



# City of Courtenay

BRITISH COLUMBIA, CANADA

## 2012 Annual Report



# Courtenay, B.C.



## 2012 Annual Report

January 1 - December 31, 2012

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

*Front cover photo:* Courtenay and Glacier

*Back cover photo:* Puntledge Park

Annual Report Photos by Sarah Kerr and the City of Courtenay

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# Message from the Mayor



2012 was City Council's first full year of our current term. It was a busy and productive time, with many discussions and decisions on issues affecting Courtenay and our residents. I would like to thank City Council, staff, and the public for their involvement.

We moved forward on a number of big projects in 2012. The Lewis Centre Expansion and Renovation project began in August. Construction on this popular recreation facility will wrap up in the fall of 2013.

City Council also approved a rezoning and Official Community Plan amendment application by the Vancouver Island Health Authority (VIHA). VIHA is proceeding with plans to build a new \$334 million hospital on the Lerwick Road site. Construction will be completed in 2017.

Major development projects, including the new Thrifty Foods complex near Crown Isle, represent a vote of confidence in our local economy. Great care is taken in the evaluation of these large development applications.

One of Council's main concerns and challenges is how to protect our local independent businesses. These small businesses are vital to a healthy community.

An alternative could be charging different tax rates to businesses depending on their size. Currently we are prevented from doing this by provincial regulations. Courtenay City Council has spearheaded a province-wide push to change these rules. We have support from the Association of Vancouver Island and Coastal Communities, and the topic will be discussed at the 2013 Union of British Columbia Municipalities Convention.

We recognize the valuable contribution all businesses make to our City. While commercial properties make up 13 per cent of Courtenay's geographic area, they provide 37 per cent of our tax income. In addition, businesses support many local charities and community projects. With all of the financial pressures facing businesses today, particularly small businesses, their community involvement is certainly appreciated. We will continue to advocate for small business and welcome any input on how to best protect and support them.

Finally, on behalf of City Council I'd like to welcome our new Chief Administrative Officer, David Allen. He joins a great team at the City of Courtenay, and I wish him all the best as he settles in to our community.

A handwritten signature in black ink, appearing to be 'L. Jangula'.

Larry Jangula  
Mayor, City of Courtenay



# Mayor and Council

**Top row (left to right:)** Jon Ambler, Manno Theos, Doug Hillian, Bill Anglin

**Bottom row (left to right:)** Ronna-Rae Leonard, Larry Jangula, Starr Winchester

Courtenay Council members are elected for three year terms. The most recent election occurred in November 2011.

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

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

# Message from the C.A.O.



As the City's new Chief Administrative Officer, I am excited about the tremendous potential here in Courtenay. My wife Paula and I arrived in April 2013, and we are very thankful to be living in the beautiful Comox Valley.

There has been much to learn in my time here. Moving to a new community and understanding the complexities of an organization can be a daunting task — but it is also an opportunity. I have been working very closely with City Council and staff to develop good working relationships, review overall operations, and identify issues and synergies. Determining what aspects of the City's operations are working well, and where improvements could be made, will help chart a course of action for the remaining Council term ending in the Fall of 2014.

Some of the areas I intend to focus on include strategic planning, corporate capacity, and performance measurement. In my previous role as CAO at the Town of Golden, B.C., I was proud to be part of the development of an open source software program that, guided by Council's strategic priorities, produced work plans, real-time analysis and feedback to department heads and managers. Combined with rigorous financial monitoring, this software provided greater transparency and helped make the best use of human and financial resources.

Strategic planning sessions with Courtenay Council are scheduled for early September 2013. With Council's guidance, I look forward to finding ways to incorporate similar innovative practices and efficiencies at the City of Courtenay.

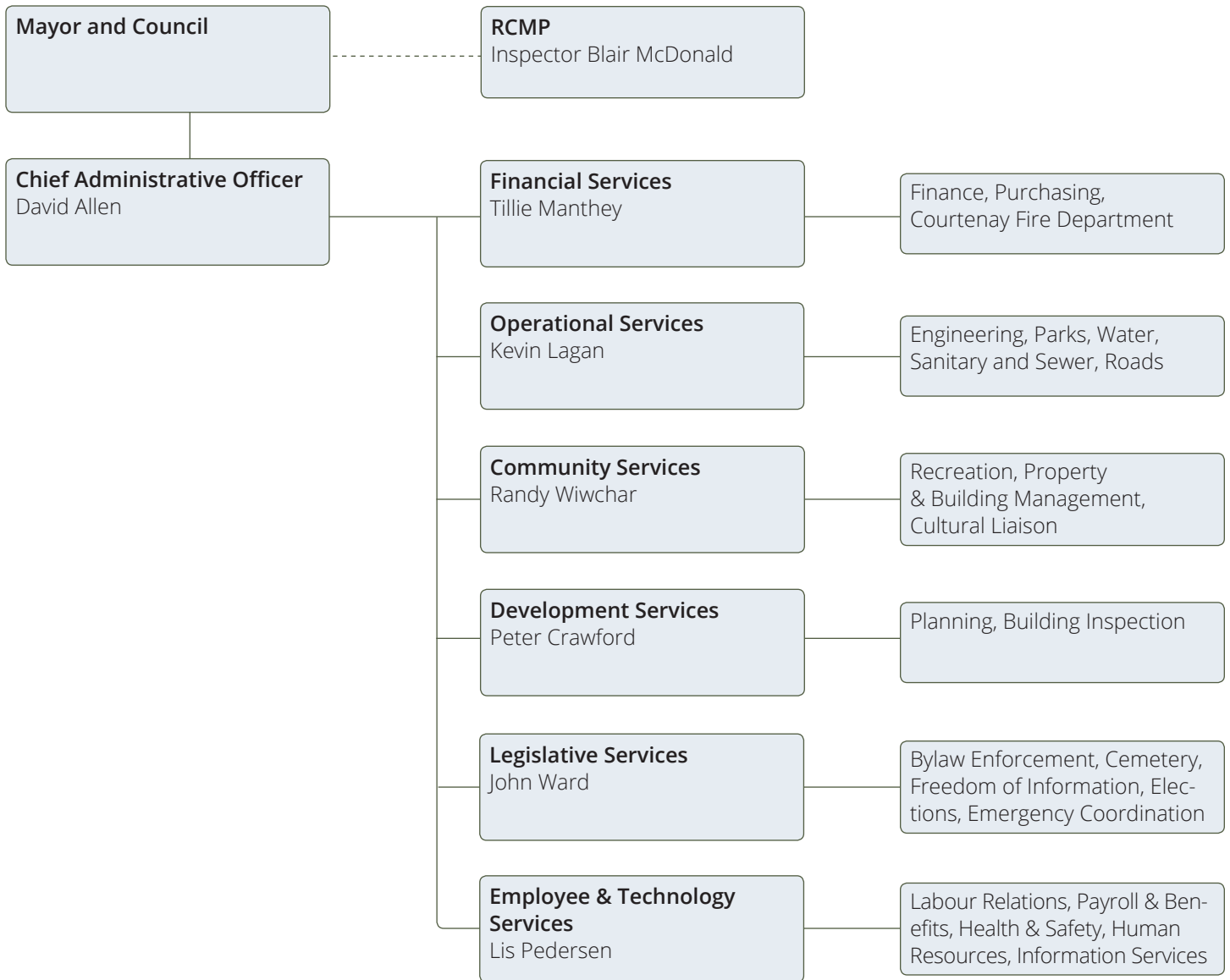
Asset management is another area of interest. As Co-chair of Asset Management BC, I have been privileged to work with a diverse group of people on what is arguably one of the greatest challenges facing Canadian municipalities: how to maintain and renew a complex network of roads, underground utilities, and civic facilities. Driven by growth, new infrastructure will have to include a better understanding of the costs of operating, maintaining, and eventually replacing this infrastructure. Long range financial planning, 10 and 20 years into the future, will be key in preparing the City as our infrastructure needs develop over time.

I also believe strongly that effective communication, both internal and external, is vital to the strength of an organization – particularly in local government, where decisions play such an important role in the lives of citizens. Finding ways to engage our community and staff will help facilitate an open flow of communication and ensure the best possible outcomes on issues of mutual concern.

On a personal note, I plan to spend my down time exploring the Comox Valley's many recreational and cultural activities, including mountain biking, canoeing, golf, the Sid Williams Theatre, Comox Valley Art Gallery, Courtenay Museum, and the numerous festivals in the valley. This is a spectacular community, with many of the amenities of a larger centre along with nature at our doorstep, making the possibility of a healthy work/life balance more attainable. It's been a great first few weeks, and I'm looking forward to many more.

David Allen  
Chief Administrative Officer

# Organizational Chart



# Vision and Mission



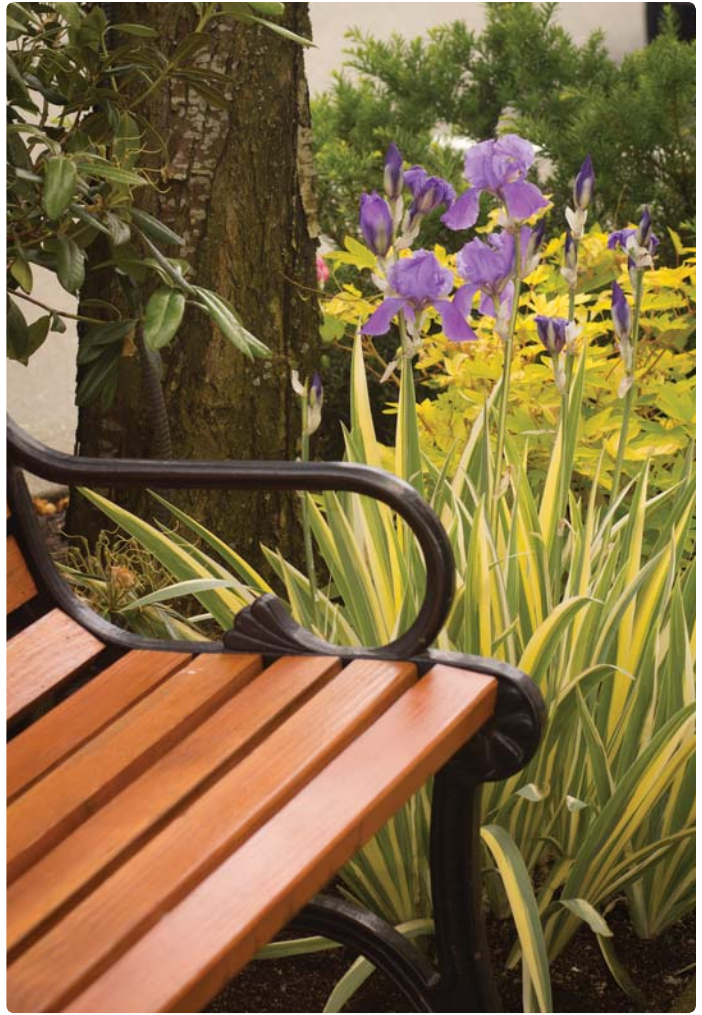
## Vision

- Courtenay will be an innovative and vibrant City where people desire to live, and where businesses want to invest and grow,
- We aspire to be a community that works together to provide opportunities and excellent services
- We will continue to be a community with extensive parklands, natural areas, agricultural lands, as well as being the primary area of commerce, investment, and growth in the Comox Valley.
- As a City we will be a leader in arts, culture and recreation, promote educational opportunities and diversity, and care about the health and well being and safety of our citizens, businesses and environment.

## Mission

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





# Operational Services



## Engineering Division

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

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

## Operations Division

### Utility Section:

Water distribution, sanitary sewer and storm drainage systems maintenance.

### Transportation Section:

Roads, sidewalks, fleet maintenance, traffic marking, traffic signals and street lighting.

### Parks Operations:

Parks, playing fields, playgrounds, boulevards, green spaces, municipal cemetery, streetscapes, irrigation systems, greenways and trails maintenance.

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

## Roads and Traffic

The City completed upgrades to the 5th Street Bridge in 2012, including structural enhancements, deck repairs, and undercoating. Bridge maintenance will continue on an annual basis. Paving projects took place on 5th Street, 6th Street (East) and Kilpatrick Avenue. New pedestrian traffic signals at Fitzgerald Avenue/19th Street and Cumberland Road/Piercy Avenue made it easier to travel on foot in these neighbourhoods. The ongoing bus-shelter upgrade program, cost-shared with BC Transit, installed three new bus shelters. The City also commissioned a Feasibility Study for a pedestrian bridge crossing at 6th Street over the Courtenay River.

A comprehensive Transportation Plan process started in 2012, with the final report due in summer 2013. Regular consultation with RCMP, ICBC and Ministry of Transportation and Infrastructure supports the City's prioritization of new traffic and pedestrian signals, road improvements and pedestrian links.

## Water, Sewer and Storm Drainage

The second and final section of the sanitary sewer upgrades were completed along Highway 19A. Operational Services completed the Cummings Road Local Service Area, providing new water supply and sanitary sewer services to 19 homes within the area.

The City began an Integrated Flood Management Study and 2013 Sanitary Sewer Master Plan, for completion in mid-2013. Both studies will provide information to support Operational Services capital project planning over the next five years.

As in previous years, the City took an active role in the provincial Water Balance Model and the Convening for Action

Initiative with other Comox Valley local governments. These programs provide watershed protection guidelines to developers and help reduce the environmental impact of development.

The City continued to reduce water consumption and the amount of liquid waste heading to the sewage treatment plant. From 2009 to 2012, the City of Courtenay partnered with the Comox Valley Regional District to offer cash rebates to homeowners and businesses wishing to convert to low flush toilets. The City's commercial toilet rebate program will continue in 2013.

Wherever possible the City directed work to local contractors and engineering consultants. The City's engineering co-op student program provided valuable job experience and benefitted both the City and students.

## Parks

The City continues to develop best management practices for park and trail development. Redesigned landscaping at the Fire Hall have reduced both water use and maintenance. The Water Park at the Lewis Centre was resurfaced using a product made from recycled tires. The Rails to Trails corridor was expanded and now links 8th Street to 17th Street. With the help of volunteers, habitat restoration took place in various natural areas in the City.

## Developments

Operational Services is committed to working with the development community in our City. East Courtenay saw the completion and opening of the Thrifty Foods development. In coordination with Operational Services, new road, sidewalk, drainage and sound walls were installed along Lerwick Road between Ryan Road and Malahat Drive.

As a result of coordinated work with Phase One of The Ridge Development in South Courtenay, new water and sewer infrastructure expanded the City's network in this area.

# Development Services

## Planning

Official Community Plan, local area plans, cycling, conceptual parks planning, zoning. Coordinating the climate action strategy, floodplains, sustainability initiatives and application of the Regional Growth Strategy at the corporate and community level; development applications, subdivision review, signs, strata conversion applications, boundary extensions, tree protection, and ALR applications.

## Building

Enforcement of provincial building and plumbing codes and municipal bylaws, including Building Inspection Services.

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

## Development Statistics Summary

The City has experienced significant change in recent years and will continue to lead and respond to new initiatives and growth pressures.

The latest 2011 census recorded Courtenay's population at 24,099, a 9.4% increase over 2006. This is above the provincial growth rate of 7%, and well above the 5.4% national average.

Development activity in 2012 was valued at \$51,670,337, slightly lower than 2011 (\$57,297,883).

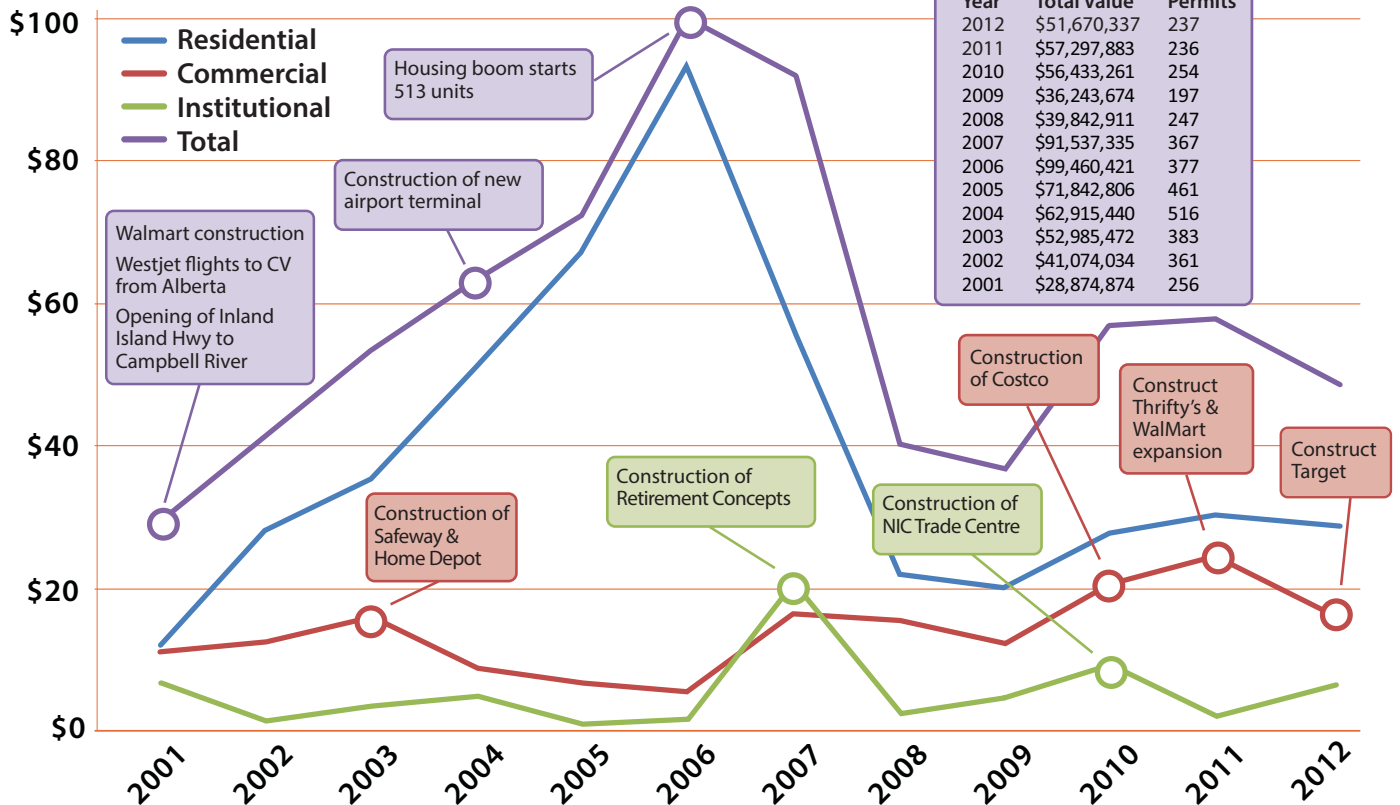
Major rezoning approvals included the new hospital site, a medical clinic at Mission Road, residential units at Dingwall Road and Arden Road, the Target renovation and addition, new Mini

Storage on the South Island Highway/ Christie Parkway, a commercial mall at Lerwick and Mission Roads, and the Buckstone residential development Phase One.

Significant construction projects included:

- Target Department Store .... \$6 million
- Lewis Centre ..... \$3.6 million
- Thrifty Foods Store..... \$2.5 million
- Bishop of Victoria Church Addition..... \$1,718,627
- Avril Homes..... \$1,713,750
- Timbers Housing Project..... \$850,000

Value (\$ millions)



# Climate Action

## *In the Community*

The City of Courtenay has been working on environmental protection and enhancement, building on initiatives and policy direction from previous years.

### **Air quality**

Municipalities across the province are required to work towards reducing Greenhouse Gases (GHGs) at the corporate and community-wide levels in the effort to fight climate change. The City's Official Community Plan contains an overarching GHG reduction target of 20% below 2007 levels by 2020. The City's overall GHGs have increased by 10% since 2007 while the population has increased by 5%. This means carbon emissions are rising faster than our population. Transportation is the biggest contributor of community-wide GHGs. Investments in alternate transportation modes are being explored in the City's 2037 Transportation Master Plan. According to ICBC, there are more insured vehicles than people in Courtenay! Learn more in the City's State of the Environment Report 2013, available at [www.courtenay.ca/climateaction.aspx](http://www.courtenay.ca/climateaction.aspx)

### **Land**

Transportation systems shape land use patterns, and can result in the loss of local ecosystems over time. Using new GIS capability, the City's is looking at tree canopy cover to determine suitable tree canopy targets both now and over time as our City faces more development pressure.

Invasive plants are harmful to native species. The City continues to work with Broombusters and others to



*The City composts leaves and grass clippings for use in parks and flower beds*

eradicate Scotch broom within City boundaries. This year Lawrence Burns Park and Crown Isle Park are broom free. Thank you Broombusters!

### **Water**

In 2013, the City will adopt a Local Area Plan for the Arden area, an area known for its wetlands and Piercy and Morrison Creeks. The plan will ensure rainwater is managed in a responsible way, so creeks continue to provide adequate flows for fish habitat. In recent years the Piercy Creek has been known to dry in places during the summer, at times stranding fish.

The City continues to work with other local governments and conservation stewardship sector in the Comox Valley through CAVI (Convening for Action on Vancouver Island). The group is developing "A Guide to Waterwise Land Development in the Comox Valley" to help landowners learn how to protect watershed health.

## **Corporate Initiatives**

In 2012, the City of Courtenay had to begin paying for the carbon it emits

through its buildings, transportation, and even contracted services. This is required through the provincial Climate Action Charter. The Province of BC has allowed the payments from this first year to be reinvested in our own community. The City is committed to using this funding to support local low-carbon projects, such as municipal building retrofits.

The new multi-family recycling Toter program launched in October 2012. By year's end, nearly 80 per cent of all multi-family and apartment buildings had signed up for the service, diverting tonnes of recyclables from the landfill. The program provides the same convenient curbside recycling service as the Blue Box program.

New water-efficient landscaping at the Courtenay Firehall in 2012 resulted in a significant reduction in water use, as well as maintenance. Soil was enriched with the City's own compost, using leaves and glass clippings recovered from City parks and boulevards. The Firehall landscaping project was largely funded by a \$17,000 water conservation grant from the Comox Valley Regional District.

# RCMP

The City of Courtenay contracts police services from the RCMP, and in 2012 there were just over 30 police officers working for Courtenay, with just over 60 RCMP working in the entire Comox Valley.

Over the past year, the Comox Valley RCMP detachment has worked in partnership with the City of Courtenay on a variety of issues. We will continue to work on concerns of local residents and business owners in an attempt to reduce vandalism and thefts. Through the RCMP's bike section and volunteer Auxiliary RCMP, we have seen a decrease in the number of less desirable behavior in the downtown area. We hope to see this continue to improve once again this year. This past year our 28 Auxiliary officers completed over 5300 volunteer hours in our community, assisting the paid members greatly in many ways.

The RCMP Violence in Relationship section has two full time members

dedicated to working with community partners and other agencies to see the best possible outcome when faced with calls of family violence.

The Municipal Traffic Section has welcomed a new corporal in charge along with two full time constables. Last year we were able to add a police motorbike to our patrols in an effort to enhance our traffic enforcement and increase the safety on our streets.

The RCMP was able to reach over 200 youth this past year through the DARE (Drug Abuse Resistance Education) program. Many other youth participated in a variety of other intervention and preventative activities.

This past school year, the Comox Valley once again hosted the bi-annual Mountie Camp. This camp was offered to local teens, in grades 10 to 12. The week long camp was strongly supported by the community, and very well received by the youth. A great

deal of hard work went into this camp with the anticipated results being some fun and, more importantly, self esteem building for the youths taking part in this relationship-building week.

We are preparing for the arrival of the Musical Ride in August of 2013. The RCMP participated in the Special Olympics fundraiser, Free the Fuzz event last year, rooftop on the Canadian Tire building. This year we are all set for yet another Special Olympics joint event with the Courtenay Fire hall. The RCMP are also assisting with many other activities in the upcoming summer months.

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



2012 R.C.M.P. Mountie Camp

# Courtenay Fire Department



*Courtenay City Councillors joined a Fire Department weekend training day*



*One of 2012's serious fire incidents.*

## Fire and Emergency Services

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

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

The Courtenay Fire Department responded to 688 incidents in the City of Courtenay and fire protection districts in 2012. These included 494 emergency incidents and 194 non emergency incidents. This represents a slight decrease from previous years, likely due to mild weather.

The East Courtenay Fire Hall/Training Centre Project Review Committee was formed to examine the proposed new east Courtenay fire hall/training centre project. This fire hall would enhance response times to Eastside residents and commercial customers, while the training centre would provide a safe area to utilize scenario base training with environmentally friendly live fire simulators.

The Courtenay Fire Department trains to the NFPA 1001 training standard program, which provides the necessary skills and confidence to perform under stressful conditions. A recruit will have dedicated close to 450 hours of personal time to become trained as fire fighters for our community.

Members of Council geared up and joined our firefighters in a weekend training day, including breathing apparatus training, smoke fill building searches, auto extrication, and high angle rescue training. The session provided Council with a taste of the core training subjects our firefighters excel at.

Fire prevention staff also provided the public with numerous public education opportunities. Events in 2012 included the RBC Life Safety Expo targeting Grade 7 school kids, fire extinguisher training, mini fire boot camp, fire hall tours, car seat inspections, as well as running every Grade Three class through the Fire Safety House. These events have been very successful in educating the public on fire and life safety messages.



# Community Services



## Rotary Trail Phase Two Complete

The second section of Courtenay's Rotary Trail was built in 2012, with major funding provided by the Courtenay Rotary Club. Phase Two connects Cumberland Road to 17th street and runs beside the railroad tracks along the E & N Rail Corridor.

The Island Corridor Foundation is working with all local governments along the E & N Rail Corridor to build trails, in hopes that one day a Rail With Trail will stretch all the way from Courtenay to Victoria.

The City plans to extend the Rotary Trail to 21st Street in 2013.



McPhee Meadows

## Interactive Parks Map

The City's new interactive parks map provides a unique way to find information on the many Courtenay parks and trails. The map can be accessed at: [www.courtenay.ca/cityparks.aspx](http://www.courtenay.ca/cityparks.aspx)



### General Enquiries

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

### Recreation Division

Program registrations, memberships & rentals, playing field bookings.

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

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

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

### Property Management

Repairs, maintenance and capital upgrading of City owned buildings.

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

### Parks

Community initiatives, partnerships and events.

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

### Cultural Liaison

Sid Williams Theatre

Courtenay & District Museum

Comox Valley Centre for the Arts

## Partners in Parks

Thanks to long time Courtenay resident Bob McPhee and his family, the property known as McPhee Meadows was donated to the City of Courtenay. The 4.78 hectare green space will remain a nature park in perpetuity and will be a long term legacy for the residents of the Comox Valley.

In partnership with Tire Stewardship BC, the children's water park located at Lewis Park was resurfaced with a specialized non slip rubber material. The resurfacing has enhanced the safety of this very popular children's park.

The Comox Valley Lawn Bowling Club continues to see its membership grow and as such, is looking at expanding the Lawn Bowling facility at Bill Moore Park. The first stage of the expansion occurred in 2012 with a new storage and equipment shed. The Club worked with the City and local businesses on the project.





*Courtenay Recreation Lewis Centre Wellness Centre, November 2012*

## Lewis Centre Expansion and Renovation Project Begins

After months of planning, the first phase of the Lewis Centre expansion began in August 2012.

This project features numerous improvements, including a new Wellness Centre, a large Activity Room, increased storage, new washrooms and change areas, and improved entrances. The expansion will add approximately 11,000 square feet (1,000 square metres) to the facility.

The new space will provide more recreation opportunities for families, offer the public new fitness options such as an expanded fitness schedule, more classes for those aged 55 and over, and increased programs for all ages. The expansion also offers

improved squash facilities, viewing areas, and enhances the lobby area and public gathering spaces.

The project will also improve accessibility, with a ground floor office centre for special needs program staff, a wheelchair lift and universally accessible washroom and changeroom.

The project will also see major improvements to the building's energy efficiency and improve the overall experience for customers and staff.

In the renovation starting June 2013, the existing building will see cosmetic improvements to both the exterior and the interior.

## City Hall Renovation wins Awards

Courtenay was honored for its recent renovation to City Hall. The project received the Western Red Cedar award from Wood Works as well as an Award of Excellence at the Vancouver Island Real Estate Board Commercial Building Awards.

Designed by architect Martin Hagarty and constructed by Muchalat Projects Ltd., the project included new wood, stone, and aluminum siding. The renovation also corrected numerous issues with the building envelope, including structural repairs and water damage, and saw some green initiatives with in it's landscape design.



## Courtenay and Cultural Partnerships

Courtenay has established itself as the hub for culture in the Comox Valley. Establishing cultural partnerships to ensure sustainability is a major goal in Courtenay's strategic plan.

Sponsorship of such events as Elevate the Arts has not only supported the cultural groups in the community, but also assisted the Downtown Courtenay Business Association in keeping Courtenay's downtown a vibrant, active place. Comox Valley Economic Development Society (CVEDS) moved into the Comox Valley Centre for the Arts building and has quickly become a supporting partner of its cultural neighbors.

Courtenay continues to work with BC Hydro and community artists in the development of utility box murals and murals on City buildings including the outdoor pool. A further mural program is planned for upcoming years. Courtenay continues to be the major funder of the Courtenay and District Museum, Sid Williams Civic Theatre and Comox Valley Art Gallery.

## City of Courtenay Bursary Program

Courtenay awards annual bursaries to students at GP Vanier, Lake Trail, Mark Isfeld, Navigate by NIDES, Glacier View, and the Aboriginal Education Centre. The \$250 bursary is presented to students who contribute community service, are successful academically, and have positive work habits. This is one of many initiatives Courtenay has identified to provide opportunities for youth.

## Mile of Flowers Plant-In a Courtenay Tradition

Once a year at the end of May, hundreds of volunteers line both sides of Cliffe Avenue to plant approximately 40,000 flowers. In cooperation with community organizations, groups and individuals, the annual Plant-In has been a community event since 1967.

# Employee & Technology Services



measures for a healthier lifestyle.

The Workplace Health and Wellness Committee coordinates various fundraising events throughout the year. In 2012, employees raised \$2,843 for numerous charities, with a focus on local organizations. Since the program began in 2007, city employees have raised a total of \$18,215.

Bringing accountability, transparency and fairness to the City's recruitment and job selection process continues to be a priority. To ensure the efficiency and success of our recruitment and retention initiatives, we implemented a comprehensive selection and integration process for new employees.

Benefit administration includes managing benefits for all employees in a fiscally responsible manner. A new Employee and Family Assistance Program offers greater flexibility, choices, and access.

## Technology Services

In 2012, the City replaced several servers and computers and performed database upgrades as part of a regular maintenance schedule.

Fiber optic cables were installed between several City facilities. These connections replace an older antenna system, increasing connection speeds and reliability.

Technology Services moved to a new dedicated secure facility, conveniently located to serve all municipal buildings. The move will ensure the continued safety and security of citizen information in the event of an emergency.

The City added a new position dedicated to geographic information system (GIS) mapping services. The City plans to have new maps and services available to staff and the public by 2014.

Occupational Health and Safety, Disability Case Management, Employee Wellness, Payroll and Benefits administration, Recruitment and Selection, Human Resources and Labour Relations, Information Technology.

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

Human Resources and Information Technology Services amalgamated in 2012 to form the Employee & Technology Services Department, merging two primary internal-service providers into one department.

## Human Resources

In 2012, the Occupational Health & Safety (OH&S) program revised and updated its programs to meet current provincial OH&S Regulations. Hazard Identification, Risk Assessment and Control, and Safe Work Procedures were added to the OH&S program. Training continued for managers and supervisors to increase awareness. An incident

database is now fully functioning. This will help identify trends and focus resources where needed.

The Joint Occupational Health & Safety Committee continues to work with CUPE Local 556 to ensure mutual support, training and participation in all aspects of the program. NAOSH (North American Occupational Safety and Health) Week provided additional educational opportunities for City staff.

The Disability Case Management program promotes and offers in-house solutions to help employees return to work sooner after a short term leave of absence due to illness or injury. This helps keep employees connected to the workplace by providing opportunities for modified work while helping to responsibly manage costs to the City.

The Workplace Health and Wellness Program develops initiatives to support the long-term health of employees. During Healthy Workplace Week, employees were given options to assess wellness needs and explore preventive



# Financial Services

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

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

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

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



## Important 2013 Property Tax Dates

<b>May 27, 2013 (week of)</b>	<ul style="list-style-type: none"><li>• 2012 Property Tax Notices mailed</li></ul>
<b>July 2, 2013</b>	<ul style="list-style-type: none"><li>• Tax payments due</li><li>• Provincial Home Owner Grant applications due</li><li>• Tax Deferral applications due</li><li>• Last day to avoid 10% penalty on unpaid current taxes and unclaimed grants</li></ul>
<b>July 3, 2013</b>	<ul style="list-style-type: none"><li>• 10% penalty added to all unpaid current taxes and unclaimed grants</li></ul>
<b>August 1, 2013</b>	<ul style="list-style-type: none"><li>• Tax Installment Preauthorized Payment Plan (TIPP) deductions start for the next taxation year</li></ul>
<b>September 30, 2013</b>	<ul style="list-style-type: none"><li>• Statutory property tax sale for all properties three years in arrears of taxes</li></ul>
<b>December 31, 2013</b>	<ul style="list-style-type: none"><li>• Last day to pay current year taxes prior to rollover into arrears category. (Arrears and delinquent category taxes are subject to a daily interest penalty)</li></ul>

# Property Tax Exemptions

Every year, the City of Courtenay receives applications from non-profit organizations that qualify for tax exemption under the requirements of Provincial legislation. For 2012, the following exemptions were approved by Council.

Registered Owners	Exempt Amount of City Property Taxes
Eureka Support Society	\$2,620
Royal Cdn. Legion, Courtenay Br. (Pacific) No. 17	6,253
Comox Valley Child Dev. Assoc.	10,616
Alano Club of Courtenay	2,384
Old Church Theatre Society	4,896
Comox Valley Pregnancy Care Centre	941
Comox Valley Recovery Centre Society	3,810
Comox Valley Boys and Girls Club	2,315
Comox Valley Family Services Association	4,097
Glacier View Lodge Society	55,850
Courtenay & District Historical Soc. In Trust	1,808
Comox Valley Curling Club	10,223
St. John the Divine Abbeyfield House Society	2,885
Comox Valley Kiwanis Village Society	8,637
L'Arche Comox Valley	867
Comox Valley Transition Society	814
Canadian Red Cross Society	1,404
Aaron House Ministries	1,463
Youth for Christ Comox Valley	591
Stepping Stones Recovery House for Women Soc.	949
Saltwater Education Society	369
Courtenay Elks Lodge	1,551
Comox Valley Regional District	10,909
Nature Trust of B.C. - Sandpiper Park	5,442
Habitat for Humanity V.I. North Society	572
<b>Total Non-Profit Annual Tax Exemptions</b>	<b>\$142,266</b>

Council adopted a five year Permissive Tax Bylaw to exempt the following City owned properties, managed/occupied by non-profit societies. The 2012 value of properties exempt is as follows:

Comox Valley Centre of the Arts	\$20,999
Sid Williams Theatre	21,675
Courtenay & District Museum	16,318
Courtenay Marina	12,241
Courtenay Airpark	83,791
McPhee Meadow Park	1,581
<b>Total City owned properties</b>	<b>\$156,605</b>

Council adopted a ten year Permissive Tax Bylaw to exempt the following City owned properties, managed/occupied by non-profit societies. The 2012 value of properties exempt is as follows:

Island Corridor Foundation	\$9,410
<b>Total Island Corridor Foundation exemptions</b>	<b>\$9,410</b>

Provincial Legislature (the Community Charter) statutorily exempts the building and the land on which the building stands, for places of worship, specific seniors' housing, hospitals and private schools. Council may, by bylaw, permissively exempt the land surrounding the building. In 2012, Council adopted a bylaw to exempt the following surrounding lands:

Grace Baptist Church	\$97
Anglican Synod Diocese of BC	1,233
Central Evangelical Free Church	275
Elim Gospel Hall	607
St. George's Church	600
Calvary Community Church	701
Salvation Army Canada West	321
Lutheran Church	607
Valley United Pentacostal Church	403
Bishop of Victoria-Catholic Church	895
Kingdom Hall of Jehovah Witnesses	510
Seventh Day Adventist Church	335
LDS Church	1,172
Foursquare Gospel Church of Canada	4,946
<b>Total Permissive Surrounding Statutory Land Tax Exemptions</b>	<b>\$12,702</b>

**Total Permissive Exemptions - Overall** **\$320,983**

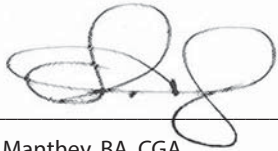
# The Corporation of the City of Courtenay

## Management's Responsibility for Financial Reporting

The preparation of information in these Financial Statements is the responsibility of management. The consolidated financial statements have been prepared in accordance with Canadian public sector accounting standards and are outlined under "Significant Accounting Policies" in the notes to the financial statements.

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

MNP LLP, the City's independent auditors, have audited the accompanying financial statements. Their report accompanies this statement.



T. Manthey, BA, CGA  
Director of Financial Services/Deputy CAO



Larry Jangula  
Mayor

# Meyers Norris Penny

## Auditor's Report



### Independent Auditors' Report

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To the Mayor and Council of the City of Courtenay:

We have audited the consolidated statement of financial position of The Corporation of the City of Courtenay as at December 31, 2012, the consolidated statements of operations, change in net financial assets and cash flow for the year then ended, and a summary of significant accounting policies and other explanatory notes.

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

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

#### *Auditor's Responsibility*

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

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

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

#### *Opinion*

In our opinion, these consolidated financial statements present fairly, in all material respects, the financial position of the City as at December 31, 2012 the results of its operations, changes in its net financial assets, and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Courtenay, BC

April 15, 2013

*MNP* LLP

Chartered Accountants



ACCOUNTING > CONSULTING > TAX  
467 CUMBERLAND ROAD; COURTENAY BC; V9N 2C5  
P: 250-338-5464 F: 250-338-0609 [www.MNP.ca](http://www.MNP.ca)

# The Corporation of the City of Courtenay

## Consolidated Statement Of Financial Position - Statement A

As at December 31, 2012

	2012	2011
<b>FINANCIAL ASSETS</b>		
Cash on hand and on deposit (Schedule 5)	\$24,661,024	\$23,485,385
Receivables (Note 1i)	2,806,150	2,358,968
Term Deposits (Schedule 5)	11,222,083	7,127,222
	<b>38,689,256</b>	<b>32,971,575</b>
<b>LIABILITIES</b>		
Accounts Payable (Note 1j)	6,639,076	5,544,948
Trust and Other Deposits	2,176,572	3,333,418
Deferred Revenue - Federal Gas Tax (Note 5)	3,554,295	2,966,070
Deferred Revenue - Development Cost Charges (Note 7)	3,102,467	3,097,003
Deferred Revenue - Other (Note 10)	482,553	750,588
Long-Term Debt (Schedule 4)	20,415,836	15,893,960
	<b>36,370,799</b>	<b>31,585,987</b>
<b>NET FINANCIAL ASSETS</b>	<b>2,318,457</b>	<b>1,385,588</b>
<b>NON-FINANCIAL ASSETS</b>		
Inventories	193,853	222,096
Prepaid Expenses	453,275	399,491
Tangible Capital Assets (Note 14 & Schedule 3)	113,597,312	109,473,911
	<b>114,244,440</b>	<b>110,095,498</b>
<b>ACCUMULATED SURPLUS (Schedule 2)</b>	<b>\$116,562,897</b>	<b>\$111,481,086</b>

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



# The Corporation of the City of Courtenay

## Consolidated Statement Of Operations - Statement B

For the year ended December 31, 2012

	2012 Budget	2012	2011
	(Note 16)		
<b>REVENUE</b>			
Taxes for Municipal Purposes	\$21,676,592	\$21,721,650	\$20,585,051
Sale of Services	9,582,259	9,598,550	9,130,829
Revenue from own sources	3,251,020	3,140,889	3,323,845
Federal transfers	551,442	395,588	152,368
Provincial transfers	875,947	2,010,042	957,601
Other local government transfers	423,982	321,666	360,754
Contributions	4,829,659	2,551,319	3,018,845
DCC Revenue	-	551,936	400,688
Investment income and taxation penalties	662,000	801,029	726,019
Other	287,800	308,158	279,719
Gain on sale of capital assets	18,400	-	-
<b>TOTAL REVENUE</b>	<b>42,159,101</b>	<b>41,400,827</b>	<b>38,935,719</b>
<b>EXPENSES</b>			
General Government Services	3,990,512	3,557,682	3,265,940
Protective Services	8,222,121	7,673,961	7,663,166
Transportation Services	6,224,887	6,309,497	5,717,260
Sewer and Water Facilities	7,454,719	7,239,912	6,709,067
Environmental Health Services	2,608,278	2,497,019	2,442,194
Public Health and Welfare Services	647,974	261,262	229,518
Environmental Development Services	521,933	515,782	507,716
Recreational and Cultural Services	8,495,136	8,263,901	8,129,759
<b>TOTAL EXPENSES</b>	<b>38,165,560</b>	<b>36,319,016</b>	<b>34,664,620</b>
<b>ANNUAL SURPLUS (Schedule 1)</b>	<b>3,993,541</b>	<b>5,081,811</b>	<b>4,271,099</b>
<b>ACCUMULATED SURPLUS AT BEGINNING OF YEAR</b>	<b>111,481,086</b>	<b>111,481,086</b>	<b>107,209,987</b>
<b>ACCUMULATED SURPLUS AT END OF YEAR</b>	<b>\$115,474,627</b>	<b>\$116,562,897</b>	<b>\$111,481,086</b>

The accompanying notes are an integral part of these financial statements

# The Corporation of the City of Courtenay

## Consolidated Statement Of Change in Net Financial Assets - Statement C

For the year ended December 31, 2012

	2012 Budget	2012	2011
	(Note 16)		
ANNUAL SURPLUS	\$3,993,541	\$5,081,811	\$4,271,099
Acquisition of tangible capital assets	(20,973,268)	(6,834,221)	(4,128,636)
Amortization of tangible capital assets	3,902,044	3,902,044	3,644,240
Loss on sale of tangible capital assets	288,688	257,257	66,695
Write-downs of tangible capital assets			23,866
Proceeds on sale of tangible capital assets	18,400	31,431	47,011
Developer tangible capital asset contribution	(1,479,912)	(1,479,912)	(2,347,761)
	(18,244,048)	(4,123,401)	(2,694,585)
Acquisition of supplies inventories	-	(418,877)	(538,167)
Acquisition of prepaid expense	-	(453,275)	(399,491)
Consumption of supplies inventories	-	447,120	593,734
Use of prepaid expense	-	399,491	131,159
	-	(25,541)	(212,765)
<b>CHANGE IN NET FINANCIAL ASSETS/NET DEBT</b>	<b>(14,250,507)</b>	<b>932,869</b>	<b>1,363,749</b>
<b>NET FINANCIAL ASSETS/NET DEBT AT BEGINNING OF YEAR</b>	<b>1,385,588</b>	<b>1,385,588</b>	<b>21,839</b>
<b>NET FINANCIAL ASSETS/NET DEBT AT END OF YEAR</b>	<b>\$(12,864,919)</b>	<b>\$2,318,457</b>	<b>\$1,385,588</b>

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

# The Corporation of the City of Courtenay

## Consolidated Statement Of Cash Flow - Statement D

For the year ended December 31, 2012

	2012	2011
<b>CASH PROVIDED BY (USED IN)</b>		
<b>OPERATING TRANSACTIONS</b>		
Annual Surplus	\$5,081,811	\$4,271,099
Changes in non-cash items including amortization		
Increase in amortization	3,902,044	3,644,240
Change in receivables	(447,182)	3,715,041
Change in property acquired for taxes	-	301
Change in accounts payable	1,094,128	(1,347,404)
Change in trust and other deposits	(1,156,846)	(1,004,198)
Change in deferred revenue	325,654	1,402,060
Change in inventories	28,243	55,567
Change in prepaids	(53,784)	(268,332)
Loss on disposal of capital assets	257,257	66,695
Writedowns of Tangible Capital Assets	-	23,866
Developer Tangible Capital Asset Contribution	(1,479,912)	(2,347,761)
Actuarial adjustment	(312,356)	(261,819)
Cash Provided by Operating Transactions	7,239,058	7,949,355
<b>CAPITAL TRANSACTIONS</b>		
Cash used to acquire tangible capital assets	(6,834,221)	(4,128,636)
Proceeds on sale of tangible capital assets	31,431	47,011
Cash Applied to Capital Transactions	(6,802,790)	(4,081,625)
<b>INVESTING TRANSACTIONS</b>		
Term deposits	(4,094,861)	(5,040,162)
Cash Provided by (applied to) Investing Transactions	(4,094,861)	(5,040,162)
<b>FINANCING TRANSACTIONS</b>		
Repayment of long-term debt	(925,768)	(1,399,193)
Long-term debt proceeds	5,760,000	-
Cash Provided by Financing Transactions	4,834,232	(1,399,193)
<b>INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>1,175,639</b>	<b>(2,571,625)</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>	<b>23,485,385</b>	<b>26,057,010</b>
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	<b>\$24,661,024</b>	<b>\$23,485,385</b>
Interest paid on outstanding debt and included in annual surplus above	\$967,070	\$988,410

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

# The Corporation of the City of Courtenay

## Notes to Financial Statements

For the year ended December 31, 2012

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

### 1. SIGNIFICANT ACCOUNTING POLICIES

#### (a) Basis of Presentation

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

#### (b) Revenue and Expense Recognition

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

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

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

Taxes for Municipal Purposes are recognized in the year levied.

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

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

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

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

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

#### (c) Accrued Payroll Benefits

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

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

#### (d) Use of Estimates

The preparation of financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and

# The Corporation of the City of Courtenay

## Notes to Financial Statements

For the year ended December 31, 2012

expenses during the reporting period. Accounts Receivable are stated after evaluation of their collectability. Post employment benefits are calculated by an Actuary. Prior year tangible capital asset historical costs and related amortization have been calculated by a professional appraiser. Amortization is based on the estimated useful lives of tangible capital assets. These estimates and assumptions are reviewed periodically and as adjustments become necessary they are reported in earnings in the periods in which they become known..

### (e) Inventories

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

### (f) Tangible Capital Assets

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

Major Asset Category	Threshold	Average Useful Life
Land	\$1	Indefinite
Land Improvements	\$10,000	Varies from 10 to 40 years
Building	\$10,000	Varies from 25 to 60 years
Vehicles, Machinery/Equipment	\$5,000 to \$10,000	Varies from 5 to 25 years
Engineering Structures		
Roads	\$5,000 to \$50,000	Varies from 10 to 60 years
Water	\$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.

### (g) Financial Instruments

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

### (h) Debt Charges

Interest payments are charged against current fund balances in the period they become payable and have been accrued to December 31, 2012. Actuarial adjustments are offset against interest charged. Principal payments are applied directly to loan balances in the period they accrue.

### (i) Receivables

Following is a breakdown of receivables outstanding at December 31, 2012 with 2011 comparatives:

# The Corporation of the City of Courtenay

## Notes to Financial Statements

For the year ended December 31, 2012

	2012	2011
Federal Government	\$355,026	\$155,191
Provincial Government	240,049	236,858
Regional and other Local Governments	139,899	151,317
Property Taxes	1,096,929	726,625
Other	974,247	1,088,977
<b>Total Receivables</b>	<b>\$ 2,806,150</b>	<b>\$ 2,358,968</b>

### (j) Accounts Payable

Following is a breakdown of accounts payable and accrued liabilities outstanding at December 31, 2012 with 2011 comparatives:

	2012	2011
Federal Government	\$1,321,884	\$1,156,612
Provincial Government	379,777	359,718
Regional and other Local Governments	366,120	650,357
Trade and accrued liabilities	4,571,295	3,378,261
<b>Total Accounts Payable</b>	<b>\$ 6,639,076</b>	<b>\$ 5,544,948</b>

### (k) Recent Accounting Pronouncements

**Tax Revenue** – In February 2010, the Public Sector Accounting Board (PSAB) issued PS 3510 Tax Revenue to provide guidance on how to account for and report tax revenue in the City of Courtenay financial statements. This section establishes recognition, measurement, presentation and disclosure requirements for tax revenue. PS 3510 is effective for fiscal years beginning on or after April 1, 2012. The City of Courtenay does not expect the adoption of the new section to have a material impact on its consolidated financial statements.

**Government Transfers** - In March 2011, the Public Sector Accounting Board replaced and revised existing section PS 3410 Government Transfers with a newly amended section PS 3410. Newly issued PS 3410 establishes standards on how to account for and report government transfers to individuals, organizations and other governments from both a transferring government and a recipient government perspective. This section permits a recipient government to recognize government transfers as revenue when the transfer is authorized by the transferring government, unless the transfer creates a liability for the recipient. A liability is created as a result of the recipient government not yet meeting eligibility criteria or the existence of stipulations in the transfer agreement. When a government transfer results in recognition of a liability, revenue is recognized by a recipient government as the liability is settled. A transferring government recognizes an expense when the transfer is authorized and the recipient has met all eligibility criteria.

Newly revised and issued PS 3410 may be applied prospectively or retroactively and is effective for fiscal years beginning on or after April 1, 2012; however, earlier adoption is encouraged. PS 3410 will be applied prospectively and the City of Courtenay does not expect the adoption of the newly issued section to have a material impact on its consolidated financial statements.

## 2. CONTINGENT LIABILITIES AND COMMITMENTS

- (a) Regional District debt is, under the provisions of the Local Government Act (Section 836), a direct, joint and sev-

# The Corporation of the City of Courtenay

## Notes to Financial Statements

For the year ended December 31, 2012

eral 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 2012 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:

2013	\$1,214,006
2014	\$1,214,599
2015	\$1,215,206
2016	\$950,605
2017	\$951,244
	<b>\$5,545,660</b>

(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  
Downtown Courtenay Business Improvement Area

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

(d) As at December 31, 2012, there existed outstanding claims against the City. These claims have been referred to legal council and to the City's liability insurers. It is not possible to determine the City's potential liability, if any, with respect to these matters. Management has determined that any potential liabilities arising from these outstanding claims are not significant.

(e) As at May 11, 2012, the City has paid out the guaranteed loan with an outstanding balance of \$125,013 (2011 - \$125,013), for the Community Futures Development Corporation (CFDC) for the purposes of renovating the Comox Valley Centre for the Arts. Payment under this guarantee was required if the debt holder became no longer able to make the required monthly payments or the lease arrangements for the CFDC were modified. In May 2012 the space leased by the CFDC was significantly reduced and is now occupied by another tenant. As at December 31, 2012, no liability has been recorded associated with this guarantee as the loan was paid out in full on May 11, 2012.

### 3. PENSION LIABILITY

The municipality and its employees contribute to the Municipal Pension Plan (the Plan), a jointly trusteesd pension plan. The board of trustees, representing plan members and employers, is responsible for overseeing the management of the Plan, including investment of the assets and administration of benefits. The Plan is a multi-employer contributory pension plan. Basic pension benefits provided are based on a formula. The Plan has about 176,000 active members and approximately 67,000 retired members. Active members include approximately 35,000 contributors from local governments.

The most recent actuarial valuation as at December 31, 2009 indicated a \$1.024 billion funding deficit for basic pension benefits. The next valuation will be as at December 31, 2012 with results available in 2013. Defined contribution plan accounting is applied to the Plan as the Plan exposes participating entities to actuarial risks associated with the current and former employees of other entities, with the result that there is no consistent and reliable basis for allocating the obligation, Plan assets and cost to individual entities participating in the Plan.

# The Corporation of the City of Courtenay

## Notes to Financial Statements

For the year ended December 31, 2012

The City of Courtenay paid \$669,460 for employer contributions to the plan in fiscal 2012 (\$638,805 in 2011).

### 4. HOST FINANCIAL ASSISTANCE AGREEMENT

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

### 5. FEDERAL GAS TAX AGREEMENT FUNDS

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

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

Following is a schedule of Gas Tax receipts and disbursements received in 2012 with comparatives to 2011.

	2012	2011
<b>Opening balance of unspent funds</b>	\$2,966,070	\$2,086,971
<b>Additions:</b>		
Amounts received during the year	936,858	936,858
Interest earned	22,205	16,031
<b>Deductions:</b>		
Amount spent on projects	(370,838)	(73,790)
Amount spent on administration	-	-
<b>Closing balance of unspent funds</b>	<b>\$3,554,295</b>	<b>\$ 2,966,070</b>

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

Funding of certain general debenture and other long-term principal and interest debt repayment is provided by sources other than general taxation. Other sources include short term loan proceeds used to bridge the gap for debenture debt proceeds, and lease and rental revenues, which reduce the requirement to fund debt repayment from general taxation revenues. This source of funding detail at the time of the annual tax levy, with 2011 comparatives, is as follows:

	2012	2011
Municipal debt levy, general taxation	\$1,403,349	\$1,354,836
Lease and rental revenues	233,430	299,115
<b>Total funding required – general debt repayment</b>	<b>\$1,636,779</b>	<b>\$1,653,951</b>



# The Corporation of the City of Courtenay

## Notes to Financial Statements

For the year ended December 31, 2012

### 7. DEFERRED REVENUE - DEVELOPMENT COST CHARGES

In order to conform with the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants, the unspent development cost charges in the following financial statements have been recorded as a liability. Following is a breakdown of cash increases and decreases for the General, Water, and Sewer development costs charge reserves for 2011 and 2012.

#### 2012 Development Cost Charge Reserves

	General BL #2426	Water Utility BL #2426	Sewer Utility BL #2426	Sewer Utility BL #1638	2012 Total
<b>Balance Forward</b>	\$2,311,531	\$354,110	\$398,747	\$32,615	\$3,097,003
<b>Increases</b>					
Interest	16,355	2,621	3,057	229	22,262
Other Contributions	435,502	34,857	64,779		535,138
	451,857	37,478	67,836	229	557,400
<b>Decreases</b>					
Revenue Recognized to Fund Capital Projects	(551,936)			-	(551,936)
Reclassifications, redemptions, refunds	-		-	-	-
	(551,936)	-	-	-	(551,936)
<b>Ending Balance Deferred Revenue - DCC</b>	<b>\$2,211,452</b>	<b>\$391,588</b>	<b>\$466,583</b>	<b>\$32,844</b>	<b>\$3,102,467</b>

#### 2011 Development Cost Charge Reserves

	General BL #2426	Water Utility BL #2426	Sewer Utility BL #2426	Sewer Utility BL #1638	2011 Total
<b>Balance Forward</b>	\$2,270,181	\$295,923	\$331,555	\$32,388	\$2,930,047
<b>Increases</b>					
Interest	16,664	2,223	2,543	227	21,657
Other Contributions	410,014	58,303	77,670	-	545,987
	426,678	60,526	80,213	227	567,644
<b>Decreases</b>					
Revenue Recognized to Fund Capital Projects	(385,328)	(2,339)	(13,021)	-	(400,688)
Reclassifications, redemptions, refunds				-	-
	(385,328)	(2,339)	(13,021)	-	(400,688)
<b>Ending Balance Deferred Revenue - DCC</b>	<b>\$2,311,531</b>	<b>\$354,110</b>	<b>\$398,747</b>	<b>\$32,615</b>	<b>\$3,097,003</b>

# The Corporation of the City of Courtenay

## Notes to Financial Statements

For the year ended December 31, 2012

### 8. ENVIRONMENTAL REGULATIONS

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

### 9. TRUST AND ENDOWMENT FUNDS

(a) The Cemetery Perpetual Care Fund has been assigned to the City to be administered as directed by statute. The City holds the assets for the benefit of, and stands in fiduciary relationship to, the beneficiary. Following is a summary of the financial position and activities for 2011 and 2012, which has been excluded from the City's financial statements.

CEMETERY PERPETUAL CARE FUND FINANCIAL POSITION	2012	2011	CEMETERY PERPETUAL CARE FUND FINANCIAL ACTIVITIES	2012	2011
<b>Financial Assets</b>			<b>Revenue</b>		
Cash on Hand	\$44,360	\$35,524	Fees Levied	\$11,029	\$8,932
Investments - MFA	227,214	224,841	Interest Revenue	2,837	2,657
<b>Liabilities</b>			<b>Expenditure</b>		
Interest Payable to City	2,837	2,657	Interest Expense	2,837	2,657
<b>Net Financial Position</b>	<b>\$268,737</b>	<b>\$257,708</b>	<b>Excess Revenue over Expenditure</b>	<b>\$11,029</b>	<b>\$8,932</b>

(b) The Sid Williams Theatre has endowment funds on deposit with the Comox Valley Community Foundation in the amount of \$323,031 (2011 - \$322,834). The principal amount of this endowment cannot be utilized or withdrawn and as such are not considered assets of the City of Courtenay. The endowment funds are not reported as an asset on the statement of financial position.

### 10. DEFERRED REVENUE – OTHER

Other Deferred Revenue recorded in the Liability section of the City's Financial Statements consists of the revenues related to Development Cost Charge instalment payments owing from Developers and to be received in future years, business license revenue levied and to be recognized in future years, sewer connection instalment payments owing from property owners and to be recognized in future years, Government transfers received prior to revenue recognition criteria being met, gift certificates issued and to be redeemed in future years at the Sid Williams Theatre, and Surcharge revenue to be recognized in future years at the Sid Williams Theatre. Following is a breakdown of the change in this balance for 2011 and 2012:

	2012	2011
<b>Opening Balance</b>	<b>\$750,588</b>	<b>\$394,583</b>
Additions to Deferred Revenue	445,081	747,411
Payments Collected/Revenue Recognized	(713,115)	(391,406)
<b>Ending Balance Deferred Revenue Other</b>	<b>\$482,553</b>	<b>\$750,588</b>

# The Corporation of the City of Courtenay

## Notes to Financial Statements

For the year ended December 31, 2012

### 11. MFA DEBT RESERVE FUNDS

The City secures its long term borrowing through the Municipal Finance Authority. As a condition of these borrowings a portion of the debenture proceeds are retained by the Authority as a debt reserve fund. These funds are not reported in the financial statements as they are eliminated upon consolidation. As at December 31, 2012 the City had debt reserve funds of \$379,766 (\$312,252 in 2011).

### 12. EMPLOYEE RETIREMENT BENEFIT LIABILITY

Employees with 10 years of continuous service retiring under the terms of the Municipal Superannuation Act are entitled to a payout of up to 72 days of their accumulated unused sick leave bank and up to a maximum of 8 additional severance days for each year of service in which the employee used no sick leave. Additionally, upon death of the employee, the bank, up to a maximum of 72 days, will be payable to the employee's life benefit beneficiary. The value of this liability is calculated by an Actuary engaged by the City and reflects the likelihood that all eligible City employees will become entitled to this benefit. Actuarial valuation assumptions for 2012 were based on an interest (discount) rate of 3.40% per annum. The total estimated employee retirement benefit liability at December 31, 2012 is \$859,394 (\$769,855 in 2011) and is included in the accounts payable balance on statement A.

### 13. CONSOLIDATED SEGMENT DISCLOSURE BY SERVICE

The City of Courtenay Consolidated Financial Statements includes the financial activities of various services made available to the community. Following is a description of the types of services included in each of the main service segments of the City's financial statements. A detailed summary of the 2012 revenues and expenses with 2011 comparatives for each segment can be found in Schedule 1 of the accompanying financial statements.

#### **General Government Services**

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

#### **Protective Services**

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

#### **Transportation Services**

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

#### **Environmental Health Services**

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

#### **Public Health and Welfare Services**

Includes cemetery services.

#### **Environmental Development Services**

Includes services related to planning, zoning, and sustainability.

#### **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.

# The Corporation of the City of Courtenay

## Notes to Financial Statements

For the year ended December 31, 2012

### Water Utility Services

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

### Sewer Utility Services

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

### Other Services

Includes the operations of the Sid Williams Theatre.

## 14. TANGIBLE CAPITAL ASSET DETAILS

(See Schedule 3 for further details)

Tangible Capital Assets consist of the following:

	2012	2011
Land	\$20,871,531	\$20,634,835
Land Improvements	2,679,694	2,769,429
Buildings	16,119,050	14,228,877
Equipment, Furniture, & Vehicles	4,923,330	5,180,947
Engineering Structures:		
Roads	43,400,595	43,485,107
Water	8,812,549	8,687,936
Sewer	7,379,287	5,913,268
Other (Includes Storm)	9,306,720	8,448,883
Other Tangible Capital Assets	104,556	124,630
	<b>\$113,597,312</b>	<b>\$109,473,911</b>

The net book value of capital assets not being amortized and under construction in 2012 is \$7,911,348 (\$4,753,987 in 2011).

Contributed capital assets received and recognized in the year from developers, for various infrastructure works and related land and parks, and recorded on the financial statements in 2012 is \$1,479,912 (\$2,347,761 in 2011)

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.

## 15. COMPARATIVE FIGURES

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

# The Corporation of the City of Courtenay

## Notes to Financial Statements

For the year ended December 31, 2012

### 16. RESTATEMENT OF 2012 BUDGET

The budget amounts presented throughout these financial statements are based upon the Five Year Financial Plan approved by Council on May 14, 2012, except in regard to budget amounts for amortization, developer contributions for tangible capital assets, gains and losses on tangible capital asset disposals, and the use of debt, reserves and prior year surpluses.

The budget amounts presented throughout these financial statements for the tangible capital asset related budgets are the actual values determined at the completion of the municipalities' tangible capital asset accounting process. These values have been added to the May 14, 2012 budget and actual values in the Financial Statements.

The summary below shows the adjustments to the May 14, 2012 budget approved by Council after adjusting the budget values by the actual revenues and expenses incurred for tangible capital asset related items (amortization, developer contributions for tangible capital assets, and gains and losses on tangible capital asset disposals) and other transfers that were not included in the approved 2012 budget.

#### Adjustments to 2012 Budgeted Annual Surplus

<b>Budget Surplus reported in FS</b>	<b>\$3,993,541</b>
Capital acquisitions in Financial Plan	(20,973,268)
Amortization	3,902,044
Contributed Assets	(1,479,912)
Debt Issues in Financial Plan	5,757,524
Debt principle repayments in Financial Plan	(950,768)
Operating surplus appropriated for Operations in Financial Plan	4,271,012
Capital surplus appropriated for Capital Projects in Financial Plan	1,204,157
Transfers from Operating and Capital Reserves in Financial Plan	7,066,879
Transfers to Operating and Capital Reserves in Financial Plan	(2,791,209)
<b>Net of Financial Plan</b>	<b>-</b>

### 17. SUBSEQUENT EVENTS

On December 17, 2012 at the Regular Council Meeting held in the City Hall Council Chambers Council approved the Agreement of Purchase and Sale between the City of Courtenay and the Vancouver Island Health Authority for the property located at 95 Lerwick Rd. This transaction was completed on February 19, 2013 and the Freehold Transfer to title in the name of the purchaser was submitted for registration in the Land Title Office. The net sale proceeds payable to the City of Courtenay on the date of completion were \$895,906. The net sale proceeds will be invested into a regional play field project.

# The Corporation of the City of Courtenay

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

For the year ended December 31, 2012 (Audited)

(Note 13)  
Page 1 of 3

	General Government Services		Protective Services		Transportation Services		Environmental Health Services	
	2012	2011	2012	2011	2012	2011	2012	2011
<b>REVENUE</b>								
Taxation	\$19,139,818	\$18,036,678						
Sales of Services			842,800	784,778			2,538,193	2,275,977
Revenue from Own Sources			631,235	675,791	223,703	306,783		
Government Transfers	1,334,533	892,608	64,571	23,462	537,011	76,249		82,042
Other Revenue	87,312	71,901						
Other Contributions	5,700				2,279,044	1,809,065		
Interest Earned	743,241	674,672	11,880	9,467	12,007	10,073		
<b>Total Revenues</b>	<b>21,310,604</b>	<b>19,675,859</b>	<b>1,550,486</b>	<b>1,493,498</b>	<b>3,051,765</b>	<b>2,202,170</b>	<b>2,538,193</b>	<b>2,358,019</b>
<b>EXPENSES</b>								
Salaries and Benefits	2,165,904	1,964,738	1,642,334	1,576,256	2,023,010	1,967,907	61,889	52,086
Goods and Services	827,276	742,225	5,665,092	5,655,310	1,227,415	1,030,923	2,189,465	2,125,849
Amortization Expense	192,773	169,570	223,958	242,032	2,309,167	2,143,145	185,953	174,071
Debt Servicing	23,768	28,104	26,296	68,813	368,420	347,156		
Other Expenditures	347,961	361,303	116,281	120,755	163,273	187,185	59,712	90,188
Loss on Disposal of TCA					218,212	40,944		
<b>Total Expenses</b>	<b>3,557,682</b>	<b>3,265,940</b>	<b>7,673,961</b>	<b>7,663,166</b>	<b>6,309,497</b>	<b>5,717,260</b>	<b>2,497,019</b>	<b>2,442,194</b>
<b>ANNUAL SURPLUS</b>	<b>17,752,922</b>	<b>16,409,919</b>	<b>(6,123,475)</b>	<b>(6,169,668)</b>	<b>(3,257,732)</b>	<b>(3,515,090)</b>	<b>41,174</b>	<b>(84,175)</b>

# The Corporation of the City of Courtenay

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

For the year ended December 31, 2012 (Audited)

(Note 13)  
Page 2 of 3

	Public Health & Welfare Services		Environmental Development Services		Recreational and Cultural Services		Water Utility Services	
	2012	2011	2012	2011	2012	2011	2012	2011
<b>REVENUE</b>								
Taxation							\$661,280	\$652,730
Sales of Services							3,963,594	3,881,058
Revenue from Own Sources			497,803	490,370	1,114,488	1,261,487	122,710	130,441
Government Transfers	110,399	46,870	23,899	-	528,668	233,492		
Other Revenue	135,046	121,651					85,800	86,166
Other Contributions			40,500	94,500	114,051	305,821	172,231	432,958
Interest Earned			3,554	2,681	12,799	9,992	11,306	11,969
<b>Total Revenues</b>	<b>245,445</b>	<b>168,521</b>	<b>565,756</b>	<b>587,551</b>	<b>1,770,006</b>	<b>1,810,792</b>	<b>5,016,921</b>	<b>5,195,322</b>
<b>EXPENSES</b>								
Salaries and Benefits	126,378	120,928	440,495	440,288	3,254,839	3,232,469	523,338	417,623
Goods and Services	71,080	82,057	61,017	57,965	1,996,415	1,902,738	2,720,551	2,409,017
Amortization Expense	20,392	16,649	2,533	2,533	583,458	547,292	281,973	267,983
Debt Servicing					99,447	141,340	23,595	24,538
Other Expenditures	43,412	9,884	11,737	6,930	1,582,331	1,514,564	25,807	66,802
Loss on Disposal of TCA							39,045	6,207
<b>Total Expenses</b>	<b>261,262</b>	<b>229,518</b>	<b>515,782</b>	<b>507,716</b>	<b>7,516,490</b>	<b>7,338,403</b>	<b>3,614,309</b>	<b>3,192,170</b>
<b>ANNUAL SURPLUS</b>	<b>(15,817)</b>	<b>\$(60,997)</b>	<b>\$49,974</b>	<b>\$79,835</b>	<b>\$(5,746,484)</b>	<b>\$(5,527,611)</b>	<b>\$1,402,612</b>	<b>\$2,003,152</b>

# The Corporation of the City of Courtenay

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

For the year ended December 31, 2012 (Audited)

(Note 13)  
Page 3 of 3

	Sewer Utility Services		Other Services		Consolidated	
	2012	2011	2012	2011	2012	2011
<b>REVENUE</b>						
Taxation	\$1,920,552	1,895,644			\$21,721,650	\$20,585,052
Sales of Services	2,253,963	2,189,016			9,598,550	9,130,829
Revenue from Own Sources	37,532	17,725	513,418	441,248	3,140,889	3,323,845
Government Transfers			128,215	116,000	2,727,296	1,470,723
Other Revenue					308,158	279,718
Other Contributions	473,671	765,171	18,058	12,018	3,103,255	3,419,533
Interest Earned	6,242	7,165			801,029	726,019
<b>Total Revenues</b>	<b>4,691,960</b>	<b>4,874,721</b>	<b>659,691</b>	<b>569,266</b>	<b>41,400,827</b>	<b>38,935,719</b>
<b>EXPENSES</b>						
Salaries and Benefits	367,803	364,073	464,711	515,278	11,070,701	10,651,646
Goods and Services	764,735	726,304	277,730	257,469	15,800,776	14,989,857
Amortization Expense	101,837	80,964			3,902,044	3,644,240
Debt Servicing	122,879	126,691			664,405	736,642
Other Expenditures	2,268,349	2,199,321	4,970	18,609	4,623,833	4,575,541
Loss on Disposal of TCA		19,544			257,257	66,695
<b>Total Expenses</b>	<b>3,625,603</b>	<b>3,516,897</b>	<b>747,411</b>	<b>791,356</b>	<b>36,319,016</b>	<b>34,664,620</b>
<b>ANNUAL SURPLUS</b>	<b>\$1,066,357</b>	<b>\$1,357,824</b>	<b>\$(87,720)</b>	<b>\$(222,090)</b>	<b>\$5,081,811</b>	<b>\$4,271,099</b>



# The Corporation of the City of Courtenay

## Consolidated Schedule Of Accumulated Surplus - Schedule 2

For the year ended December 31, 2012 (Unaudited)

	2012	2011
<b>Surplus</b>		
Invested in Tangible Capital Assets	\$93,181,476	\$93,579,951
General Operating Fund	4,001,384	3,229,017
General Capital Fund	5,749,284	1,942,350
Water Utility Operating Fund	1,887,611	2,055,202
Water Utility Capital Fund	108,869	108,869
Sewer Utility Operating Fund	2,405,546	2,563,982
Sewer Utility Capital Fund	30,965	62,347
Sid Williams Theatre Society	68,483	(13,797)
Gaming Fund	1,001,035	693,764
Total Surplus	108,434,653	104,221,685
<b>Reserves</b>		
General Fund Reserves:		
Machinery and Equipment	1,534,224	1,256,579
Land Sale	197,323	190,257
New Works and Equipment	3,679,083	3,202,070
Public Parking	20,758	14,717
Parkland Acquisition	140,699	91,926
Housing Amenity	114,223	95,724
Amenity	175,864	151,939
	5,862,174	5,003,212
Water Utility Reserves:		
Water Utility	1,473,508	1,486,288
Machinery and Equipment	128,963	123,720
	1,602,471	1,610,008
Sewer Utility Reserves:		
Sewer Utility	346,366	397,541
Machinery and Equipment	317,233	248,640
	663,599	646,181
Total Reserves	8,128,244	7,259,401
<b>ACCUMULATED SURPLUS (Statement A)</b>	<b>\$116,562,897</b>	<b>\$111,481,086</b>

# The Corporation of the City of Courtenay

## Consolidated Schedule of Tangible Capital Assets - Schedule 3

For the year ended December 31, 2012

COST	Land		Engineering Structures				Other Tangible Capital Assets	Total	2011		
	Land Improvements	Buildings	Equipment/ Furniture/ Vehicles	Roads	Water	Sewer				Other Capital Assets	
Opening Balance	\$14,688	\$901,833	\$717,424	\$136,749	\$1,095,821	\$167,954	\$1,342,233	\$343,360	\$33,925	\$4,753,987	\$12,102,095
Construction-in-progress (CIP)											
Add: Construction-in-progress		44,406	2,135,638	2,747	76,451	273,049	1,183,570	735,542		4,451,403	1,314,065
Less: Transfers into Service	(14,688)	(212,573)	(436,708)	(36,057)	(344,282)	(10,270)	(4,838)	(205,855)	(28,771)	(1,294,042)	(8,638,307)
Less: Writedowns										-	(23,866)
Closing Balance	-	733,666	2,416,354	103,439	827,990	430,733	2,520,965	873,047	5,154	7,911,348	4,753,987
Construction-in-progress											
Opening Balance	\$20,620,147	\$3,590,745	\$21,057,454	\$12,245,721	\$76,037,636	\$13,623,467	\$5,606,569	\$13,862,957	\$579,844	167,224,540	\$154,204,532
Tangible Capital Assets											
Add: Additions (including Transfers into Service)	251,384	236,626	673,458	510,417	2,248,079	182,501	373,132	620,692	60,482	5,156,771	13,800,638
Less: Disposals	(19,800)			(106,913)	(273,277)	(46,855)				(446,844)	(780,629)
Less: Write-downs										-	-
Closing Balance	20,871,531	4,541,237	24,147,266	12,752,664	78,840,429	14,189,847	8,500,666	15,356,696	645,480	179,845,815	171,978,528
Capital Assets and CIP											
<b>ACCUMULATED AMORTIZATION</b>											
Opening Balance		1,723,149	7,550,417	7,184,607	33,647,895	5,124,566	1,027,408	5,757,434	489,140	62,504,616	59,527,300
Add: Amortization		144,004	477,799	719,192	1,862,211	260,541	93,971	292,542	51,784	3,902,044	3,644,240
Less: Accum Amortization on Disposals		(5,610)		(74,466)	(70,272)	(7,809)				(158,157)	(666,923)
Closing Balance	-	1,861,543	8,028,216	7,829,334	35,439,834	5,377,298	1,121,379	6,049,976	540,924	66,248,503	62,504,617
<b>Net Book Value for year ended December 31, 2012</b>	<b>\$20,871,531</b>	<b>\$2,679,694</b>	<b>\$16,119,050</b>	<b>\$4,923,330</b>	<b>\$43,400,595</b>	<b>\$8,812,549</b>	<b>\$7,379,287</b>	<b>\$9,306,720</b>	<b>\$104,556</b>	<b>\$113,597,312</b>	<b>\$109,473,911</b>

# The Corporation of the City of Courtenay

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

For the year ended December 31, 2012 (Audited)

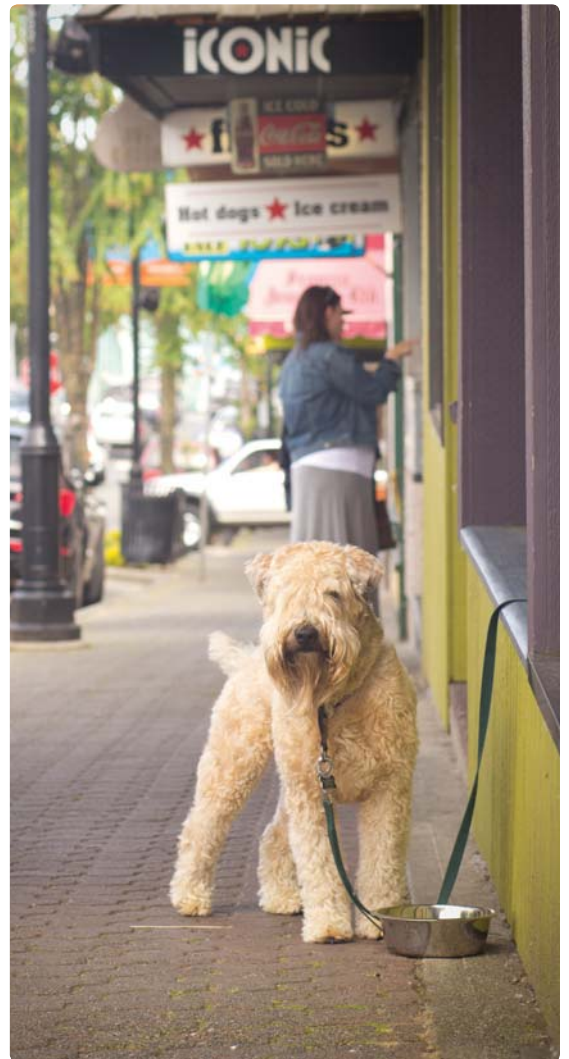
Bylaw Number	Maturity Date	Interest Rate	Principal Outstanding Dec 31/11	Current Year Borrowing	Actuarial Adjustment/ Princ. Reduct.	Principal Outstanding Dec 31/12	
<i>(Note 6)</i>							
<b>General Capital Fund</b>							
Debenture Debt							
2088	Museum	2015	6.45	110,540	25,838	84,702	
2092	Firehall	2015	6.45	850,309	198,754	651,555	
2093	Sid Williams Theatre	2015	6.45	850,309	198,754	651,555	
2171	Library	2021	3.05	1,549,032	123,155	1,425,877	
2266	Infrastructure Works - MFA	2018	4.78	213,235	26,189	187,046	
2266	Fifth Street Bridge	2023	5.15	386,178	25,701	360,477	
2304	Lerwick Road Ext. Prop Acquisition	2029	4.86	829,405	29,482	799,923	
2227	City Hall Retaining Wall	2020	5.00	106,996	10,111	96,888	
2354	Repaving Program	2025	5.75	375,442	22,652	352,791	
2355	Lerwick Road Extension	2030	5.75	588,510	21,268	567,242	
2356	City Hall Renovation	2020	5.50	568,431	53,713	514,718	
2425	Lerwick Road Construction	2026	4.66	589,039	29,417	559,622	
2453	Police Property Acquisition	2026	4.43	1,169,490	58,406	1,111,084	
2458	Public Works Maintenance Building	2022	4.52	1,240,986	92,018	1,148,968	
2539	Capital Infrastructure Work	2023	4.13	2,829,079	170,151	2,658,928	
2538	Native Sons Hall Renovation	2025	4.50	570,031	31,163	538,864	
2680	Lewis Centre Renovation	2027	2.90		4,200,000	-	4,200,000
2681	Infrastructure Works - Road Paving	2027	2.90		1,560,000	-	1,560,000
				12,827,012	5,760,000	1,116,772	17,470,239
<b>TOTAL GENERAL CAPITAL FUND</b>				<b>12,827,012</b>	<b>5,760,000</b>	<b>1,116,772</b>	<b>17,470,239</b>
<b>Water Capital Fund</b>							
Debenture Debt							
2424	Water Extension - Lerwick Road	2026	4.66	490,867	-	24,514	466,353
<b>TOTAL WATER CAPITAL FUND</b>				<b>490,867</b>	<b>-</b>	<b>24,514</b>	<b>466,353</b>
<b>Sewer Capital Fund</b>							
Debenture Debt							
2305	Sewer Extension	2029	4.86	622,055	-	22,112	599,943
2353	Sewer Extension	2030	5.00	1,656,234	-	59,854	1,596,380
2423	Sewer Extension - Lerwick Road	2026	4.66	297,792	-	14,872	282,920
<b>TOTAL SEWER CAPITAL FUND</b>				<b>2,576,081</b>	<b>-</b>	<b>96,838</b>	<b>2,479,243</b>
<b>TOTAL ALL CAPITAL FUNDS</b>				<b>15,893,960</b>	<b>5,760,000</b>	<b>1,238,124</b>	<b>20,415,836</b>

# The Corporation of the City of Courtenay

## Consolidated Schedule Of Investments - Schedule 5

For the year ended December 31, 2012 (Audited)

	2012	2011
<b>GENERAL OPERATING FUND</b> - Cash on hand	\$23,248,422	\$22,827,904
<b>GAMING FUND</b> - Cash on Hand	\$1,208,331	\$501,752
<b>SID WILLIAMS THEATRE SOCIETY</b> - Cash on hand	\$204,271	\$155,729
<b>Total cash on hand and on deposit</b>	<b>\$24,661,024</b>	<b>\$23,485,385</b>
<b>GENERAL OPERATING FUND TERM DEPOSITS</b>		
Municipal Finance Authority, Money Market Fund at fluctuating rate, no maturity date	16,110	15,932
The Canadian Western Bank, various guaranteed investment certificates	5,033,699	-
The Bank of Nova Scotia, various guaranteed investment certificates	6,172,274	7,111,290
<b>Total Term Deposits</b>	<b>11,222,083</b>	<b>7,127,222</b>
<b>TOTAL CASH ON HAND AND ON DEPOSIT (Statement A)</b>	<b>\$35,883,107</b>	<b>\$30,612,607</b>



# Value Statements

*The following outlines key goals for the City of Courtenay to pursue in the 2012-2014 term:*



## 1 *A safe and caring community*

**Goal 1: *Ensure protective services meet community needs***

**Objectives:**

- a) Create a combined emergency services building in East Courtenay for Fire Department, Ambulance, CV Ground Search and Rescue and Comox Valley Emergency Program
- b) Develop and plan for new Police Services building
- c) Develop and plan for new Hospital project

**Goal 2: *Demonstrate leadership in environmental management***

**Objectives:**

- a) Modify the Placement of Fill bylaw to include control of importing noxious weeds and insect infested soil
- b) Promote efforts to preserve and protect the estuary
- c) Complete flooding abatement studies and plan work

## 2 *A progressive, diverse and sustainable City*

**Goal 1: *Ensure infrastructure is sustainable***

**Objectives:**

- a) 5<sup>th</sup> Street Bridge – Complete rehabilitation work and recoating
- b) Completion of the Greenwood Trunk
- c) Complete an inventory and assessment of City roads, buildings, and utilities, and report on works required

**Goal 2: *Provide proactive leadership for growth management***

**Objectives:**

- a) Address development service delivery timelines and procedures
- b) Review City's Affordable Housing Policy
- c) Ensure all infrastructure planning studies are current
- d) Develop an integrated management model for all development, subdivision and building projects

**Goal 3: *Advocate high standards of design and community aesthetics***

**Objectives:**

- e) Review sign bylaw
- f) Review noise bylaw and development issues around noise
- g) Review development cost charges for the downtown area

**Goal 4: *Support diversification of local economy***



## 3 *An open, inclusive and vibrant community*

### **Goal 1: *Promote community engagement***

#### **Objectives:**

- a) Redevelop the City website and include the following:
  - Bylaw documents
  - Search engine tools
  - Full Council meeting documentation
  - Enhanced online services
- b) Web stream Council meetings
- c) Develop a Council Communications Strategy

### **Goal 2: *Support community initiatives and distinct neighbourhoods***

#### **Objectives:**

- a) Determine a resolution to the Maple Pool Issue
- b) Determine a resolution to the homeless shelter location issue
- c) Continue to support neighbourhood associations
- d) Support Downtown Courtenay including
  - Revitalization of Palace Theatre Site
  - Encourage development of mixed use buildings
  - Review the Business Tax Multiplier
  - Advocate for a separate small business assessment class

### **Goal 3: *Encourage regional partnerships***

## 4 *An active community with cultural & recreational opportunities*

### **Goal 1: *Be a regional centre for arts and culture***

#### **Objectives:**

- a) Support cultural organization sustainability
- b) Promote regional funding for cultural organizations

### **Goal 2: *Develop accessible, convenient, usable parks and green space***

#### **Objectives:**

- a) Encourage land acquisitions including gifts
- b) Explore the concept of dog parks

### **Goal 3: *Promote healthy lifestyles***

#### **Objectives:**

- a) Develop a robust cycling infrastructure with a skeleton network to access all City within 3 years
- b) Reduce traffic congestion and delays and support traffic calming
- c) Develop plans to become one of Canada's "Most Bikeable Cities"
- d) Complete funding applications for pedestrian/cycling bridge project
- e) Complete Lewis Centre project
- f) Determine solutions to hospital/City owned playfield issue
- g) Explore the development of an artificial turf field
- h) Develop and enhance support services for seniors



**City of Courtenay**

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