GMC	\$ 55,487
JOMA Environmental Ltd	\$ 25,942
JSF TECHNOLOGIES INC	\$ 29,456
KMI COLUMBARIA	\$ 27,340
KNAPPETT PROJECTS INC	\$ 34,267
LEIGHTON CONTRACTING (2009) LTD	\$ 3,425,818
LIDSTONE & COMPANY	\$ 80,663
MCELHANNEY LTD	\$ 99,510
METRO MOTORS LTD	\$ 48,076
MEYERS NORRIS PENNY LLP	\$ 60,427
MICROSOFT LICENSING GP	\$ 58,699
MINISTER OF FINANCE	\$ 2,791,227
MONK OFFICE SUPPLY LTD	\$ 84,085
MUNICIPAL INSURANCE ASSOC OF	\$ 235,459
MUNICIPAL PENSION FUND	\$ 2,219,816
NELSON ROOFING AND SHEET METAL LTD	\$ 73,789
PACIFIC AIR MECHANICAL	\$ 131,697
PFM EXECUTIVE SEARCH	\$ 43,697
PILON TOOL RENTALS (1972) LTD	\$ 56,937
PIPE-EYE VIDEO INSPECTIONS & SERVICES LTD.	\$ 86,588
PLANET CLEAN COURTENAY	\$ 33,181
POSTAGE-ON-CALL	\$ 30,000
PRECISION TREE SERVICES LTD.	\$ 97,763
PRESTIGE LINE PAINTING LTD	\$ 26,354
R HENN & ASSOCIATES	\$ 27,036
RAYLEC POWER LTD	\$ 91,791

# THE CORPORATION OF THE CITY OF COURTENAY

## Statement of Financial Information

(as required under the Financial Information Act)

### Schedule of Payments Made to Suppliers of Goods and Services For the Year 2020

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

<b>Vendor Name</b>	<b>Amount Paid YTD 2020</b>
RECEIVER GENERAL FOR CANADA	\$ 5,692,156
RECEIVER GENERAL FOR CANADA	\$ 3,558,391
REGIONAL HOSPITAL DIST OF	\$ 4,166,324
RICOH CANADA INC	\$ 46,980
RIDGELINE MECHANICAL LTD.	\$ 36,254
ROPER GREYELL LLP	\$ 75,206
SHAW CABLE	\$ 39,633
SID WILLIAMS THEATRE SOCIETY	\$ 198,375
SUNCOR ENERGY PRODUCTS	\$ 175,612
SUPERIOR FARMS INC.	\$ 33,627
SUTTON ROAD MARKING LTD	\$ 109,471
TAYCO PAVING	\$ 1,491,130
TELUS COMMUNICATIONS (BC)	\$ 58,351
TELUS COMMUNICATIONS INC.	\$ 477,171
TELUS MOBILITY (BC)	\$ 92,505
THE COURTENAY & DISTRICT HISTORICAL SOCIETY	\$ 136,055
TLC HOME & PROPERTY MAINT	\$ 255,780
TOWER FENCE PRODUCTS	\$ 46,313
URBAN SYSTEMS LTD.	\$ 928,931
V+M STRUCTURAL DESIGN INC	\$ 39,365
VANCOUVER ISLAND REGIONAL LIBRARY	\$ 1,407,850
VIMAR EQUIPMENT LTD	\$ 384,217
WEST ISLAND CAPITAL CORPORATION	\$ 51,769
WESTERN TRAFFIC	\$ 146,410
WISHBONE INDUSTRIES LTD.	\$ 37,512
WORKERS COMPENSATION BOARD	\$ 273,625
YOUNG ANDERSON	\$ 34,390
	<hr/>
Total Amounts over \$25,000	\$ 56,218,902
Total Amounts less than \$25,000	\$ 2,488,620
	<hr/>
TOTAL	<u><u>\$ 58,707,521</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 2020, 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

  
\_\_\_\_\_  
Jennifer Nelson, CPA, CGA  
Director of Financial Services

**JUN 23 2021**  
\_\_\_\_\_  
Date

June 17, 2021